

**Policy on Appointment and Remuneration of Directors,
Key Managerial Personnel and Senior Management Personnel**

1. PREAMBLE

The policy has been formulated pursuant to the provision of Section 178(4) of the Companies Act, 2013 (hereinafter referred to as “the Act”) and Regulation 19(4) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Listing Regulations”), by the Nomination and Remuneration Committee (hereinafter referred to as “the Committee”) of Board of Directors of EP BIOCOSCOMPOSITES LIMITED (hereinafter referred to as “the Company”) and approved by the Board of Directors.

2. DEFINITIONS

1. ‘Act’ means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
2. “Board of Directors” or “Board” means the Board of Directors of EP BIOCOSCOMPOSITES LIMITED as constituted from time-to-time.
3. “Committee’ means the “Nomination and Remuneration Committee” of the Board constituted/re-constituted from time-to-time, under the provisions of Regulation 19 of the Listing Regulations, and Section 178 of the Companies Act, 2013.
4. “Company” means EP BIOCOSCOMPOSITES LIMITED.
5. ‘Directors’ mean Directors of the Company.
6. “Independent Director” means a Director referred to in Section 149 (6) of the Companies Act, 2013.
7. “Key Managerial Personnel” mean key managerial personnel as defined in subsection (51) of section 2 of the Companies Act, 2013.
8. “Policy” means this Policy on determining the criteria for appointment and remuneration of Directors, Key Managerial Personnel (“KMP”) and Senior Management and as may be amended from time-to-time.
9. “SEBI Listing Regulations” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.
10. “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) and shall specifically include company secretary and chief financial officer.
11. “Stock Exchange (s)” means the stock exchange(s) where the Securities of the

Company are listed.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

3. Objectives

The objectives of this policy are to stipulate criteria for:

- Appointment, reappointment, removal of Directors, KMPs and Senior Management
- Determining qualifications, positive attributes and independence of a director and recommend to the Board
- Retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage to run the operations of the Company successfully
- Consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential, and for growth

4. Criteria for Appointment

- Ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment
- Age, number of years of service, specialized expertise and period of employment or association with the Company
- Special achievements and operational efficiency which contributed to growth in business in the relevant functional area
- Constructive and active participation in the affairs of the Company
- Exercising the responsibilities in a bona-fide manner in the interest of the Company
- Sufficient devotion of time to the assigned tasks
- Diversity of the Board
- Demonstrable leadership qualities and interpersonal communication skills, devote to the role, compliant with the rules, policies and values of the Company and does not have any conflicts of interest
- Transparent, unbiased and impartial and in accordance with appropriate levels of confidentiality.
- Appointment of Directors and KMPs in compliance with the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder or any other enactment for the time being in force.
- Appointment of Independent Directors in compliance with the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder or any other enactment for the time being in force. The Companies Act, 2013 specifies specific qualification standards for independent directors. An independent director must be a subject matter expert with the necessary qualifications in the domains of finance, law, management, research, and corporate governance. He must be a person of moral character, faith, honesty, and appropriate experience. Additionally, he should not be a promoter of the business or any affiliated businesses, or even a relative of any promoters or board members. In addition, he must not have any financial ties to the corporation, its holdings, subsidiaries, or promoters. He must be qualified to serve as a director and provide assurance that he is not ineligible.

5. Criteria for Remuneration

The Remuneration Policy reflects on certain guiding principles of the Company such as

aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasizing on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and encourages a focus on achieving superior operational results.

Sitting fees is paid to the Non-Executive Independent Directors for attending each meeting of the Board thereof.

6. DISSEMINATION OF POLICY

This Policy shall be published on the website of the Company.

7. AMENDMENT

The Committee may, subject to the applicable laws amend any provision(s) or substitute any of the provision(s) of this Policy with new provision(s) or replace this Policy in entirety.
