

GLOBAL SURFACES LIMITED

**POLICY ON SUCCESSION PLANNING
FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

Policy on Succession Planning for Board of Directors and Senior Management

Background

Succession planning is critical for ensuring the long-term success and stability of Global Surfaces Limited (the “Company”). This process not only addresses the need for filling key positions within the Board and senior management but also focuses on identifying and nurturing future leaders who can step into these roles when necessary.

The Company acknowledges the importance of a structured approach to succession planning, which involves the identification of potential candidates, assessing their capabilities, and developing them through mentoring, coaching, and training. By enhancing the skill sets of employees across all levels, the Company aims to ensure that successors are prepared to take on new responsibilities without disrupting the organization’s performance.

The Securities and Exchange Board of India (SEBI), under Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), mandates that all listed companies adopt a succession policy to ensure the interests of stakeholders are protected in the event of sudden leadership vacancies. Whereas under Section 178 of the Companies Act, 2013 (“Companies Act”), the Company is required to constitute a Nomination and Remuneration Committee and development of a succession plan for the Board and senior management is an object of the Nomination and Remuneration Committee. In compliance with these regulatory requirements and in alignment with its commitment to risk mitigation—specifically vacancy, readiness, and transition risk—the Company has developed this Succession Planning Policy (the “Policy”).

This Policy covers the orderly succession of the members of the Board and senior management, as defined under the Listing Regulations. Senior management positions include members of the core management team, including roles such as Company Secretary and Chief Financial Officer.

This Policy shall come into effect from October 26, 2024 and shall be subject to periodical review and updates from time to time.

Objective

The objective of this Policy is to ensure business continuity and effective leadership transitions at Global Surfaces Limited (the “Company”) in the event of superannuation, voluntary retirement, resignation, death, permanent incapacitation, or sudden exit of any Member of the Board or Senior Management. Specifically, this Policy aims to:

- Identify and develop a talent pool of high-potential individuals for Board and Senior Management positions, ensuring they are adequately prepared to assume these roles when required.
- To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- Ensure timely, competent, and high-quality replacements for personnel holding key positions at the Board and Senior Management levels.
- Nominate suitable candidates for Board and/or members approval, or any other approval(s), as may be required, to fill vacancies on Board and Senior Management positions as they arise.

- Assess competency requirements for critical positions and develop necessary competencies through targeted development and learning initiatives.
- Review key senior management roles and recommend extensions or replacements based on performance, internal talent readiness, or external recruitment options.
- Facilitate the long-term, systematic development of individuals in senior management to address leadership transitions caused by retirements, separations, or unforeseen events.

Applicability

This Policy is primarily focused on succession planning at the Board and Senior Management levels within (the "Company"). It applies to the following:

- **Members of Board:** Managing Director, Whole-time Directors, Non-Executive Directors, Independent Directors, and other members of the Board.
- **Members of Senior Management:**
 - Members of the Senior Management Personnel,

("senior management" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer)
 - Key Managerial Personnel (KMPs) other than Whole-time Directors,
 - Company Secretary and Chief Financial Officer,
 - Any other personnel as deemed necessary by the Nomination and Remuneration Committee (NRC).

Succession Plan & Procedure for Succession

1. Succession Planning for the Board

The Board of Directors the Company is responsible for ensuring leadership continuity at the highest level. The Nomination and Remuneration Committee (NRC) will periodically review and recommend suitable candidates for Board positions, including:

- **Executive Directors:** In the event of vacancies arising due to retirement, resignation, or other factors, the NRC will assess internal and external candidates, based on their qualifications, experience, and alignment with the Company's long-term goals. Suitable candidates will be recommended for Board approval.
- **Non-Executive Directors and Independent Directors:** The NRC will identify potential candidates possessing the required skills and expertise, in line with regulatory requirements and the Company's strategic needs. This includes periodic evaluation of current Independent Directors and recommending extensions or replacements where necessary.

While identifying candidates for nomination as Director or senior management, the Committee may consult whatever sources it deems appropriate, including, but not limited to, referrals from existing Directors or senior management, recommendations from third-party search firms etc.

The NRC will ensure that all appointments are in accordance with regulatory requirements, particularly the SEBI Listing Regulations and ensure a smooth transition to avoid any disruption to the Company's governance processes.

2. Succession Planning for Senior Management Personnel

Succession planning for Senior Management is a proactive and ongoing process aimed at developing leadership talent within the Company. The NRC, in consultation with the Managing Director/CEO, will:

- Identify critical positions within Senior Management, including roles such as the Chief Financial Officer, Company Secretary.
- Create a talent pool of high-potential employees within the organization, assessing their readiness to take on greater responsibilities and providing them with development opportunities, such as coaching, mentoring, and leadership training.
- Review and assess both internal and external candidates for Senior Management roles as needed, ensuring smooth transitions and minimal impact on the Company's performance.
- Provide recommendations on extending the tenure of incumbents or selecting suitable successors from the identified talent pool or external sources.

3. Succession Planning for Other Leadership Positions

In addition to Board and Senior Management positions, the Company recognizes the need to plan for other key leadership roles across various departments. For this purpose:

- Department heads and key functional leaders shall identify and mentor high-potential employees to build a strong leadership pipeline across the organization.
- The NRC, along with the HR department, will assess talent gaps and recommend development programs to groom future leaders for these positions.

In the event of a sudden vacancy in any critical leadership role, interim or permanent replacements will be recommended based on the Company's internal talent pool or through external hiring, ensuring business continuity.

Emergency Succession:

If a director's slot /senior management's position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein.

Confidentiality

All individuals involved in the execution of the Succession Planning Policy must maintain strict confidentiality regarding all discussions, evaluations, and decisions related to prospective candidates. Any information concerning potential successors shall only be shared on a need-to-know basis. However, such information may be disclosed to the concerned candidate when necessary, to adequately prepare them for the role, ensuring readiness for their potential elevation.

Policy Review & Monitoring

This Policy shall be subject to monitoring and periodic review and may be amended, modified, or supplemented as necessary to comply with any changes in the SEBI Listing Regulations, or other applicable laws. Additionally, the Board may modify the Policy as it deems appropriate to align with the Company's strategic objectives and operational requirements.

Date of Applicability: October 26, 2024

Date of Revision: _____