NATURA HUE CHEM LIMITED

NOMINATION AND REMUNERATION POLICY

Effective Date: 12.08.2026

Approved by the Board of Directors on: 12.08.2026

1. INTRODUCTION

Natura Hue Chem Limited ("Company") recognizes that its Directors, Key Managerial Personnel ("KMP"), Senior Management and employees are valuable resources for the growth and success of the Company.

This Policy has been formulated by the Nomination and Remuneration Committee ("NRC") and recommended to the Board pursuant to Section 178 of the Companies Act, 2013 ("Act") and the rules made thereunder, as amended from time to time.

The Company is a listed public company. As at the date of this Policy, the corporate governance provisions specified in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 26A and 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), clauses (b) to (i) and (t) of Regulation 46(2), and Paragraphs C, D and E of Schedule V are exempt under Regulation 15(2)(a), subject to the conditions and continuing applicability requirements of that regulation.

Accordingly, this Policy is framed primarily with reference to the Act, particularly Section 178. The SEBI LODR exemption does not exempt the Company from any requirement under the Act or from any other SEBI regulation that remains applicable.

2. OBJECTIVES

- To establish appropriate criteria for determining the qualifications, positive attributes and independence of Directors.
- To identify persons qualified to become Directors and persons who may be appointed in Senior Management.
- To recommend appointment and removal of Directors and Senior Management.
- To formulate and recommend an appropriate remuneration policy for Directors, KMP and other employees.
- To establish an appropriate framework for evaluation of the Board, its committees and individual Directors.
- To ensure a clear relationship between remuneration and performance while considering the financial position and long-term interests of the Company.

3. DEFINITIONS

"Act" means the Companies Act, 2013 and the rules made thereunder, as amended from time to time.

"Board" means the Board of Directors of the Company.

"NRC" means the Nomination and Remuneration Committee constituted under Section 178 of the Act.

"Independent Director" means an Independent Director appointed in accordance with Section 149 of the Act and other applicable law.

"KMP" means Key Managerial Personnel as defined under Section 2(51) of the Act.

"Senior Management" means personnel comprising the core management team, excluding the Board of Directors, as may be identified in accordance with applicable law.

“Remuneration” includes salary, allowances, perquisites, benefits, commission, performance-linked remuneration and other monetary or non-monetary benefits, as applicable.

4. CONSTITUTION OF NRC

The Company shall constitute the NRC in accordance with Section 178 of the Act.

- The NRC shall consist of three or more Non-Executive Directors.
- Not less than one-half of the members shall be Independent Directors.
- The Chairperson of the Company, whether executive or non-executive, may be appointed as a member of the NRC but shall not chair the NRC.
- The Chairperson of the NRC shall be appointed by the Board from amongst the members of the Committee.
- The Company Secretary shall act as Secretary of the NRC unless otherwise determined by the Board.

5. ROLE AND RESPONSIBILITIES OF NRC

The NRC shall discharge the functions assigned under Section 178 of the Act and this Policy, including:

- identifying persons qualified to become Directors and persons who may be appointed in Senior Management;
- recommending appointment and removal of Directors and Senior Management;
- specifying the manner for effective evaluation of the performance of the Board, its committees and individual Directors and reviewing implementation;
- formulating criteria for determining qualifications, positive attributes and independence of Directors;
- formulating criteria for determining remuneration of Directors, KMP and other employees;
- recommending remuneration payable to Directors, KMP and Senior Management wherever required;
- reviewing succession requirements and remuneration structures; and
- performing such other functions as may be assigned by the Board or required by law.

6. CRITERIA FOR APPOINTMENT OF DIRECTORS

- appropriate educational, professional or technical qualifications;
- relevant industry and professional experience;
- knowledge and expertise relevant to the Company's business;
- financial, commercial, strategic and legal/regulatory understanding;
- integrity and ethical conduct;
- sound judgement and professional competence;
- leadership ability and constructive contribution to Board deliberations;
- ability to devote adequate time and attention; and
- for an Independent Director, satisfaction of the independence criteria under Section 149(6) and other applicable law.

