

Policy on Nomination & Remuneration*

[Pursuant to Regulation 19 (4) and 20 (4) read with Part D of the Schedule II To the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015]

Introduction:

In pursuance of the Frick India Limited (“the Company”) policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial personnel and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013, the Listing Agreement with the Stock Exchange and SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 (as amended from time to time), this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated and approved by the Board of Directors of the Company.

This Nomination and Remuneration Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management personnel and other employees.

Applicability:

- a) Directors (Executive and Non-Executive);
- b) Key Managerial Personnel;
- c) Senior Management Personnel and
- d) Such other executives as may be prescribed from time to time

Definitions

- a) **‘Board’** means Board of Directors of the Company.
- b) **‘Directors’** means directors of the Company.
- c) **‘Committee’** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.
- d) **‘Company’** means Frick India Limited.
- e) **‘Independent Director’** means a director referred to in Section 149(6) of the Act and rules thereunder, and Listing Regulations.
- f) **Key Managerial Personnel (‘KMP’)** means following people, which includes people identified by the Company under provisions of the Act.
 - i) The Managing Director or Chief Executive Officer or manager

- ii) Whole-time Director
 - iii) The Company Secretary;
 - iv) The Chief Financial Officer; and
 - v) Any other person as defined under the Act from time to time
- g) **Senior Management** means officers/personnel of the Company and includes;
- i) KMP
 - ii) one level below the Chief Executive Officer and Managing Director who are members of the core management and functional heads
 - iii) Any other officer as determined by the Committee and the Board from time to time.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Objective:

The objectives and purpose of this Policy are:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (Whole-time/non-executive/independent) of the Company (“Director”);
- To recommend candidates for appointment as Directors, KMP and Senior Management;
- To establish and review succession plans of the Board of Directors of the Company (“Board”), KMP and Senior Management;
- To recommend policy relating to appointment and removal of Directors, KMP and Senior Management;
- To recommend policy relating to the remuneration of the Directors, KMP and Senior Management/ other employees to the Board:
 - To review and approve corporate goals and objectives relevant to the compensation of the whole-time directors, evaluating their performance in light of those goals and objectives and either as a committee or together with the other independent Directors (as directed by the Board);
 - To determine and approve whole-time Directors’ compensation based on this evaluation; making recommendations to the Board with respect to KMP and Senior Management compensation and recommending incentive-compensation and equity-based plans that are subject to approval of the Board.

Matters to be dealt with, perused and recommended to the Board by the Committee

The following matter shall be dealt by the Committee: -

- A. Identification and recommendation of candidates for appointment as Directors, KMP and Senior Management:**

The Committee shall identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this Policy and recommend to the Board their appointment and removal. In this regard, the Committee may rely on the Company's management, or external search firm(s), or a mix of both, as the Committee deems fit from time to time.

B. Size and composition of the Board: Periodically reviewing the size and composition of the Board to :

- (i) have an appropriate mix of executive, non-executive and independent directors to maintain its independence and separate its functions of governance and management and
- (ii) Ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company; The Committee shall also assist the Board in ensuring that the Board nomination process is in line with the diversity policy of the Board.

C. Formulation of criteria and recommendation of Policy:

Formulating the criteria determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, KMP and other employees.

For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- (i) use the services of an external agencies, if required;
- (ii) Consider candidates from a wide range of backgrounds, having due regard to diversity; and consider the time commitments of the candidates.

D. Succession plans:

Establishing and reviewing succession plans of the Board, KMP and Senior Management in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

E. Evaluation of performance:

- (i) Make recommendations to the Board on appropriate performance criteria for the Directors.
- (ii) Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third-party facilitator in doing so.

- (iii) Identify ongoing training and education programs for the Board to ensure that non-executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

F. Remuneration framework and policies:

The Committee is responsible for reviewing and making recommendations to the Board on:

- a. Remuneration of whole-time Directors to be presented for shareholders' approval including severance, if any.
- b. Individual and total remuneration of non-executive Directors and the chairperson (if non-executive), including any additional fees payable for membership of Board committees;
- c. The remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay, if any, and service contracts having regard to the need to:
 - i. attract and motivate talent to pursue the Company's long term growth;
 - ii. Demonstrate a clear relationship between executive compensation and performance;
 - iii. Be reasonable and fair, having regard to best governance practices and legal requirements and
 - iv. Balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals.
- d. The Company's incentive compensation and equity-based plans including a consideration of performance thresholds and regulatory and market requirements.

Policy for appointment and removal of Directors, KMP and Senior Management

A. Appointment criteria and qualifications:

- (i) The Nomination and Remuneration Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- (ii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- (iii) A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.

- (iv) For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended for such role shall meet the description.
- (v) The Company shall appoint or continue the employment of a person as managing director /whole-time director and non-executive Director who has not attained the maximum age of retirement as prescribed under Applicable Laws.
- (vi) A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as s Director in any company, with the permission of the Board.
- (vii)The Company shall not appoint any resigning Independent Director, as whole-time director, unless a period of one year has elapsed from the date of resignation as an Independent Director
- (viii) The term/tenure of the Directors, KMP and Senior Management/ other employees shall be in accordance with the Applicable Laws and their respective contracts/ terms of appointment (and shareholders and/or government approvals, where relevant).

B. Removal

Due to reasons for any disqualification mentioned in the Applicable Laws, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the Applicable Laws.

C. Retirement

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the Applicable Law and relevant policies of the Company. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company, subject to approvals as required under the Applicable Laws.

D. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

E. Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director/ Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry 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.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

POLICY FOR REMUNERATION TO DIRECTOR/ KMP/ SENIOR MANAGEMENT PERSONNEL:

A. Remuneration to Managing / Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

The Remuneration / Compensation / Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

B. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

REVIEW AND AMENDMENT:

- i. The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.
- ii. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by The Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

***The above Policy has been duly approved by the Board of Directors of Frick India Limited on 13.11.2025**