HD FIRE PROTECT LIMITED
(Formerly known as HD Fire Protect Private Limited)

POLICY ON EVALUATION OF PERFORMANCE OF THE BOARD OF DIRECTORS, COMMITTEES AND INDEPENDENT DIRECTORS
(Approved by the Board of Directors on December 11, 2025)

INTRODUCTION

Section 178(2) of the Companies Act, 2013 ("**Act**") provides the Nomination and Remuneration Committee ("**Committee**") of HD Fire Protect Limited ("**Company**") shall specify the manner for effective evaluation of performance of Board of Directors ("**Board**"), its committees and individual Directors and review its implementation and Compliance. It may be carried out either by the Board, or by the Committee or by an independent external agency. Part VII of the schedule IV requires the independent Directors ("**Independent Directors**") to review the performance of non-independent Directors and the Board as a whole; and review the performance of the Chairperson of the Company, taking into account the views of executive and non-executive Directors. Regulation 17(10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") requires the Independent Directors to be evaluated by the entire Board excluding the Directors who are subject to evaluation.

Section 134(3)(p) of the Act requires Directors Report to state the manner in which formal annual evaluation of the performance of the Board, its committees and of individual Directors has been made.

Words and expressions used and not defined in this Policy shall have the meaning ascribed to them in the Listing Regulations, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Depositories Act, 1996, as amended, or the Act and rules and regulations made thereunder.

Accordingly, the Board has adopted the Policy vide its meeting dated December 11, 2025.

1. OBJECTIVE

The object of this Policy is to formulate the procedures and prescribe the criteria to evaluate the performance of the entire Board of the Company, including the Committees. Further, to adopt best practices to manage the affairs of the Company in a seamless manner and ensure sustained long-term value creation for stakeholders by achieving good corporate governance.

2. BOARD PARTICIPATION

All the Board members, including the Independent Directors, will have to comply with the evaluation criteria as laid down under this Policy and are encouraged to further discuss and refine their views during Committee or Board meetings.

3. FREQUENCY & TIMING

Pursuant to Section l34(3)(p) of the Act, it can be inferred that there has to be a formal annual evaluation of the Board of its own performance and that of its committees and individual Directors. The Company shall undertake an annual evaluation at least once in a financial year.

4. EVALUATION CRITERIA

- The Committee shall evaluate the performance of each Director of the Company under the Nomination and Remuneration Policy of the Company framed in accordance with the provisions of section 178 of the Act.
- Independent Directors are duty bound to evaluate the performance of Non-Independent Directors, chairperson of the Company and the Board. The Act empowers the Independent Directors to hold separate meeting without the presence of other Directors to assess the performance of Board. Evaluation of the executive Directors of the Company shall be carried out by entire Board except the Executive Director being evaluated. The meeting for the purpose of evaluation of performance of Board members shall be held at least once in a financial year. The Independent Directors are required to review the performance of the Board as a whole in accordance with the requirements of Regulation 25 of the Listing Regulations.
- Evaluation of Independent Directors shall be carried out by the entire Board which shall include

  (a) performance of the Directors, and (b) fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management. The Directors who are subject to evaluation shall not be allowed to participate.
- The Board shall take into consideration the following parameters for the purpose of evaluating the performance of a particular Director:

  (a) Attendance at meetings of the Board and Committees thereof,
  (b) Participation in Board Meetings or Committee thereof,
  (c) Contribution to strategic decision making,
  (d) Review of risk assessment and risk mitigation,
  (e) Review of financial statements, business performance.
  (f) Contribution to the enhancement of brand image of the Company.
- While evaluating the performance of the Managing Director, the Nomination and Remuneration Committee shall always consider the appropriate benchmarks set as per industry standards, the performance of the individual and also of the Company.
- In respect of each of the evaluation parameters, various descriptors have been provided to assist with the evaluation process in respect of performance of Board itself; and of its committees and individual Directors, as such evaluation factors may vary in accordance with their respective functions and duties.
- Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below.

Rating Scale

Performance	Rating
Satisfactory	1
Not Satisfactory	0

5. BOARD PERFORMANCE EVALUATION PROCESS

a. INDEPENDENT DIRECTORS

Some of the specific issues and questions that should be considered in the performance evaluation of an Independent Director (the exercise in which the concerned Director being evaluated shall not be included) are set out below:

Name of Director being assessed: _____

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1	Attendance and participation in the Meetings and timely inputs on the minutes of the meetings		
2	Adherence to the ethical standards & code of conduct of the Company and disclosure of non-independence, as and when it exists and disclosure of interest		
3	Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings		
4	Interpersonal relations with other Directors and management		
5	Objective evaluation of Board's performance, rendering independent, unbiased opinion		
6	Understanding of the Company and the external environment in which it operates and contribution to strategic direction		
7	Safeguarding interest of whistle-blowers under vigil mechanism and safeguarding of confidential information		

b. NON-INDEPENDENT DIRECTORS / MANAGING DIRECTOR / OTHER DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of Non- Independent Director / Managing Director / Other Directors are set out below:

