

17<sup>th</sup> August, 2023

**Ms. Hiroko Nose**  
110C, GG-1, Vikas Puri,  
New Delhi.

**Sub: Appointment as an Independent Woman Director**

Dear Madam,

This refers to the letter dated 10<sup>th</sup> August, 2018, issued by the Company, thereby informing you about the terms and conditions of your appointment as Independent Directors of the Company, for a period of five years effective from 11<sup>th</sup> August, 2018.

We are pleased to inform you that the Board of Directors after taking into account your knowledge, expertise, experience and substantial contribution, time commitment as well as performance evaluation during your first term of five years as Independent Director, in its meeting held on 22<sup>nd</sup> May, 2023, approved your re-appointment as Non-Executive Independent Woman Director of the Company, for the second term of five year effective from 11<sup>th</sup> August, 2023, subject to approval of the shareholders. The shareholders of the Company in the Annual General Meeting held on 11<sup>th</sup> August, 2023 have also approved your aforesaid appointment as Independent Woman Director of the Company, not liable to retire by rotation, pursuant to Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing and Obligations and Disclosure Requirements), 2015.

This letter of appointment sets out the terms and conditions in relation to your appointment, which are as follows:

**A. Appointment**

1. The terms of your appointment, as set out in this letter, are subject to the extant provisions of the (i) applicable laws, including Companies Act, 2013 and other applicable laws read SEBI (Listing and Obligations and Disclosure Requirements), 2015 (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").
2. During your tenure as an Independent Director, you will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013 ("Act") stating that you meet the criteria of Independence.
3. In terms of provisions of section 149(13) of the Companies Act, 2013 your directorship is not subject to retirement by rotation.
4. Kindly take note that continuance of independent directorship is subject to fulfillment of certain parameters of independence as defined in section 149(6) of the Companies Act, 2013 and SEBI (Listing and Obligations and Disclosure Requirements), 2015.

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5. So long as you are an Independent Director of the Company, the number of companies in which you hold office as a Director or a chairman or committee member will not exceed the limit stipulated under the Act and SEBI (Listing and Obligations and Disclosure Requirements), 2015.
6. Upon termination of directorship, by way of resignation or otherwise, you will not be entitled for any compensation for loss of office.

**B. Expectation of Board**

As an Independent Director you are expected to:

1. Bring objectivity and independent view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance.
2. Adherence to high standards of ethics and corporate behavior.
3. Guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions.
4. The Board shall in minimum meets for four times in a year. Additionally, committee meetings like Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee take place as and when required. You are expected to attend Board and Board Committee meetings to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively.

**C. Role and Duties**

Your role and duties will be those normally required of an Independent Director, inter alia, under the Companies Act, 2013 and the SEBI (Listing and Obligations and Disclosure Requirements), 2015. There are certain duties prescribed for all Directors which are fiduciary in nature and are summarized as under:

1. You shall act in accordance with the Company's Articles of Association.
2. You shall discharge your duties with due and reasonable care, skill and diligence.
3. You shall not involve yourself in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
4. You shall not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates.

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5. You shall not assign your office as Director and any assignments so made shall be void.
6. You shall not hold office as a Director or any other office in a competing firm/entity.
7. You are expected to stay updated on how best to discharge your roles, responsibilities, and duties and liabilities, as an Independent Director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.
8. You shall help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
9. You are expected to bring an objective view in the evaluation of the performance of board and management;
10. You are expected to evaluate performance of management in achieving agreed goals and objectives and monitor the reporting of performance;
11. You shall work toward safeguarding the interests of all stakeholders, particularly the minority shareholders and balancing the conflicting interest of the stakeholders;
12. You are expected to help board in determining appropriate levels of remuneration of executive directors, key managerial personnel and senior management and play a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;

In addition to the above requirements, as an Independent director you shall:

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend and participate constructively in all meetings of the Board of Directors and of the Board committees of which you are appointed as a member;
- (4) strive to attend the general meetings of the company;
- (5) where you have concerns about the company or a proposed action, ensure that your concerns are recorded in the minutes of the Board meeting;
- (6) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

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- (7) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure that the same are in the interest of the company;
- (8) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (9) assist in protecting the legitimate interests of the company, shareholders and its employees;

**D. Status of Appointment**

1. You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders from time to time. Further, you will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.
2. In addition to the sitting fee, the Company will, for the period of your appointment, reimburse you for all travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

**E. Independent Professional Advice**

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at the Company's expense.

