



(FORMERLY KNOWN AS ADVANCE AGROLIFE PRIVATE LIMITED)

# ADVANCE AGROLIFE LIMITED

## POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

## **POLICY ON SUCCESSION PLANNING OF BOARD AND SENIOR MANAGEMENT**

- **Preamble**

**Advance Agrolife Limited** (the "**Company**") takes guidance of Section 178 of the Companies Act, 2013 (the "**Act**") and Regulation 17(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) of the Securities and Exchange Board of India) Regulations, 2015 (the "**Listing Regulations**").

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")

- **Basic Guidelines**

Reference to statutory provisions or regulations shall be construed as meaning and including references to any amendment or re-enactment and any amendments to any statutory provisions or regulations or clarifications applicable to the Policy shall automatically be deemed to be included in the Policy, without any further amendment of the Policy by the Board or relevant committee of the Board.

- **Definitions and Interpretation**

In this Policy, words and expressions shall have the meaning assigned to them below:

" <b>Act</b> "	shall mean the Companies Act, 2013 and rules framed thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended from time to time;
" <b>Board</b> "	shall mean the <i>Board</i> of Directors of the Company;
" <b>Company</b> "	shall mean Advance Agrolife Limited, incorporated under the provisions of the Act;
" <b>Directors</b> "	shall mean all the members of the Board of Directors of the Company, including the Independent Directors;
" <b>Listing Regulations</b> "	shall mean The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time; and

**"Nomination and Remuneration Committee"** shall mean the nomination and remuneration committee constituted by the Board in accordance with the provisions of the Companies Act, 2013.

**"Senior Management"** shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the "chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) including the functional heads and shall specifically include company secretary and chief financial officer

- **Criticality and benefit of this Policy**

Maintaining minimum statutorily required number of leaders and absence of leadership gap are critical to business. There are positions in the Company that are essential to its current and future growth. It is, hence, important that these positions are duly filled up well in time with skilled and the best possible incumbents to avoid any negative impact. An effective and efficient succession planning:

1. is an essential component for the survival and growth of any business;
2. acts as a tool for an organization to ensure its continued, effective, and smooth performance through leadership continuity; and
3. induces the Senior Management to identify high growth individuals within the Company, train them and feed the pipelines with talents.

- **Applicability**

The Policy shall be applicable for succession planning of the following personnel:

1. In the Board: Managing Director, Whole-time Directors, Non-Executive Directors, Independent Directors, and other members of the Board.
2. In the Senior Management:
  - a) 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)

- b) Key Managerial Personnel (KMPs) other than Whole-time Directors,
- c) Company Secretary and Chief Financial Officer,
- d) Any other personnel as deemed necessary by the Nomination and remuneration Committee (NRC).

- **Objective**

The objectives of the succession planning program shall include but not limited to:

1. 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.
2. To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
3. Ensure timely, competent, and high-quality replacements for personnel holding key positions at the Board and Senior Management levels.
4. 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.
5. Assess competency requirements for critical positions and develop necessary competencies through targeted development and learning initiatives.
6. Review key senior management roles and recommend extensions or replacements based on performance, internal talent readiness, or external recruitment options.
7. Facilitate the long-term, systematic development of individuals in senior management to address leadership transitions caused by retirements, separations, or unforeseen events.

- **Succession Plan for the Board and the Senior Management**

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.

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

- **Assessment of candidates**

1. The Nomination and Remuneration Committee shall prepare a list of potential candidates to be initially assessed.
2. The nomination will be shared with the Board prior to initial round of interview.
3. One or more members of the Committee shall be part of the initial interview.
4. When the Nomination and Remuneration Committee identifies individuals that it observes meet the criteria mentioned in the Nomination and Remuneration Policy of the Company, it shall recommend them to the Board for final selection

- **Policy review and Amendment approval**

This Policy shall be reviewed periodically by the Board or such individuals or committees of individuals authorized to do so, by the Board and any change in the Policy shall be approved by the Board of the Company.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions in this Policy and this Policy shall stand amended accordingly.

- **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.

**Effective Date: 21-03-2025**

**Date of the approval by the Board: 07-02-2026**

**Version: 02**

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