

FINOLEX INDUSTRIES LIMITED

POLICY ON APPOINTMENT AS AN INDEPENDENT DIRECTOR

Date:

Mr./Mrs. _____

Dear Mr./Mrs.,

Sub.: Appointment as an Independent Director of Finolex Industries Limited

We are pleased to inform, your appointment as an Independent Director on the Board of Directors (**‘Board’**) of Finolex Industries Limited (**‘Company’**) with effect from _____ for a term of 5 (five) consecutive years.

This appointment letter sets out the terms and conditions of your appointment as given below in compliance with the applicable provisions of the Companies Act, 2013. (the **‘Act’**)

- As an Independent Director, you shall be governed by the Code for Independent Directors as laid down in Schedule IV to the Act. For your ease of reference, the same has been enclosed as **Annexure I** of this letter.
- As a member of the Board, you are also required to comply with the Company’s “Code of Ethical Business Conduct” and “Code of Conduct for Prohibition of Insider Trading in Securities of the Company”. The said policies are enclosed to this letter as **Annexures II & III** of this letter.
- The Company has various Committees of the Board viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Share Transfer Committee. The Board may appoint you as Chairman/ Member of one or more of the Committees. Currently you are the Chairman/ Member of the following Committee(s).

Sr. No.	Name of Committee	Category

- The Independent Directors of the Company periodically hold exclusive meetings without the attendance of Non-Independent Directors and Members of management. You shall strive to be present at such meetings.
- Your roles and duties will be those normally required of an Independent Director under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- You may note that the Company has taken a group level director’s and officer’s liability insurance and all the Directors of the Company are beneficiaries of the said policy.
- You will not be an employee of the Company and this letter shall not constitute a contract of employment. Your remuneration shall be determined by the Board of Directors based on your performance evaluation done by the entire Board of Directors which will, inter alia, include your

participation in the Board and Committee meetings during the year and other responsibilities undertaken and contributions to the deliberations of the Board and to the Company.

- The Shareholders in the Annual General Meeting, approved the payment of remuneration by way of commission not exceeding 1% (one per cent) per annum of the net profits of the Company, computed in the manner referred to in Section 198 of the Act to be distributed amongst Non-Executive Directors, including Independent Directors of the Company in such manner as may be determined by the Board of Directors.
- In addition to above, you shall be eligible for to & fro air fare, accommodation, boarding, conveyance and reimbursement of other incidental expenses for attending the Board and Committee meetings and for discharging your duties as Independent Director of the Company. The resignation or removal of an Independent Director shall be in the same manner as provided in Sections 168 and 169 of the Act.

Kindly return the duly signed copy of this letter of appointment in token of acknowledgement.

I am confident that the Board will benefit significantly from your participation in its deliberations. I am sure that with your guidance and support, the Company will be able to accomplish its goals and objectives.

With regards,

Yours Sincerely,

Executive Chairman

Encl.: As above

I have read and agree to the above terms regarding my appointment as an independent director of the Company.

Date: