

NOMINATION AND REMUNERATION POLICY

1. Preamble

This Nomination and Remuneration Policy (“**Policy**”) provides the framework and defining the criteria with regards to qualifications, remuneration, attributes of a person to be appointed as a Director, Key Managerial Personnel and other Senior Management Employee of the Company.

The Policy reflects the remuneration philosophy and the principles of the Company and recognizing the importance of aligning the business objectives with specific and measurable individual objectives and targets.

2. Definitions:

In this Policy, the capitalized terms shall have the following meaning:

“**Act**” shall mean the Companies Act, 2013 and rules framed thereunder as amended from time to time;

“**Board**” shall mean the board of directors of the Company in office at the relevant time and as nominated and appointed in accordance with the terms of the Act;

“**Committee**” shall mean nomination and remuneration committee of the Company as constituted or reconstituted by the Board;

“**Company**” shall mean Watertec (India) Private Limited;

“**Director(s)**” shall mean a director on the Board, as constituted from time to time;

“**Key Managerial Personnel**” shall mean (i) the chief executive officer or the managing director or the manager; (ii) the whole-time director; (iii) the chief financial officer; (iv) the company secretary; and (vi) such other officer as may be prescribed;

“**Senior Management Employee**” shall mean personnel of the Company who are members of its core management team excluding the Board comprising all members of management one level below the executive directors, including the functional heads.

3. NOMINATION AND REMUNERATION COMMITTEE

The Committee shall consist of 2 (two) non-executive directors which shall be nominated by the board of time to time. The members of the Committee shall elect a Chairman from amongst themselves.

4. SCOPE AND OBJECTIVES

- (i) To lay down criteria and terms & conditions and evaluate the eligibility of an individual, based on the relevant expertise, qualifications, and experience for the purpose of appointment as a

Director, Key Managerial Personnel or Senior Management Employee. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

- (ii) Recommend to the Board on the matters pertaining to appointment, removal/ termination (which shall be based on clearly defined performance linked conditions/parameters), terms and change of terms of employment of Director, Key Managerial Personnel and Senior Management Employee.
- (iii) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage for the Company.
- (iv) Matters pertaining to any employee stock options including the terms, pricing, implementation, quantum of grant, vesting mechanism and periods, recipients, etc;
- (v) To review the required mix of skills, knowledge and experience and other qualities, including core competencies and then evaluate, propose and recommend candidates for the approval of the Board to fill vacancies as and when the needs arise.
- (vi) To evaluate and recommend the remuneration, promotion, and transfer of the Director, Key Managerial Personnel, and Senior Management Employee depending on the following factors:
 - (a) Role played by the individual in managing the Company;
 - (b) Size of the Company, Company's operations, and the Company's financial position;
 - (c) Trends and practices on remuneration prevailing in peer companies; and
 - (d) Consistent with best industry trends and practices.
- (vii) To provide rewards linked directly to their effort, performance, dedication and achievement of the Company's target. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks.
- (viii) To review and evaluate the effectiveness and performance of the Director, Key Managerial Personnel, and Senior Management Employee including character, experience, integrity, competence to effectively discharge his role.
- (ix) To establish and implement processes for carrying out annual assessment on the effectiveness of the employees and to review and recommend the outcome of the evaluations and assessments to the Board concerning the areas for continuous improvement.
- (x) To ensure induction programme is in place for newly appointed employees of the Company as well as the expectations of the Board with regard to their contribution to the Board and the Company.

- (xi) To review the training needs of Director, Key Managerial Personnel and Senior Management Employee.
- (xii) To deal with such other matters as the Board may refer to the Committee from time to time or required by the regulatory authority.

5. POLICY REVIEW

This Policy shall be reviewed by the Committee, periodically as may deem necessary. Any changes or modification to the policy as recommended by the Committee would be placed before the Board for their approval.