Krystal Integrated Services Limited
(Previously known as Krystal Integrated Services Private Limited)

Board Succession Planning Policy

SUMMARY OF POLICY / CODE	
Owner / Created by	Secretarial Team
Adherence by	Board of Directors
Version	1.4
Effective Date	September 15, 2023
Last Review Date	July 31, 2025
Review Frequency	AN - Annually OT – Other i.e upon regulatory change
Related Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Next Review Date	August 2027/as and when required due to change in regulations and/or applicable laws. Any subsequent amendment / modification in the Listing Regulations and / or applicable laws in this regard shall automatically apply to this Policy
Reviewed by	Nomination, Remuneration and Compensation Committee (NRC)
Approved by	Board of Directors
Approval Date	August 04, 2026
Confidentiality level	Board / NRC Document

Change History

Version	Effective Date	Created by	Approved by	Description of change
1.1	September 15, 2023	Secretarial Team	Board of Directors	Initial Policy
1.2	August 12, 2024	Secretarial Team	Board of Directors	Annual review; and no changes were required.
1.3	July 31, 2025	Secretarial Team	Board of Directors	Annual review; and no changes were required.

Change History				
Version	**Effective Date**	**Created by**	**Approved by**	**Description of change**
1.4	August 04, 2026	Secretarial Team	Board of Directors	Annual review; and no changes were required.

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Introduction

Succession planning is a process of ascertaining the need for filling positions at the Board, senior management and other key positions. It involves identification for the said roles, assessment of their potential and developing next generation of leaders as potential successors for key leadership roles in an organization. The process of development primarily concentrates on coaching, mentoring and training the identified employees to assume higher responsibilities when the need arises. The Company has always endeavored to nurture, train and increase the skill sets of employees at all levels, with the key objective of ensuring smooth succession without impeding the performance in current roles and responsibilities.

The Company recognises that Succession Planning is a continuous process rather than a onetime event and hence, intends to put in place this Policy that aligns talent management with the said objective and endeavours to mitigate the critical risks such as Vacancy, Readiness and Transition risk.

Pursuant to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") the Board of Directors of the Company is required to oversee the succession planning and shall satisfy themselves that plans are in place for orderly succession for appointments to the Board and to the Senior Management.

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. Accordingly, this succession plan ("**Succession Plan**") for the appointment of the Directors on the Board and Key Managerial Personnel has been prepared to give effect to the provisions of the Listing Regulations.

In view of the same, the Company has formulated and adopted this Succession Planning Policy which was approved by the Board at its meeting on September 15, 2023. This Policy shall be effective from September 15, 2023.

Applicability

The Policy focuses mainly on the Succession Planning at the Board and Senior Management level.

'Supervisory Board' shall mean and include Whole-time Directors, Managing Director & CEO and Chairperson of the organization appointed by the Board/ Shareholders.

'Senior Management' shall mean and include the following:

- Members of Management Team reporting to the MD & CEO
- KMPs (other than whole-time director);
- Any other person at the discretion of the Nomination, Remuneration and Compensation Committee ('NRC').

Objective

1. To ensure that the business of the Company is not affected on account of interruptions caused due to superannuation or voluntary retirement or resignation or death or permanent incapacitation or sudden exit of any Member of the Board or Senior Management or any other employee covered under this Policy.

2. To identify and create a talent pool of high potential personnel, who can be considered for appointment at the Board and Senior Management positions and to groom them to assume such roles in the Company, whenever the need arises.

3. To ensure timely and high-quality replacements for those personnel who are currently holding positions at Board and Senior Management levels.

Implementation Process

1. **Positions at the Directors level:**

   a. The responsibility of ensuring timely replacement for positions of any Director, lies with the NRC of Directors of the Company.
   b. For vacancies in the Board and Supervisory Board, the NRC shall identify and recommend name(s) of the candidate(s) who has the requisite qualifications and attributes for being considered for such position(s).
   c. The NRC shall undertake a process of due diligence to determine the suitability of the person for appointment/ re-appointment/continuation as a Director on the Board, based upon qualification, expertise, track record, integrity and other 'fit and proper' criteria.
   d. In the event of any unexpected vacancy in the Supervisory Board, NRC shall meet and appoint a suitable person to take charge of the said position either on an interim basis or on permanent basis.

2. **Positions at the Senior Management and other critical positions:**

   a. The NRC shall review the vacancies, if any, at Senior Management level and other critical positions and based on such requirements, shall formulate and adopt an appropriate action plan.

   b. Such action plan, at the first instance, shall relate to identifying and short listing an employee within the same location/function or through a lateral transfer of an employee from another location/function. In case of non - availability, the said plan may involve selection of an external candidate having requisite skills, experience, leadership quality and expertise deemed necessary for the said position.

   c. The Supervisory Board shall ensure that the external candidate fits into the Company's culture and has the ability to lead by example, work with the team, motivate them, work congenially with the Members of the Senior Management and other staff members and demonstrate the ability to significantly contribute towards achievement of the strategic and business objectives of the Corporation.

d. It is also extremely important to have a contingent plan in place to deal with sudden exits at the said Senior Management level. The Human Resource Department of the Company on an ongoing basis shall identify a select pool of employees who can be groomed to occupy senior level positions in case of any such eventuality and train them adequately.

3. Positions at other levels:

a) Apart from the key positions mentioned above, it is equally important to have succession plans, in place, at the functional, branch and regional level, such as Location Heads, Function Heads at the branches and any other critical position within the organization.

b) The Supervisory Board shall meet the concerned Members of Senior Management, Functional Heads and Regional Heads to inter alia review the following:
   a. Identify key positions and incumbents targeted for succession planning. This will include an analysis of planned retirements and predictable turnover in their branch/ department.
   b. Identify individuals who possess the potential needed for progression into the targeted positions of leadership within their branch/ department.
   c. Outline the actions taken/to be taken in the next six months to groom identified individuals to assume a role of elevated responsibility in the future.

c) Based on such review, the Supervisory Board shall give its consent to implement the succession plan for the concerned Region/Branch/Function, within a definite time frame.

Confidentiality

All persons responsible for execution of the Succession Planning Policy shall ensure confidentiality of the discussions and decisions with regard to the prospective candidate, except that the information may be shared, if required, with the concerned candidate in order to prepare him for such elevation.

Policy Review

This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Listing Regulations or as may be otherwise prescribed by the Board from time to time.

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