

STEL Holdings Limited

BOARD DIVERSITY POLICY

1. PURPOSE

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 STEL Holdings Limited (the "**Board**"). The Board diversity policy (the "**Policy**") sets out a framework to achieve adequate diversity on the Board of the STEL Holdings Limited ("**STEL**" or "**Company**").

2. SCOPE

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

3. POLICY STATEMENT

STEL recognizes and embraces the importance of a diverse Board in its success. Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender which will ensure that the Company retains its competitive advantage.

STEL believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives to :

- drive business results;
- make corporate governance more effective;
- enhance quality and responsible decision making capability;
- ensure sustainable development;
- enhance the reputation of the Company.

The Nomination and Remuneration Committee of the Board of Directors of the Company ("the Committee") is responsible for reviewing and assessing the composition and performance of the Board as well as identifying appropriately qualified persons to occupy Board positions.

While all appointments to the Board will continue to be made on merit, the Committee will consider the benefits of diversity in identifying and recommending persons for Board membership, as well as in evaluating the Board and its individual members.

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

Accordingly, the Committee shall:

- assess the appropriate mix of diversity, skills , experience and expertise required on the board and assess the extent to which the required skills are represented on the Board.
- Make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, expertise and experience on the Board.
- Periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

The Board shall have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Articles of Association, The Companies Act, 2013, Listing Agreement & Regulations and the statutory, regulatory and contractual obligations of the Company.

4. MONITORING AND REPORTING

The Policy, as described herein and as applicable, shall also be disclosed in STEL's annual report. The Policy shall also be disclosed on the website of STEL for public information.

5. REVIEW OF THE POLICY

NRC will review the Policy annually, which will include an assessment of the effectiveness of this Policy. In reviewing Board composition, the NRC will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

The NRC will also assess Board composition on behalf of the Board and recommend for the appointment of new directors based on their qualification, positive attributes and independence.

The Committee will discuss any revisions/amendments that are or may be required, and recommend any such revisions/amendments in the policy to the Board for its consideration and approval.
