

## DESIRABLE CHARACTERISTICS OF DIRECTORS

<b>1. Personal Characteristics</b>	
<b>Integrity and Accountability:</b>	High ethical standards, integrity and strength of character in his or her personal and professional dealings and a willingness to act on and be accountable for his or her decisions.
<b>Informed Judgment:</b>	Demonstrate intelligence, wisdom and thoughtfulness in decision-making. Demonstrate a willingness to thoroughly discuss issues, ask questions, express reservations and voice dissent.
<b>Financial Literacy:</b>	An ability to read and understand balance sheets, income and cash flow statements. Understand financial ratios and other indices for evaluating Company performance.
<b>Mature Confidence:</b>	Assertive, responsible and supportive in dealing with others. Respect for others, openness to others' opinions and the willingness to listen.
<b>High Standards:</b>	History of achievements that reflect high standards for himself or herself and others.
<b>2. Core Competencies<sup>1</sup></b>	
<b>Accounting and Finance:</b>	Experience in financial accounting and corporate finance, especially with respect to trends in debt and equity markets. Familiarity with internal financial controls.
<b>Business Judgment:</b>	Record of making good business decisions and evidence that duties as a Director will be discharged in good faith and in a manner that is in the best interests of the Company.
<b>Management:</b>	Experience in corporate management. Understand management trends in general and in the areas in which the Company conducts its business.

<b>Crisis Response:</b>	Ability and time to perform during periods of both short-term and prolonged crisis.
<b>Industry/Technology:</b>	Unique experience and skills in an area in which the Company conducts its business, including science, manufacturing and technology relevant to the Company.
<b>International Markets:</b>	Experience in global markets, international issues and foreign business practices.
<b>Leadership:</b>	Understand and possess skills and have a history of motivating high-performing, talented managers.
<b>Strategy and Vision:</b>	Skills and capacity to provide strategic insight and direction by encouraging innovations, conceptualizing key trends, evaluating strategic decisions, and challenging the Company to sharpen its vision.

1 The Board as a whole needs the core competencies represented by some of the directors.

### **3. Commitment to the Company**

<b><i>Time and Effort:</i></b>	<p>Willing to commit the time and energy necessary to satisfy the requirements of Board and Board Committee membership. Expected to attend and participate in all Board meetings and Board Committee meetings in which they are a member. Encouraged to attend all annual meetings of shareowners. A willingness to rigorously prepare prior to each meeting and actively participate in the meeting. Willingness to make himself or herself available to management upon request to provide advice and counsel.</p>
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<p><b>Awareness and Ongoing Education:</b></p>	<p>Possess, or be willing to develop, a broad knowledge of both critical issues affecting the Company (including industry-, technology- and market-specific information), and director’s roles and responsibilities (including the general legal principles that guide board members).</p>
<p><b>Other Commitments:</b></p>	<p>In light of other existing commitments, ability to perform adequately as a Director, including preparation for and attendance at Board meetings and annual meetings of the shareowners, and a willingness to do so.</p>
<p><b>4. Team and Company Considerations</b></p>	
<p><b>Balancing the Board:</b></p>	<p>Contributes talent, skills and experience that the Board needs as a team to supplement existing resources and provide talent for future needs.</p>
<p><b>Diversity:</b></p>	<p>Contributes to the Board in a way that can enhance perspective and judgment through diversity in gender, age, ethnic background, geographic origin, and professional experience (public, private, and non-profit sectors). Nomination of a candidate should not be based solely on these factors.</p>

## DISQUALIFICATIONS FOR APPOINTMENT OF DIRECTOR

*(Section 164 of Companies Act, 2013)*

(1) A person shall not be eligible for appointment as a director of a company, if —

(a) he is of **unsound mind** and stands so declared by a competent court;

(b) he is an **undischarged insolvent**;

(c) he has applied to be **adjudicated as an insolvent** and his application is pending;

(d) he has been **convicted by a court of any offence**, whether involving **moralturpitude** or otherwise, and sentenced in respect thereof to **imprisonment for not less than six months and a period of five years has not elapsed** from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to **imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company**;

(e) **an order disqualifying him** for appointment as a director has been passed **by**

**a court** or Tribunal and the order is in force;

(f) **he has not paid any calls** in respect of any shares of the company held by him,

whether alone or jointly with others, **and six months have elapsed** from the last day fixed for the payment of the call;

(g) he has been convicted of the **offence dealing with related party transactions**

under section 188 at any time during the last preceding five years; or

(h) he has not complied with **sub-section (3) of section 152\***.

(\* No person shall be appointed as a Director of the Company unless he has been allotted the Director Identification Number.)

(2) No person who is or has been a director of a company which—

(a) **has not filed financial statements or annual returns** for any continuous period of three financial years; or

(b) **has failed to repay the deposits** accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem **continues for one year** or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

(3) A private company may by its articles provide for any disqualifications for appointment as a director in addition to those specified in sub-sections (1) and (2):

Provided that the disqualifications referred to in clauses (d), (e) and (g) of sub-section (1) shall not take effect—

(i) for thirty days from the date of conviction or order of disqualification;

(ii) where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date on which such appeal or petition is disposed off; or

(iii) where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed off.