

CLEAN MAX ENVIRO ENERGY SOLUTIONS LIMITED

BOARD DIVERSITY POLICY

INTRODUCTION

Clean Max Energy Solutions Limited (“**CMES**” or “**Company**”) believes that a diverse board of directors enhances the quality of its decisions and fosters sustainable and inclusive governance, as diversity brings varied perspectives, experience, and skills that contribute to effective leadership and decision-making aligned with the Company’s values and strategic vision.

In this regard, the Company has adopted the Board Diversity Policy (“**Policy**”), which has been approved by the nomination and remuneration committee (“**NRC**”) at its meeting held on 13 August 2025 and by the board of directors of the Company (“**Board**”) at its meeting held on 14 August 2025.

This Policy shall come into force with effect from the date on which the Board approves this Policy.

DEFINITIONS

For the purpose of this Policy, the following terms shall have the meaning assigned to them hereunder:

“**Board of Directors**” or “**Board**” means the board of directors of the Company;

“**Board Diversity Policy**” or “**Policy**” means this Policy, as amended from time to time;

“**Committee**” or “**NRC**” means the nomination and remuneration committee of the Company constituted under Section 178 of the Companies Act, 2013 (“**Companies Act**”) and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), as amended from time to time;

“**Companies Act**” means the Companies Act, 2013, read with the rules thereunder, as amended;

“**Director**” means a member of the Board; and

Words and expressions used and not defined in this Board Diversity Policy shall have the meaning ascribed to them in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”), the Securities Contracts (Regulation) Act, 1956 (“**SCRA**”), the Depositories Act, 1996 (“**Depositories Act**”), the Companies Act and rules and regulations made thereunder, and/or any other applicable law or regulation to the extent applicable to the Company, as amended from time to time.

SCOPE

This Policy applies solely to the composition of the Board of Directors and does not apply to diversity within the Company’s workforce.

POLICY STATEMENT

The purpose of this Policy is to outline the Company’s approach to achieving and maintaining diversity on its Board, in accordance with the provisions of the Companies Act and the SEBI Listing Regulations.

The Company recognizes the benefits of having a diverse Board. A truly diverse Board would include and benefit from, differences in qualifications, skills, industry experience, background, age, gender, geography, and ethnicity among its directors.

Appointments to the Board shall be made on merit, taking into account the skills, experience, independence, and knowledge required for the Board to function effectively as a whole.

In the process of attaining a diverse Board based on the aforementioned criteria, the following criteria needs to be assessed:

A. Optimum Composition

- i. The Board shall have an optimum combination of executive and non-executive Directors with at least one (1) woman Director, and not less than fifty percent (50%) of the Board shall comprise of non-executive Directors.
- ii. Either (i) at least half of the Board shall comprise of independent Directors (where the chairman of the Board is an executive Director), or (ii) at least one-third of the Board shall comprise of independent Directors where the chairman of the Board is a non-executive Director.
- iii. At least half of the Board shall consist of independent Directors where the non-executive chairperson is a promoter of the Company or is related to any promoter or person occupying management positions at the level of the Board or at one level below the Board.
- iv. The Board shall comprise of not less than six Directors as required under Regulation 17 of the SEBI Listing Regulations.
- v. The Company shall not appoint a person or continue the directorship of any person as a non-executive Director who has attained the age of seventy-five (75) years, unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

B. Functional Diversity

- i. Appointment of Directors to the Board shall be based on the specific needs and business of the Company. Appointments shall be done basis qualification, knowledge, experience and skill of the proposed appointee, which shall be relevant to the business of the Company.
- ii. Knowledge and experience in domain areas such as solar business, non-bank financial company, banking and finance, corporate, investment banking, legal, risk, management, etc., shall be duly considered while making appointments to the Board.
- iii. While appointing independent Directors, determination of the independence of the proposed appointee will have to be made.
- iv. Directorship in other companies may also be taken into account while determining the candidature of a person.

C. Stakeholder Diversity

- i. The Company may also have Directors on its Board representing the interest of any financial institution or any other person in accordance with the provisions of its articles of association and/or any agreement between the Company and the nominating agency.

- ii. Subject to the provisions of Section 151 of the Companies Act read with the relevant rules made thereunder, the Company may, upon notice of not less than one thousand (1000) small shareholders or one-tenth (1/10th) of the total number of such shareholders, whichever is lower, have a small shareholders' director elected by small shareholders.

ROLE OF NOMINATION AND REMUNERATION COMMITTEE

The NRC shall:

- i. review and assess the Board's composition;
- ii. recommend appointments based on merit while also giving due regard to diversity;
- iii. ensure a balance of executive, non-executive, and independent Directors as required by applicable regulations;
- iv. evaluate the effectiveness of this Policy periodically and recommend any necessary revisions to the Board; and
- v. define measurable objectives that would aid in effective implementation of this Policy and monitor progress.

BOARD COMPOSITION OBJECTIVES

To ensure effective diversity, the Company shall endeavour to:

- i. have an appropriate mix of skills and experience on the Board relevant to the Company's business;
- ii. appoint individuals with relevant expertise in areas such as renewable energy, sustainability, finance, legal, governance, technology, and innovation;
- iii. ensure gender diversity, and have at least one-woman director as prescribed under applicable laws;
- iv. promote inclusion by not discriminating on the basis of race, ethnicity, religion, gender, age, sexual orientation, or physical ability; and
- v. consider Directors from varied geographies and cultural backgrounds to align with the Company's regional operations and promote inclusiveness.

REVIEW AND DISCLOSURE

This Policy shall be reviewed periodically by the NRC. Any modifications shall be recommended to the Board for its approval. This Policy, along with changes, if any, shall be disclosed in the annual report and on the Company's website, as applicable.

EFFECTIVE DATE

This Board Diversity Policy shall come into effect from the date of the Board meeting.