**F. Changes of Personal Details**

During the term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

**G. Insurance**

Company Maintains a Directors and Officers Insurance Policy (D&O policy) amounting to Rs. 75,00,00,000/- (Rupees Seventy Five Crores only) to pay the personal liability of directors and officers for claims made against them while serving on the board and/or as an officer of the Company.

**H. Conflict of Interest**

1. It is accepted that you may have business interests other than those of the Company. You are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment and at subsequent applicable times.

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2. In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to the Chairman or Company Secretary.

**I. Evaluation**

The Board of Directors will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. Your re-appointment, if any on the Board shall be subject to the outcome of the yearly evaluation process.

**J. Confidentiality**

1. All information acquired during your appointment is confidential to Company and should not be released, either during your appointment or afterwards unless required by law or by the rules of any stock exchange or regulatory body.
2. If any Confidential Information is required to be disclosed by you in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.

**K. Code of Conduct**

During the tenure of your appointment you are required to comply with the regulations as contained in Schedule IV under Companies Act, 2013 (Code for independent Directors) and the following codes of conduct of the Company:

- (i) Code of Conduct for Board Members and Senior Management;
- (ii) Code of Corporate Disclosure Practices for Prevention of Insider Trading and such other requirements as the Company / Board of Directors may specify.

**L. Publication of Letter of Appointment**

In terms of the provisions of Clause IV sub clause 6 Schedule IV, under Companies Act, 2013, the Company will make public these terms and conditions of your appointment and also display the appointment letter to the Company's website.

**M. Professional Conduct**

As an independent director you shall:

1. Uphold ethical standards of integrity and probity.
2. Act objectively and constructively while exercising your duties.
3. Exercise your responsibilities in a bona fide manner in the interest of the company.

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4. Devote sufficient time and attention to your professional obligations for informed and balanced decision making.
5. Not allow any extraneous considerations that will vitiate your exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
6. Not abuse your position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
7. Refrain from any action that would lead to loss of your independence.
8. Where circumstances arise which makes you as an independent director lose your independence, you must immediately inform the Board accordingly.
9. Assist the company in implementing the best corporate governance practices.

**N. Membership of Committees**

You have been nominated to serve the Audit Committee of Directors of the Company as Chairperson of the Committee.

**O. Resignation / Termination**

1. You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board. Further, in terms of provisions of the Companies Act, 2013, you are required to file a copy of your resignation letter with the Registrar of Companies, Delhi.
2. Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company. You will not be entitled to compensation if the shareholders do not re-elect you at any time.

**P. Performance Evaluation**

Your reappointment or extension of term and your remuneration will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance evaluation carried out by the Board.

**Q. Remuneration**

Your annual remuneration will be as under:

1. Sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time, and

2. Commission that may be determined by the Board payable at the end of each financial year will be based on the performance of the Company and your performance evaluated by the Board of Directors.
3. You will be entitled to reimbursement of expenses incurred by you in connection with attending the Board meetings, Board Committee meetings, general meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of-pocket expenses.
4. Pursuant to applicable law, you will not be entitled to any stock options.

**R. Induction & Training**

1. Immediately after your appointment, you will be invited to attend an initial induction session and, thereafter, ongoing training and familiarization sessions, including briefings from management and site visits.
2. You will be entitled to the benefit of a training program to familiarize yourself with the business and affairs of the Company, growth plans, the peculiarities of the industry in which the Company operates its goals and expectations and long term plans and objectives. Please avail yourself of these opportunities as fully as is appropriate to your personal circumstances.

**S. Governing Law**

1. This letter is governed by and will be interpreted in accordance with Indian laws and your engagement shall be subject to the jurisdiction of the Delhi courts.
2. If you are willing to accept these terms of appointment as a non-executive Independent Director of the Company, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely,

For **JTEKT India Limited**



**Saurabh Agrawal**  
Company Secretary