NOMINATION AND REMUNERATION POLICY

PAN GULF TECHNOLOGIES LIMITED

Version	Description	Approval	Date of approval/ Date of modification
1	Adoption of Policy	Recommended By Nomination and Remuneration Committee and Approved by the Board	August 25, 2025

NOMINATION AND REMUNERATION POLICY

OF

PAN GULF TECHNOLOGIES LIMITED

1. Prelude and Framework

Section 178 of the Companies Act 2013 ("the Act") read with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") require the Nomination and Remuneration Committee ("NRC") to recommend to the Board of Directors a policy relating to the appointment, removal and remuneration of the Directors, key managerial personnel and other employees. and to devise a criteria for evaluation of performance and board diversity.
The NRC is also required to lay down the evaluation criteria for performance evaluation of Board, its Committees and individual directors. Further, the Board of Directors is responsible for monitoring and reviewing of the Board Evaluation framework.

The Board of Directors is also required to satisfy itself that plans are in place for orderly succession for appointments on the Board and the senior management.

This Nomination & Remuneration Policy ("**Policy**") of PAN GULF TECHNOLOGIES LIMITED ("**Company**") is formulated as required under the Act and Listing Regulations.

2. Objective and Purpose

The objective of this Policy is to guide the Board of Directors of the Company on:
a) Appointment and removal of Directors, Key Managerial Personnel and employees in Senior Management;
b) Remuneration payable to the Directors, Key Managerial Personnel and employees in Senior Management;
c) Board Diversity;
d) Succession plan for Directors, Key Managerial Personnel and employees in Senior Management; and
e) Evaluation of individual Directors, Chairperson of the Board, the Board as a whole and the Committees of the Board.

3. Definitions

a. 'Act' means Companies Act 2013 and the Rules framed thereunder, as amended from time to time
b. 'Board' means Board of Directors of the Company.
c. 'Company' means PAN GULF TECHNOLOGIES LIMITED.
d. 'Committee' means Nomination and Remuneration Committee of the Company as constituted or constituted by the Board, in accordance with the Act and applicable Listing Regulations.
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 persons defined as per Section 203 of the Act
g. "Nomination and Remuneration Committee" or "NRC" means a Committee of the Board of Directors of the Company constituted under the applicable laws.
h. Senior Management means persons defined under the SEBI Regulations;

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

4. Constitution of the Nomination and Remuneration Committee and formulation of Policy

4.1. The Board has constituted the Nomination and Remuneration Committee ("**Committee**") of the Board on May 5, 2025. The composition of the Committee is in line with the requirements under the Act. This Policy is integral to the functioning of the Committee.

4.2. While formulating this Policy, the Committee has considered the factors laid down under Section 178(4) of the Act, which are as under:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to Directors, KMP and Senior Management involves a balance between fixed pay and variable incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Board has authority to reconstitute this Committee from time to time.

5. Policy

This Policy is divided into three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and removal of Directors, KMP and Senior Management; and

Part – C covers the remuneration for Directors, KMP and Senior Management

Part – A

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

The following matters shall be dealt with 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 as KMP or 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 Managing Director and 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;

PART – B

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

The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

Appointment criteria and qualifications

1) Qualifications for appointment of Directors (including Independent Directors)

Committee shall consider the following attributes for recommending appointment of any Independent Director to the Board:

1. Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
2. Their financial or business literacy/skills.
3. Their industry experience.
4. Appropriate other qualification/experience to meet the objectives of the Company.
5. Persons whose name is included in the data bank as per Rule 6 of the Companies (Appointment and Qualification of Directors) Rules,2014.
6. The term/tenure of the Directors, shall be in accordance with the Applicable Laws and their respective contracts/ terms of appointment (and shareholders and/or government approvals, where relevant).

The NRC shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

2) Appointment of KMP/Senior Management Personnel

Committee shall consider the following attributes for recommending appointment of any KMPs or Senior Management Personnel to the Board:

1. To possess the required qualifications, experience, skills and expertise to effectively discharge their duties and responsibilities.
2. To practice and encourage professionalism and transparent working environment.
3. To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
4. To adhere strictly to code of conduct
5. 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 a Director in any company, with the permission of the Board.
6. The term/tenure of the KMP and Senior Management shall be in accordance with the Applicable Laws and their respective contracts/ terms of appointment (and shareholders and/or government approvals, where relevant).
7. All the KMP and Senior Management Personnel will be appointed employees on the payroll of the Company and they will not be appointed on contract/retainership basis. Appointment or continuing the KMP and Senior Management Personnel on contractual/ retainership basis will be on sole discretion of NRC and approval of the Board.

(b) Removal of Director, KMP or Senior Management Person

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.

PART – C

Policy relating to the remuneration for Directors, KMP and Senior Management

(a) Remuneration of Directors

1. The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval, in accordance with the requirements under the Applicable Laws.

2. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the shareholders in the case of Managing Director/ Whole-time Director.

3. The remuneration shall be in accordance with and subject to the ceiling limits and other conditions prescribed under the applicable laws and the Articles of Association of the Company.

4. Additionally, the Executive Director(s) may be entitled to Employee Stock Options granted under any Employee Stock Option Plan/Scheme(s), Stock Appreciation Rights granted under any Stock Appreciation Rights Plan/Scheme(s) of the Company and such other long term incentive schemes of the Company.

5. Annual revisions in the remuneration within the remuneration limits approved by the Board, shareholders/Central Government, shall be based on the prevailing policy of the Company and the same shall be recommended by the NRC to the Board. The Board shall approve such annual increases.

6. The Committee shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or chairmanship of committees, time spent in carrying out their duties, role and functions as envisaged in Act and such other factors as the committee may consider deem fit for determining the compensation.

(b) Remuneration to KMP and Senior Management

1. For appointments to the office of Key Managerial Personnel and Senior Management, the Nomination and Remuneration Committee shall review the remuneration and recommend the same to the Board for its approval.

2. The Nomination and Remuneration Committee shall review the annual revision and incentive payment of the Key Managerial Personnel and Senior Management as per the remuneration policy of the Company, through the annual compensation review process from time to time and approved by the Managing Director, in consultation with the Head- HR and recommend such revisions to the Board for its approval.

Minimum remuneration to Directors in the event of inadequate / no profits

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Directors including any Managing or Whole-Time director or manager, or any other non-executive director, including an independent director in accordance with the provisions of Schedule V of the Act.

Policy review

(a) This Policy is framed based on the provisions of the Applicable Laws.

(b) In case of any subsequent changes in the provisions of the Act or Listing Regulations which makes any of the provisions in the Policy inconsistent with such provisions, then such provisions of the Act or Listing Regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with said Laws.

(c) This Policy shall be reviewed by the Committee, as required from time to time. Any changes or modification to the Policy as recommended by the Committee would be placed before the Board for their approval.

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