

BOARD DIVERSITY POLICY

Aquapharm Chemical Limited
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AQUAPHARM CHEMICAL LIMITED
BOARD DIVERSITY POLICY

1. OBJECTIVE

This Board Diversity Policy (“Policy”) aims to set out the approach to achieving the diversity on the Board of Directors (‘Board’) of Aquapharm Chemical Limited (‘ACL’). This Policy is framed in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”).

2. VISION

The Company recognizes the importance and benefits of having a diverse Board in enhancing its operating results and quality of its performance.

3. SCOPE

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

This policy applies to the composition and functioning of the Board of Directors and its committees. It encompasses all aspects of board appointments, including selection and nomination.

4. POLICY STATEMENT

- 4.1. To achieve a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Company believes that appropriate diversity of membership on the Board will enable the Company to more effectively realise its vision. The Company strongly believes in ensuring and implementing good Corporate Governance across the entire organisation and conduct the affairs of the Company in a fair and transparent manner with a view to sustain and improve, with each passing day, the Company’s efficiency, effectiveness and social responsibility by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. In order to inculcate accountability and transparency in its business conduct, the Company has been constantly reviewing its existing systems and procedures.
- 4.2. In terms of the requirement under provisions of Companies Act 2013, Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and other applicable laws, the Nomination and Remuneration Committee (“NRC”) of the Board has framed this Board Diversity Policy. The purpose of this Policy is to provide a framework to ensure a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- 4.3. When determining the composition of the Board, the Company believes and maintains that board appointments should be made on merit basis that complements and expands the skills, experience and expertise of the Board as a whole taking into account several aspects, including but not limited to gender, age, cultural and

educational background, ethnicity, diversity of thought, professional experience, knowledge and skills including expertise, in financial, global business, leadership, technology, mergers and acquisitions, strategy sales and marketing, risk management and compliance, policy evaluation, culture building, stakeholder value creation, environment, social and governance (“ESG”), risk and cyber security and another factors that the Board might consider relevant and applicable from time to time towards achieving board diversity.

4.4. Gender is a significant contributor to diversity of perspectives. Inclusion of women with the right skills and experience offers the opportunity to enrich the quality of discourse in the Boardroom.

4.5. The board of the Company shall review the structure, size and composition of the board and the appointment of new directors from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board.

5. MEASURABLE OBJECTIVES

The NRC Committee of the Board is responsible for ensuring that the Board has the right balance of skills, experience and knowledge and, in accordance with its terms of reference, shall:

- Regularly review Board composition, succession planning, talent development and broader aspects of diversity.
- Identify suitable candidates for appointment on merit keeping in mind:
 - the benefits of diversity in promoting the success of the Company for the benefit of its shareholders;
 - the skills, experience, background, independence and expertise of current members of the Board.

The Board shall have an optimum combination of executive, non-executive and independent directors in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013 (“Act”) and the SEBI Listing Regulations. The necessary disclosures about the policy and other details should be made as per the requirements of the SEBI Listing Regulations and the Act. The policy shall be made available on the website of the company.

6. REVIEW, MONITORING AND REPORTING

The Board in consultation with the NRC Committee will review and monitor from time to time the implementation of this Policy to ensure its effectiveness and will at an appropriate time set measurable objectives for achieving Board Diversity. The Committee will also report annually, in the Corporate Governance Report, on the Board’s composition from diversity perspectives.

7. AMENDMENT AND UPDATION

In the event of any inconsistency between this Policy and the applicable laws, the applicable laws will prevail. This Policy will be reviewed by the Committee as and when

deemed necessary. The Company Secretary being the Compliance Officer is also authorised to make amendment in this Policy, where there are any statutory changes necessitating the amendment in the Policy. The Board in consultation with the Committee may also establish further rules and procedures from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

8. CUSTODIAN: Company Secretary and Compliance Officer

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