

Policy on Nomination, Remuneration & Evaluation

1. Objective:

This Policy on Nomination, Remuneration & Evaluation has been formulated in terms of the provisions of Section 178 of the Companies Act, 2013 ("Act") read with the applicable rules, to lay down the criteria for the following:

- a. Identification of persons qualified to become Directors, Key Managerial Personnel and other employees in Senior Management Personnel, their appointment and removal;
- b. Remuneration payable to the Directors, Key Managerial Personnel and other employees in Senior Management Personnel; and
- c. Manner of Evaluation of the Board, its Committees and individual directors.

2. Definitions:

- 2.1. "Act" means the Companies Act, 2013 and the rules framed thereunder, as amended from time to time.
- 2.2. "Board" means the Board of Directors of the Company.
- 2.3. "Company" means Satiya Nutraceuticals Private Limited.
- 2.4. "Directors" means Directors of the Company.
- 2.5. "Independent Director" means a director referred to in Section 149(6) of the Act.
- 2.6. "Key Managerial Personnel" or "KMP" means key managerial personnel as defined under Section 2 of the Act.
- 2.7. "Nomination and Remuneration Committee" or "NRC" means a Committee of the Board of Directors of the Company constituted as such under Section 178 of the Act.
- 2.8. "Policy" or "this Policy" means the Policy on Nomination, Remuneration & Evaluation.
- 2.9. "Senior Management Personnel" or "SMP" means personnel of the company who are members of its core management team, excluding Board of Directors, comprising all members of management one level below the executive directors, including the functional heads.

3. Policy:

3.1. Appointment and removal of Director, KMP and SMP

- 3.1.1. Criteria for qualifications, positive attributes and independence of Directors:
 - 3.1.1.1. The NRC will have the responsibility and authority to decide the essential and desirable skills/competencies/ independence/ expertise/ experience required from the individuals for the office of Directors, KMP & SMP.
 - 3.1.1.2. In case of Directors and KMP, in addition to the above specifications the NRC shall ensure that the candidate possesses the requisite qualifications and attributes as per the Act.
- 3.1.2. Identifying candidates who are qualified to become Directors, KMP & SMP:
 - 3.1.2.1. The NRC shall identify the persons(s) qualified to become Directors, KMP or SMP and make suitable recommendation to the Board for their appointment.

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3.1.2.2. The appointment of Directors and KMP shall be subject to the compliance of the Act and the Articles of Association of the Company.

3.1.3. Term

3.1.3.1. The term of appointment of Directors shall be governed by the provisions of the Act.

3.1.4. Letter of Appointment to Independent Directors

3.1.4.1. The appointment of Independent Directors shall be formalized through a letter of appointment to be issued by the Company in accordance with the Act.

3.1.5. Removal of Director, KMP or SMP

3.1.5.1. The Removal of Director, KMP or SMP may be warranted due to reasons such as disqualification prescribed under the Act and / or disciplinary reasons or such other reasons as decided by the NRC and the Board in the best interest of the Company.

3.1.5.2. The resultant vacancy caused by removal of Director, KMP or SMP may be filled by the NRC in accordance the Act and the Articles of Association of the Company.

3.1.6. Resignation of Director or

3.1.6.1. In the event of vacancy of Director or KMP may be filled by the NRC in accordance the Act and Articles of Association of the Company.

3.2. Remuneration of Director, KMP and SMP

3.2.1. **Remuneration to Executive Director(s)**

3.2.1.1. The remuneration payable to Executive Director(s) shall be determined by the NRC and recommended to the Board for approval, in compliance with the provisions of the Act.

3.2.1.2. Such remuneration (including revisions thereof) shall be subject to the approval of the shareholders of the Company as required under the Act.

3.2.1.3. Annual revisions in the remuneration within the remuneration limits approved by the shareholders, shall be recommended by the NRC to the Board. The Board shall approve such annual increases.

3.2.2. **Remuneration to Non-Executive Directors (NED)**

3.2.2.1. Non-Executive Directors of the Company may be paid remuneration as maybe approved by the Board or Shareholders of the Company from time to time, in accordance with the provisions of the Act.

3.2.3. **Remuneration to Independent Directors (ID)**

3.2.3.1. The IDs shall be eligible to receive such remuneration as maybe approved by the Board or Shareholders of the Company from time to time, in accordance with the provisions of the Act.

3.2.3.2. The NRC shall determine the remuneration to ID including the mode, quantum, recipients of the remuneration and the frequency of payment of such remuneration, and recommend the same to the Board for approval.

3.2.3.3. The remuneration of an ID shall comprise the following:
a) Remuneration/Commission; and

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- b) Sitting fees for attending each meeting of the Board and its Committees.
- c) Reimbursement of expenses incurred for attending the meetings of Board and its Committees.

3.2.3.4. IDs shall not be entitled to any stock option of the Company.

3.2.4. Remuneration to KMP & SMP

- 3.2.4.1. The NRC shall recommend the remuneration payable to KMP and SMP and annual revisions, if any, to the Board for its approval.

3.3. Board Evaluation

3.3.1. The Board is responsible for:

- a) monitoring and reviewing of the Board Evaluation framework;
- b) carrying out evaluation of the performance of the Board, its Committees and individual directors, wherein the director subject to evaluation shall not participate; and
- c) evaluating the fulfilment of independence criteria of the Independent Directors as per the Act and review their independence from the management.

3.3.2. Meeting of Independent Directors:

3.3.2.1. The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.

3.3.2.2. Such meeting shall:

- a) review the performance of Non-independent Directors and the Board as a whole;
- b) review the performance of the Chairperson of the Company, taking into account the views of Executive Director(s) and Non-executive Directors;
- c) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- d) discuss such other matters as the Independent Directors may deem fit;

4. Review:

4.1. NRC shall review the Policy as and when deemed fit for making suitable amendments for better implementation of the Policy.

4.2. The Policy would be subject to revision/amendment in accordance with the Act. Any subsequent amendment(s)/ modification(s)/ circular(s)/ clarification(s)/ notification(s) in/under the Act or any other governing Act/Rules/Regulations or re-enactment thereof, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and/or amended to that extent, even if not incorporated in this Policy.

Approved and recommended by Nomination & Remuneration Committee on: September 9, 2024 Approved by the Board on: September 9, 2024 Effective date: September 9, 2024
