



Board Diversity Policy
[Adopted by the Board on 01/07/2024]

HIGHWAY INFRASTRUCTURE LIMITED

This Board Diversity Policy, which is in terms of Schedule II Part D (A)(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations”), sets out the approach to diversity on the Board of Directors (“the Board”) of Highway Infrastructure Limited (the “Company”). This policy is largely framed to address the importance of a diverse Board in harnessing the unique and individual skills, knowledge, perspective and experiences of the members in a way that collectively benefits the organization and business as a whole as per applicable laws, rules and regulations of the Company. The basic essence of the Policy is to provide a framework for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business.

SCOPE OF APPLICATION:

The policy applies to the Board and does not apply to diversity in relation to employees.

OBJECTIVES:

The purpose of achieving diversity of the Board is directed towards objectives of: -

- a. Enhancement in the quality of performance of the Board;
- b. To encourage healthy and open discussion and promote independence of judgement in Board and Committee deliberations;
- c. Eradicate the gender bias in the Board;
- d. Achievement of sustainable and balanced performance and development in the Company;
- e. Support the attainment of strategic objectives of the Company;
- f. Compliance of applicable law/s and good practices;
- g. Support compliance with applicable law/s and adopt leading corporate governance practices;
- h. Bring in subject matter expertise on various businesses and functions that have an impact on the Company.

POLICY STATEMENT:

The Company believes that Board appointments should be based on merit and from the diverse fields such as accounts, management, legal, technical and finance that complements and enhances the quality of the decisions made by the Board by utilizing the skills, experience and expertise of the Board considering knowledge, professional experience and qualifications, gender, age, cultural and educational background, and such factors in consideration of the principles relating to fit and proper person and other norms as may be prescribed by the Reserve Bank of India (RBI), the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) under applicable laws, whilst determining the composition of its Board to review and guide corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments function effectively.

Highway Infrastructure Limited believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

1. Drive business results;
2. Make corporate governance more effective;

3. Enhance quality and responsible decision making capability;
4. Ensure sustainable development; and
5. Enhance the reputation of Highway Infrastructure Limited.

COMPOSITION OF THE BOARD:

EXECUTIVE AND NON-EXECUTIVE DIRECTORS

The Board of Directors shall have optimum combination of executive and non-executive Directors. Not less than 50% of the directors on the Board shall be Non-executive Directors.

INDEPENDENT DIRECTORS

If the chairman of the Board is non-executive director, non-promoter and is not related to the promoters or person occupying management positions at the Board level or at one level below the Board at least one-third of the Board should comprise of Independent Directors.

In any other case at least 50% of the directors on the Board shall be Independent Directors. An Independent director shall hold office for a term of up to five consecutive years on the Board of a Company, but can be appointed as Independent director for second term of five consecutive years with the approval of shareholders obtained by way of special resolution.

No Independent director shall be appointed for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director.

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

For the purpose of this policy Independent Director means the Independent Director as defined in regulation 16 (b) of the SEBI Listing Regulations.

WOMAN DIRECTOR:

Subject to the provisions of the applicable laws from time to time the Board of Directors of the Company shall comprise of at least one woman director.

DISCLOSURES

The Board's composition (including gender, ethnicity, age etc.) will be disclosed in the Annual Report.

EXPERIENCE AND EXPERTISE:

- (a) The Board shall have optimum combination of directors having experience in various fields.
- (b) The Board should comprise of at least one director having experience in the Industry.

(c) The Board should have at least one director having financial/ accounting expertise. The Board should have at least one director having reasonable experience in the administration.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

PROCESS FOR IDENTIFYING THE SUITABLE PERSON

The Nomination and Remuneration Committee of the Board (“**Committee**”) will review and assess the composition and performance of the board, as well as identifying appropriately qualified persons to occupy Board positions.

In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, child birth or related conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person’s ability to perform as a board member.

The Committee shall also review the Board composition in terms of the size of the Board, the composition of executive and non-executive directors and the composition of independent directors, each of which shall be in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013, SEBI Listing Regulations and other statutory / regulatory requirements.

The Nomination and Remuneration Committee will review the Policy on periodic basis and recommend revisions to the Board for consideration and approval

INTERPRETATION

Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Articles of Association of the Company and /or the Companies Act, 2013 or Rules made thereunder. In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Committee and the decision of the Committee in such a cases shall be final.

AMENDMENTS

Any change in the Policy shall be approved by the Board. The Board shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.