



---

## SUN PHARMACEUTICAL INDUSTRIES LIMITED

---

### BOARD DIVERSITY POLICY

---

Policy Versions			
Sl. No.	Description	Date of Board Approval	Effective Date
1	Initial Adoption	November 13, 2014	November 13, 2014
2	First Amendment	May 30, 2022	May 30, 2022

## INDEX

Sl. No.	Section	Page No.
1	Policy Objective	3
2	Diversity Attributes	3
3	Policy Application and Governance	4
4	Policy Review	4

## 1 POLICY OBJECTIVE

In a dynamic global business environment, diversity of the Board is key to achieve sustainable growth that can generate value for stakeholders. Various studies conducted globally suggest that diverse boards are essential for the successful performance of the Company. Diverse boards drive innovation and encourage sustainability, along with supporting high performing talent and focused risk management. Diverse board directly contribute to the following:

- Superior knowledge of the core business and other associated areas related to the business leads for charting the path for growth
- Increase the accountability of the management which results into superior performance.
- Increase shareholder and stakeholder value as they help drive sustainable development; and
- Increased visibility and participation of the Board of Directors helps in ensuring consistent oversight across business and ESG performance.

Accordingly, the Board Diversity Policy ('Policy') lays down the guidance on key parameters and attributes that shall be considered to achieve diversity of the Board of Directors.

## 2 DIVERSITY ATTRIBUTES

Primary Diversity attributes include age, gender, board experience and behavioral/ personality aspects such as independence of judgment, genuine interest, interpersonal skills and effective communication, active participation etc.

Apart from the primary attributes as mentioned above, in view of the Company's Business Strategy and Objectives, following are the broad areas under which additional attributes shall be identified.

1. Core Business of the Company – Domain knowledge, Global Exposure, M&As, Cost Management and Optimization.
2. Enhancing Shareholder Value – General Management Skills, understanding and knowledge of finance, Risk Management, Technology and Cyber Security.
3. People Aspects – Experience in People Skills, Talent Management, Performance Management, Compensation, Succession Planning
4. Governance Ethics and Compliance – Demonstrated high standards in Corporate Governance, Corporate Social Responsibility, Vigil Mechanism, Environment, Health, Safety and Sustainability.
5. Behavioral/ Personality traits such as integrity, inquisitiveness, participation, communication and inter-personal skills.

### 3

#### POLICY APPLICATION AND GOVERNANCE

- The policy shall be governed by the applicable statutory requirements under the Companies Act, 2013 SEBI Regulations and such other statute as amended from time to time. If there are any inconsistencies between this Policy and statutory provisions, then such statutory provisions shall override this Policy.
- The Nomination and Remuneration Committee (“NRC”) shall seek guidance from the ‘Diversity Attributes’ and identify skills and other behavioral aspects as it deems relevant from time to time for the purpose of identification and recommendation of the new person(s) to be inducted to the Board.
- The NRC shall endeavor to have adequate combination of skills and other behavioral aspects of the Board members.
- For every appointment of an independent director, the NRC shall evaluate and balance between the skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person(s) recommended to the Board for appointment as an independent director shall have the capabilities as identified by NRC.
- The Board of Directors, based on the recommendations received from the NRC from time to time, prescribe procedures to be followed in respect of the composition of the Board and also for maintaining the requisite diversity of the Board.

### 4

#### POLICY REVIEW

The NRC shall review the policy periodically as it deems necessary, keeping in view the diversity requirements as per the evolving global landscape and recommend changes that are to be made to this policy to the Board. However, review of this policy shall be undertaken minimum once in every three years or earlier as per business needs.