

BOARD DIVERSITY POLICY

1. PURPOSE

- 1.1. As per the requirements under the Regulations 19(4) read with Schedule II, Part D of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI Listing Regulations**”) and such other regulatory provisions, as applicable the nomination and remuneration committee of the Company (the “**NRC**”) is required to devise a policy for having diversity on the board of directors of Cochin Shipyard Limited (the “**Board**”). The Board diversity policy (the “**Policy**”) sets out a framework to achieve adequate diversity on the Board of Cochin Shipyard Limited (“**CSL**” or “**Company**”).

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 CSL 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. CSL 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. This Policy shall be effective from the date of approval by the Board, unless specified otherwise.

5. POLICY STATEMENT

- 5.1. As a Company with pan India presence and global customer footprint, 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 composed 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 CSL.
- 5.2. A truly diverse Board will include and make good use of differences in skills and industry experience, background and other distinctions between directors.
- 5.3. As per the articles of association of CSL (the “**Articles of Association**”), CSL being a Government of India (“**GOI**”) enterprise, all appointments are made by the President of

India on the basis of merits such as the individual candidate's skills, experience, independence and specialisation 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 CSL which the Board as a whole requires in order to be effective.

- 5.4. All Board appointments are made by the President of India as per the Articles of Association. Once appointed by the GOI, the appointments are taken on record by the Board. The GOI normally take into account, include and make good use of diversity in the skills, qualifications, age, profession & industry, experience and expertise, irrespective of race, caste, creed, religion, disability, gender and culture.
- 5.5. 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 combination of executive and non-executive directors with at least one independent woman director and not less than 50% of the Board shall comprise of non-executive directors subject to the applicable laws.
 - c. Where 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 where the regular non-executive chairperson is a promoter or is related to any promoter or person occupying management positions at the Board level or at one level below the Board, at least half of the Board shall comprise of independent directors.
 - d. The overall composition of the Board shall comply with the provisions of the Articles of Association, the Companies Act, 2013 and the SEBI Listing Regulations.

6. REPORTING

- 6.1. This Policy shall be disclosed on the website of CSL for public information.

7. REVIEW OF THE POLICY

- 7.1. The NRC may review and amend this Policy as may be required from time to time in accordance with the provisions of applicable statutes. Any subsequent amendments, circulars, notifications or guidelines issued under the Companies Act, 2013, SEBI Listing Regulations and other applicable laws shall, mutatis mutandis, apply to this Policy.