

Policy for Selection of Director and determining Director's Independence

1. Introduction

- 1.1. Frontline Securities Limited (FSL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, FSL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2. FSL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. FSL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2. Scope and Exclusion:

- 2.1 This Policy sets out the guiding principles for the, "Nomination and Remuneration Committee" for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director" means a director appointed to the Board of a company.
- 3.2 "Nomination and Remuneration Committee" means the committee constituted by FSL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing obligations and Disclosure Requirements), Regulations 2015
- 3.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing obligations and Disclosure Requirements), Regulations 2015.

4. Policy:

4.1 Qualifications and criteria

- 4.1.1 The "Nomination and Remuneration (N&R) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations
- 4.1.2 In evaluating the suitability of individual Board members, the N&R Committee may take into account factors, such as:
 - General understanding of the Company's business dynamics, global business and social perspective;

- Educational and professional background standing in the profession;
- Personal and professional ethics, integrity and values/willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made; Such other requirements as may be

prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

4.2 Criteria of Independence

4.2.1 The N&R Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence shall be as laid down in Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing obligations and Disclosure Requirements), Regulations 2015