



WAPCOS Limited
(A Government of India Undertaking)

BOARD DIVERSITY POLICY

[Under section 178(3) of the Companies Act, 2013 read with Regulation 19(4) and Part D of Schedule II, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

Approved by

Nomination and Remuneration Committee
and
Board of Directors

Dated 28th August, 2022

WAPCOS LIMITED

CIN: U74899DL1969GOI005070

Registered Office : 5th Floor Kailash 26, Kasturba Gandhi Marg, New Delhi – 110001, India

Corporate Office: 76-C, Institutional Area, Sector-18, Gurgaon, Haryana-122015

WAPCOS LIMITED

POLICY ON DIVERSITY OF BOARD OF DIRECTORS

1. PURPOSE

- 1.1. As per the requirements under section 178(3) of the Companies Act, 2013 read with Regulations 19(4) and Part D of Schedule II, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “SEBI LODR Regulations”) and such other applicable regulatory provisions, the Nomination and Remuneration committee (the “NRC”) of WAPCOS Limited (“WAPCOS” or “Company”) is required to devise a policy for having diversity on the board of directors of the Company (the “Board”). The Policy on Diversity of Board of Directors (the “Policy”) sets out a framework to achieve adequate diversity on the Board.

2. INTRODUCTION

- 2.1. Board diversity is vital to handle various factors such as globalisation of business, rapid deployment of technology, greater social responsibility, ever rising emphasis on corporate governance, enhanced need for risk management, etc. so as to facilitate effective management of the business of WAPCOS and to keep pace with changing dynamics of the business environment.
- 2.2. Board diversity is the breadth of prospective, not the mere inclusion of various diverse traits that will benefit the organisation. WAPCOS believes that a diverse Board will enhance the quality of decision made by the Board by utilising the different skills, qualification, experience, knowledge, etc. of the Board necessary for achieving sustainable and balance development.

3. SCOPE OF APPLICATION

- 3.1. The Policy applies only to the members of the Board and not employees of the Company.

4. EFFECTIVE DATE

- 4.1. The Policy shall be effective from the date of approval by the Board, unless specified otherwise.

5. POLICY STATEMENT

- 5.1. The Companies Act, 2013, as amended and the rules made there under (the “Companies Act”) read with the SEBI LODR Regulations, require the Board and the NRC to formulate the criteria for determining qualifications, positive attributes and independence of directors.
- 5.2. The Company presently has its registered office in New Delhi, India. Its Regional and



Branch offices are located within India and the project offices are located outside India. Hence, it recognises and embraces the benefits of having a diverse Board and seeks increasing diversity at the Board level as an essential element in maintaining competitive advantage. It is recognised that the Board shall compose of appropriate qualified people with a broad range of experience relevant to the business is important to the effective corporate governance and sustained commercial success of WAPCOS.

- 5.3. A truly diverse Board will include and make good use of differences in skills and industry experience, background and other distinctions between directors.
- 5.4. As per the articles of association of WAPCOS (the "**Articles of Association**"), WAPCOS being a Government of India ("**GOI**") enterprise, all Board appointments are made by the President of India on the basis of merits such as the individual candidate's skills, experience, independence and specialization in one or more areas, and candidate will be considered against the objective criteria, with due regards for the benefits of diversity on Board as well as the candidate's contribution to the operation of WAPCOS which the Board as a whole requires in order to be effective.
- 5.5. Once appointed by the GOI, the appointments are taken on record by the Board. The GOI normally takes into account, includes and makes good use of diversity in the skills, qualifications, age, profession and industry, experience and expertise, irrespective of race, caste, creed, religion, disability, gender and culture.
- 5.6. In the process of attaining a diverse Board based on the aforementioned norms, the following should also be assessed:
 - a. The total number of directors shall be in accordance with the Articles of Association.
 - b. The Board shall have an optimum number of executive and non- executive directors and not less than 50% of the Board will consist of the non- executive directors and shall have at least one woman director on the Board subject to the applicable laws.
 - c. When the chairperson of the Board is a non-executive director, at least one third of the Board shall comprise of Independent Directors and when the Company does not have a regular non-executive chairperson, or when the regular non-executive chairperson is a promoter or related to any promoter or person occupying management position at the Board level or at one level below the Board, at least half of the Board shall comprise of Independent Directors.

For the purpose of this clause, the expression "related to any promoter" shall mean its directors other than the Independent Directors, its employees or its nominees shall be deemed to be related to it;
 - d. While appointing the Independent Directors, care should be taken as to independence of the proposed appointee.
 - e. Directorships in other Companies may also be taken in account while determining the candidature of a person.
 - f. The overall composition of the Board should comply with the provisions of the

Articles of Association, the Companies Act, the SEBI LODR Regulations and the statutory, regulatory and contractual obligations of WAPCOS.

- g. For the purpose of the Policy, “**Independent Director**” means an Independent Director as defined in Regulation 16 (b) of the SEBI LODR Regulations.

6. STAKE HOLDER DIVERSITY

- 6.1. Subject to the provisions of Section 151 of the Companies Act, the Company may, upon notice of not less than 1,000 shareholders or one-tenth of the total number of such shareholders, whichever is lower, have a small shareholders’ director elected by the small share holders.

7. MEASURABLE OBJECTIVES

- 7.1. NRC will discuss and agree annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. At any given time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

8. MONITORING AND REPORTING

- 8.1. The Policy, as described herein and as applicable, shall also be disclosed in WAPCOS’s annual report. The Policy shall also be disclosed on the website of WAPCOS for public information.

9. DISCLOSURE OF THE POLICY

- 9.1. The Policy will be posted on the Company's website. The necessary disclosure about the Policy will also be made as per requirements of SEBI LODR Regulations and Companies Act.

10. REVIEW OF THE POLICY

- 10.1. NRC will review the Policy annually, which will include an assessment of the effectiveness of the Policy, discuss any changes with the Board and ensure that the revisions to the Policy are approved by the Board. In reviewing Board composition, the NRC will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

11. INTERPRETATION

- 11.1. Any words used in this Policy but not defined herein shall have the same meaning ascribed to it in the Articles of Association of the Company and /or the Companies Act, 2013 or Rules made thereunder. In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Policy, the same shall be referred to NRC and the decision of NRC in such a case shall be final.