7. CRITERIA FOR SENIOR MANAGEMENT

- qualifications and professional competence;
- relevant experience and technical/managerial capabilities;
- integrity and ethical standards;
- knowledge of the Company's business;
- leadership and decision-making ability; and
- ability to discharge the responsibilities attached to the position.

8. APPOINTMENT AND REAPPOINTMENT

Appointments, reappointments and removals shall be made in accordance with the Act, the Articles of Association and other applicable laws. Appointment of Independent Directors shall additionally comply with Sections 149, 150 and 152 and Schedule IV of the Act.

Reappointment of an Independent Director for a second term shall be considered having regard to statutory requirements, performance evaluation and the required shareholder approval.

9. PERFORMANCE EVALUATION

The NRC shall specify an appropriate framework for evaluating the performance of the Board as a whole, Board Committees and individual Directors. Evaluation may consider attendance, participation, knowledge, preparedness, contribution, strategic guidance, independent judgement, stakeholder focus and compliance with applicable requirements.

The performance evaluation of Independent Directors shall be conducted by the Board in accordance with the Act and Schedule IV, without participation of the Director being evaluated.

10. REMUNERATION – GENERAL PRINCIPLES

The NRC shall ensure that:

- 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;
- the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

In determining remuneration, the NRC may consider responsibilities, qualifications, experience, individual and Company performance, financial position, industry practices, internal parity, long-term interests and statutory limits.

11. REMUNERATION OF EXECUTIVE DIRECTORS

Remuneration of the Managing Director, Whole-time Director or other Executive Director shall be recommended by the NRC and approved by the Board and members/other authority wherever required by law. It shall remain within the statutory limits and conditions applicable at the relevant time.

12. REMUNERATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS

- Non-Executive Directors may receive sitting fees for Board/Committee meetings, reimbursement of reasonable expenses and profit-related commission or other remuneration permitted by law.
- Independent Directors shall be entitled only to remuneration permitted under Section 149(9), including sitting fees, reimbursement and profit-related commission approved by members, subject to applicable law.
- No stock option shall be granted to an Independent Director.
- Where profits are absent or inadequate, remuneration shall comply with Section 197 and Schedule V, as applicable.

13. REMUNERATION OF KMP, SENIOR MANAGEMENT AND OTHER EMPLOYEES

Remuneration shall be determined having regard to role, responsibilities, qualifications, experience, performance, Company performance, industry standards, internal parity, financial position and applicable statutory requirements.

14. SUCCESSION AND CONFLICT OF INTEREST

The NRC may review succession requirements for Directors, KMP and Senior Management. Members of the NRC shall disclose actual or potential conflicts of interest and abstain to the extent required by law.

15. STATUTORY COMPLIANCE

The Company shall comply with the Act, rules, applicable SEBI regulations and circulars, the Articles of Association and other applicable law. The Regulation 15(2) exemption shall not be construed as an exemption from the Act.

16. DISCLOSURE

The Policy shall be placed on the Company's website, if any. The salient features of the Policy and changes therein shall be disclosed in the Board's Report together with the web address, as required under Section 178(4).

17. REVIEW AND AMENDMENT

The NRC shall periodically review this Policy and recommend amendments. The Board may amend, modify or revise the Policy subject to applicable law. Statutory amendments shall prevail over inconsistent provisions.

18. SEBI LODR APPLICABILITY NOTE

The Company’s paid-up equity share capital as at 31 March 2026 was ₹4,14,53,000 and its net worth was ₹9,54,41,938.52. The Company has remained below the thresholds specified in Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the relevant financial years. The exemption shall continue only while the statutory conditions for Regulation 15(2) remain satisfied.

For Natura Hue Chem Limited

Sd/-
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(Managing Director)
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