

# **GREAVES COTTON LIMITED**

## **Policy On Board Diversity**

### **I. Background**

The Board Diversity Policy ('the Policy') sets out the approach to diversity on the Boards of Directors ('the Board') of Greaves Cotton Limited ('the Company').

This Policy can be modified or amended with the approval of the Board of Directors only.

### **II. Scope**

The Policy applies to the Board. It does not apply to diversity in relation to employees of the Company.

### **III. Policy Statement**

The Company recognizes and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

The Nomination and Remuneration Committee ('the Committee') of the Board shall review and assesses Board composition on behalf of the Board and recommend the appointment of new Directors. The Committee shall also oversee the conduct of the annual review of Board effectiveness.

In recommending the appointment of new directors, the Committee will:

- Review Board composition, 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.
- Identify suitable candidates for appointment to the Board, consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the Committee shall consider the balance of skills, experience, independence and knowledge of Directors on the Board, the diversity representation of the Board, how the Board works together as a unit, and other factors relevant to its effectiveness.

The Company will be able to ensure Board diversity if shareholders are able to judge for themselves whether the Board as constituted is adequately diverse. The Company shall continue to provide sufficient information to the shareholders about the qualifications, expertise and characteristics of each Board Member

#### **IV. Measurable Objectives**

The Committee will periodically discuss and agree 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.

#### **V. Monitoring and Reporting**

The Committee will report the remuneration policy and the evaluation criteria adopted by the Committee periodically to the Board.

#### **VI. Review of the Policy**

The Committee will review the Policy periodically, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.