

# PERFORMANCE EVALUATION POLICY



## JUBILANT AGRI AND CONSUMER PRODUCTS LIMITED

Effective Date	November 4, 2024
Recommended by	Nomination and Remuneration Committee
Approved by	Board of Directors

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## **JUBILANT AGRI AND CONSUMER PRODUCTS LIMITED**

### **PERFORMANCE EVALUATION POLICY**

#### **PREAMBLE**

Section 178 sub section (2) and (3) of the Companies Act, 2013 provides the Nomination and Remuneration Committee ("NRC") shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors and review its implementation and Compliance. It may be carried out either by the Board, or by the Nomination and Remuneration Committee or by an independent external agency. Regulation 17(10) of SEBI (LODR) regulations, 2015 requires the independent directors to be evaluated by the entire Board of directors excluding the directors who are subject to evaluation.

#### **SCOPE**

The Board or Committee shall carry out the evaluation of performance of every director on an annual basis.

The evaluation of the Board involves:

1. Board as a whole
2. Committees of the Board; and
3. Individual Directors (including Chairperson, Independent Directors, Non-independent directors, etc.)

The evaluation of performance of Independent director shall be done by the entire Board of Directors which shall include:

1. Performance of the Directors; and
2. Fulfillment of the independence criteria as specified in these regulations and their independence from the management

The directors who are subject to evaluation shall not participate

#### **PROCEDURE**

##### **A. Performance Evaluation of Board as a whole**

- Evaluation of the Board will be carried out by each Director. The evaluation process will consist of a number of questions which the evaluator(s) will consider.
- Performance of Board will be discussed by the IDs (in their separate meeting) and also by the Board.

A non-exhaustive list of questions that will be used is set out below:

➤ Competency of directors: (-Whether Board as a whole has directors with a proper mix of competencies to conduct its affairs effectively.
➤ Experience of directors: Whether Board as a whole has directors with enough experience to conduct its affairs effectively.
➤ Mix of qualifications: Whether Board as a whole has directors with a proper mix of qualifications to conduct its affairs effectively.
➤ Diversity in Board under various parameters: Gender/background/competence/experience, etc. - Whether there is sufficient diversity in the Board on the aforesaid parameters
➤ Appointment to the Board: Whether the process of appointment to the board of directors is clear and transparent and includes provisions to consider diversity of thought, experience, knowledge, perspective and gender in the board of directors
➤ Regularity of meetings: Whether meetings are being held on a regular basis, and the minutes are timely circulated to all Board members
➤ Agenda: Whether agenda of meetings to directors meets expectations in terms of length, level of details sufficient for the Board to take decision. Whether Board members come prepared to meetings and discuss the matter at length in the best interest of the Company and address issues that might present a conflict of interest
➤ Discussions and dissent: Whether the Board discusses every issue comprehensively and depending on the importance of the subject
➤ Recording of minutes: Whether the minutes are being recorded properly, circulated to all the Board members and dissenting views are recorded in the minutes
➤ Strategy and performance evaluation: Whether significant time of the Board is being devoted to management of current and potential strategic issues
➤ Governance and compliance: Whether adequate time of the Board is being devoted to analyzing and examine governance and compliance issues
➤ Evaluation of Risks: Whether Board undertakes a review of the high-risk issues impacting the organization regularly.
➤ Grievance redressal for Investors: Whether the Board regularly reviews the grievance redressal mechanism of investors, details of grievances received, disposed of and those remaining unresolved.
➤ Review of Board evaluation: Whether the Board monitors and reviews the Board evaluation framework
➤ Facilitation of independent directors: Whether the Board facilitates the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of board of directors and any criticism by such directors is taken constructively.

## B. Performance Evaluation of Board Committees

- Evaluation of the Board Committee will be carried out by each member of the respective Committees (“Member”). The evaluation process will consist of a number of questions which the Members, as evaluators, will consider for their respective committees.
- Performance of all the Committees will be discussed by the Board.

