

TATA CHEMICALS LIMITED

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BOARD DIVERSITY POLICY

**Approved by the Nomination and Remuneration Committee on 19.03.2015
and by Board on 25.04.2015**

For TATA CHEMICALS LIMITED


Rajiv Chandra
General Counsel & Company Secretary

TATA CHEMICALS LIMITED

1. PURPOSE

Diversity in the composition of the Board of Directors has become essential in view of the expansion of business, greater social responsibility, increasing emphasis on Corporate Governance and necessity for managing risks in the business effectively. These factors make the running of the business more complex. There is also a need to address concerns of diverse stakeholders. Diversity in Board composition helps in addressing the concerns and perspectives of all stakeholders.

Further, Clause 49 (IV)(B)(3) of the Listing Agreement with Stock Exchanges requires the Nomination and Remuneration Committee of the Company to devise a Policy on Board Diversity.

In view of the above, Tata Chemicals Limited (hereinafter referred to as "TCL") has framed this Policy on Board Diversity (hereinafter referred to as "Policy"). This Policy has been adopted by the Board of Directors of the Company based on the recommendations of the Nomination & Remuneration Committee (hereinafter referred to as "NRC"). Going forward, the NRC may review and amend the Policy, as and when required, subject to the approval of the Board.

2. OBJECTIVES OF THE POLICY

The Objectives of the Policy include:

- To take a more holistic and multidimensional view of the business and its complexities.
- To help the Company build a better Board that can draw upon a wide range of perspectives, expertise, knowledge and experience.
- To bridge the gap in Board composition for achieving optimum and balanced Board with a wide range of attributes.
- To encourage healthy and open discussion and promote independence of judgement in Board and Committee deliberations.

3. POLICY STATEMENT

To meet the above Objectives:

- The Board of TCL will ensure that a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
- It will be ensured that the Board has an appropriate blend of functional and industry expertise.
- While recommending the appointment of a Director, the NRC will consider the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

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- To meet the objectives of driving diversity and an optimum skill mix, the NRC may seek the support of Group Human Resources.

4. MEASURABLE OBJECTIVES

The NRC will discuss and agree periodically all measurable objectives for achieving diversity, if any required, on the Board and recommend the same to the Board for adoption. At any given time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

5. MONITORING AND REPORTING

The NRC will review the Policy periodically, which will include an assessment of the effectiveness of the Policy. The NRC will discuss any revision that may be required and recommend the same to the Board for approval.