

## POLICY ON DIVERSITY OF BOARD OF DIRECTORS

### 1. PREFACE OR INTRODUCTION:

This Policy on Board Diversity (the “Policy”) for the Board of Directors (the “Board”) of KRN Heat Exchanger And Refrigeration Limited (the “Company”) has been in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) to assure that the Board is fully diversified and comprises of an ideal combination of Executive and Non-Executive Directors, including Independent Directors, with diverse backgrounds. .

### 2. PURPOSE:

The Policy is framed to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of various Members of the Board in such a way that it collectively benefits the business and the Company as whole. The basic essence of the Policy is to provide a framework for leveraging on the diverse knowledge and expertise of the Board which can offer its valuable guidance to the Management consistent with the Company’s business perspective.

### 3. OBJECTIVES OF THE POLICY

The Objectives of the Policy include:

- Board to drive diversity and have an appropriate blend of functional and industry expertise;
- Enhance the quality of decisions making and ensure better business performance
- Encourage diversity of perspectives thereby fuel creativity and innovation
- Complement and expand the skills, knowledge and experience of the Board as a whole
- While recommending the appointment of a director to, inter alia, consider the manner in which the function and domain expertise of the individual contributes to the overall skill domain mix of the Board;
- To help the Company build a better Board that can draw upon a wide range of perspectives, expertise, knowledge and experience;
- To achieve an optimum and balanced Board, with a wide range of attributes;
- To encourage healthy and open discussion and promote independence of judgement in Board and Committee deliberations; and
- To have an optimum mix of Executive, Non-Executive and Independent Directors including Women Directors.

### 4. ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Committee, inter alia, is responsible for reviewing and assessing the composition of the Board as well as for identifying and recommending appropriately qualified candidature(s), to hold Directorship in the Company, to the Board of Directors where and if need be.

### 5. REVIEW OF THE POLICY:

The NRC shall review the policy from time to time, to ensure the effectiveness of the Policy. The Committee shall discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