A non-exhaustive list of questions that will be used is set out below:

Whether the mandate, composition and working procedures is clearly defined and disclosed and as per the provisions of the applicable law(s)?
Whether the Committee has fulfilled its functions as assigned by the Board and laws as may be applicable?
Are sufficient numbers of meetings, of appropriate length, being held to enable proper consideration of agenda?
The information provided to members prior to meetings meets expectations in terms of length and level of detail and members come prepared to meetings and ask appropriate questions of management and address issues that might present a conflict of interest.
Whether the Committee’s recommendations contribute effectively to the decisions of the Board?
Whether adequate independence of the Committee is ensured from the Board

## C. Performance Evaluation of Chairperson of the Company

- Evaluation of the Chairperson will be carried out by IDs. IDs will take into account the views of Executive Directors and Non-executive Directors. The evaluation process will consist of a number of questions which IDs, as evaluators, will consider in relation to the Chairperson.
- Performance of the Chairperson will be discussed by IDs in their separate meeting.

A non-exhaustive list of questions that will be used is set out below:

Attendance at meetings of the Board and Committees,
Participation at the Board Meeting and Committee Meetings,
Whether the Chairman possess quality of leadership, coordination and steering skills, etc. and displays efficient leadership, is open minded, decisive, courteous, displays professionalism, able to coordinate the discussions etc. and is overall able to steer the meeting effectively.
Whether the Chairman is sufficiently committed to the Board and its meetings.

Adherence to ethical standards and Code of Conduct of Company.
Whether the Chairman is impartial in conducting discussions, seeking views and dealing with dissent.
Whether due importance being given for shareholder's interest in discussions and taking appropriate decisions.
Interpersonal relations with other directors and management.
Safeguarding of confidential information.
Whether the Chairman displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to co-ordinate the discussion etc. and is overall able to steer the meeting effectively.

#### **D. Performance Evaluation of Individual Directors**

- Evaluation of the individual Directors will be carried out by all other Directors on the Board excepting the concerned Director himself. The evaluation process will consist of a number of questions which the Directors, as evaluators, will consider in relation to the individual Director.
- Performance of the Directors will be discussed by:
  - NRC (of all Directors)
  - IDs in their separate meeting (of all Non-Independent Directors)
  - Board (of all Directors)

The aim of individual evaluation is to show whether each Director continues to contribute effectively and to demonstrate commitment to the role (including commitment of time for the Board and Committee meetings and any other duties). The evaluator and other board members should consider the relevant questions in relation to the individual Director and the individual Director should also consider them by way of self-assessment. The evaluator(s) will then conduct individual meetings with each Director, to discuss their individual performance.

A non-exhaustive list of questions that will be used in individual performance evaluation (which will depend on the executive or non-executive status of the Director) include:

Attendance at meetings of the Board and Committees,
Participation at the Board Meeting and Committee Meetings,
Leadership initiative like innovative ideas and planning towards growth of the Company and steps initiated towards Branding of the Company.
Adherence to ethical standards and Code of Conduct of Company.
Compliance with policies, Reporting of frauds, violation etc. and disclosure of interest.
Contribution towards growth of the Company including actual vis-à-vis budgeted performance.
Interpersonal relations with other directors and management. and sufficient understanding and knowledge of the entity and the sector in which it operates
Safeguarding of confidential information.
Whether he keeps himself updated in the relevant areas such as corporate governance framework and the industry and market scenario?

## **EXTERNAL CONSULTANTS**

The Chairperson may use the services of an external consultant for the performance evaluation process, to bring objectivity to the process.

## **FREQUENCY OF BOARD EVALUATION**

Board Evaluation is required to be done once in a year.

## **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.

## **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.

## **STATUS OF THE POLICY**

This document does not form part of any Directors' terms and conditions of appointment or employment. Based on the recommendation of the NRC, the Board may amend, abrogate, modify or revise any or all clauses of this Policy in accordance with the Act, Listing Agreement and/or any other applicable law or regulation.

## **DISCLOSURE**

The results of Board and Committee evaluation will be shared with the Board as a whole and the respective Committees.

The Annual Report will include criteria followed for performance evaluation and manner of performance evaluation of the Board, its Committees and individual Directors.

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over the policy.

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This Performance Evaluation Policy has been approved by the Board on November 04, 2024 on recommendation of the Nomination and Remuneration Committee. It shall be effective from November 04, 2024.