Name of Director being assessed: _____

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1	Attendance, participation in the Board meetings and timely inputs on the minutes of the meetings		
2	Contribution towards the growth of the Company, including actual vs budgeted performance		
3	Leadership initiative, like new ideas and planning for the growth of the Company and steps initiated for branding of the Company		
4	Adherence to the ethical standards and code of conduct of the Company		

5	Teamwork, supervising and training of staff members		
6	Compliance with policies, reporting of frauds, violation etc. and disclosure of interest		
7	Safeguarding of interest of whistle blowers under vigil mechanism and safeguarding of confidential information		

c. BOARD OF DIRECTORS ("BOARD")

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by the Independent Directors are set out below:

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1	Is the composition of the Board appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy?		
2	Members of the Board meet all applicable independence requirements.		
3	The Board is effective- in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.		
4	The Board is effective in developing a corporate governance structure that allows and encourages the Board to fulfil its responsibilities.		
5	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law and the Board is provided with sufficient information about material risks and problems that affects the Company's business and prospects.		
6	The Board receives regular financial updates and takes all necessary steps to ensure the operations of the organization are sound and reviews the organization's performance in carrying out the stated mission on a regular basis.		
7	Are sufficient numbers of Board meetings, of appropriate length, being held to enable proper consideration of issues?		
8	The information provided to Directors prior to Board meetings meets expectations in terms of length and level of detail and Board members come prepared to meetings and ask appropriate questions of management and address issues that might present a conflict of interest.		
9	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution.		
10	The Chairman of the Board effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.		

11	Nomination and appointment of Board members and their remuneration follow clearly established procedures using known criteria as laid down by the Committee.		
12	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance (through its Audit Committee).		
13	Company has a system for corporate social responsibility, stakeholder relationships and for prohibition of insider trading.		
14	Company has necessary committees which are required and these committees are working effectively.		

d. COMMITTEES OF THE BOARD

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects as set out below:

S. No.	**Assessment Criteria**		
1	Whether the mandate, composition and working procedures of committees of the Board of directors is clearly defined and disclosed.		
2	Whether the Committee has fulfilled its functions as assigned by the Board and laws as may be applicable.		
3	i. Whether the Committees have been structured properly and regularly meetings are being held. ii. In terms of discussions, agenda, etc. of the meetings, similar criteria may be laid down as specified above for the entire Board.		
4	Whether adequate independence of the Committee is ensured from the Board.		
5	Whether the Committee's recommendations contribute effectively to decisions of the Board.		

Notwithstanding the criteria set out above, the Board, as applicable, shall also be guided by the criteria provided under the guidance note on Board evaluation dated January 5, 2017 bearing reference number SEBI/HO/CFD/CMD/CIR/P/2017/004 issued by Securities and Exchange Board ("**SEBI**") of India and a guide to Board evaluation dated June 2017 and August 2020 issued by the Institute of Company Secretaries of India, as amended from time to time.

6. METHOD OF EVALUATION:

The method of evaluation shall be Internal assessment

INTERNAL ASSESSMENT

i. The Board will review its own performance and performance of its committees and individual Directors.
ii. The Committee shall evaluate the performance of the Board as whole, its committees excluding the Committee and individual Directors.
iii. Independent Directors will review the Board as a whole, Non-Independent Directors and Chairperson of the Company.

The internal assessment will be done by a detailed questionnaire circulated to individual Directors, committees, Board, etc. If deemed fit, the questionnaire may enable written answers to be submitted on a confidential basis. If due to various reasons, members are not willing to provide written inputs, the Chairperson or any other person may take initiative and obtain views of such members on a confidential basis.

7. CONFIDENTIALITY

The discussions held during the Committee meeting are to be kept confidential among those who attend the meeting. The written evaluation results are not public records. They will be kept in the confidential personnel file of the Independent Director and the Board.

8. FEEDBACK

Based on the criteria and rating scale accorded to each of the aforesaid levels, written assessment may be given to them which would be honest and without bias.

9. ACTION PLAN

Based on the analysis of the responses, the Board may prepare an action plan on: areas of improvement including training, skill building, etc. as may be required for Board members.

10. REVIEW

i. The performance evaluation process and related tools will be reviewed by the Committee on need basis, and the Committee may periodically seek independent external advice in relation to the process.

ii. The Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution at a meeting of the Committee.

iii. The Committee or the Board shall review the Policy as and when required, as per amended provisions of the Act, Listing Regulations and relevant rules and regulations made thereunder as amended from time to time. In case of any change/ amendment in applicable laws/ regulations, this Policy shall stand revised to the extent thereto.

11. DISCLOSURE

The Company will disclose details of its evaluation processes in its Board's Report, and the key features of this Policy would also be included in the corporate governance statement contained in the annual report of the Company.

Further, the Board's report containing such statement will be made available to shareholders at the general meeting of the Company.

12. AMENDMENTS

Any modifications, amendments, notifications, circulars, guidance notes issued by SEBI or Ministry of Corporate Affairs, or any judgments passed by a Tribunal or Court that effectively amend this Policy shall be deemed to be automatically incorporated into this Policy without requiring further approval and such amendment shall prevail. Any other amendments to this Policy shall require the approval of the Board.

13. EFFECTIVE DATE

This Policy shall become effective from the date of its approval by the Board.

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