

# **Eastman Auto & Power Limited**

## **Policy on Succession Planning for the Board of Directors and Senior Management**

(Approved by the Board at its meeting held on September 22, 2025)

## 1. PREFACE

1.1 The Securities and Exchange Board of India has mandated the need for a succession policy pursuant to Regulation 17(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("**Listing Regulations**"), in order to ensure that interests of investors of a listed company does not suffer on account of sudden or unplanned gaps in management of the Company. Therefore, the board of directors ("**Board**") of all listed companies are required to develop an action plan for successful transition of key executives in accordance with the Listing Regulations. Pursuant to the Listing Regulations Eastman Auto & Power Limited (the "**Company**") is required to put in place a plan for orderly succession for the Board and senior management. For this purpose, 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 of 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.

1.2 In view of the above, the Company has formulated this Policy on Succession Planning for the Board and Senior Management of the Company ("**Policy**"). The Policy shall become effective from the date of Listing of the securities of the Company on Stock Exchange(s).

## 2. OBJECTIVE

The Objective of this Policy is:

- To ensure the Company is prepared with a plan to support operations and service continuity when the Board, KMP's and Senior Management Personnel leave their positions;
- To identify and nominate suitable candidates for the Board's approval to fill the vacancies which arises in the Board of the Company from time to time;
- To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- To develop career paths for employees which will facilitate the Group's ability to recruit and retain top-performing or high talent employees;
- To deliver a message to the Group's employees that they are valuable; and
- To ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence.

In short, we are developing a plan to help protect Company's future. But the work isn't done when a successor has been found; part of succession planning is making sure that the successor transitions into the position as smoothly as possible.

### **3. APPLICABILITY**

This Policy shall be applicable for succession planning of the following personnel:

1. Board of Directors;
2. Key Managerial Personnel;
3. Senior Managerial Personnel;
4. Any other positions within the Company at the discretion of the Managing Director & CEO in consultation with the Board

### **4. SUCCESSION PLAN FOR BOARD**

The Nomination & Remuneration Committee of the Board ("NRC"), shall apply a due diligence process to determine the suitability of every person who is being considered for being appointed or re-appointed as a Director of the Company based on his educational qualification, experience & track record and accordingly any appointment or re-appointment of a Director shall be subject to prior approval by NRC. The Company has also framed a Nomination & Remuneration Policy to guide the Board in relation to appointment/reappointment/removal of Directors and to devise criteria for performance evaluation of Independent Directors and the Board and to ensure adequate diversity in the Board to make good use of the varied skills, regional and industry experience, background, gender and other qualities of the Directors. Accordingly, the appointment/re-appointment/removal and tenure of the Directors including the Managing Director/Chairman/Whole-time Directors of the Company shall be governed by the provisions of Nomination & Remuneration Policy of the Company.

### **5. SUCCESSION PLAN FOR THE SENIOR MANAGERIAL PERSONNEL**

The Human Resource Department "hereinafter HR Department "shall periodically review and consider the list of senior managerial personnel due for retirement/attrition within the year. The HR Department shall also consider the new vacancies that may arise because of business needs/up-gradation of Department(s). Considering the above, the HR Department shall assess the availability of suitable candidates for the Company's future growth and development. Further, based on the recommendation of the Managing Director, the HR Department:

1. Shall evaluate the incumbent after considering all relevant criteria like experience, age, leadership quality etc. and recommend to the management whether the concerned individual be granted an extension in term/service or be replaced with an identified internal or external candidate.
2. Shall identify the competency requirements of key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The HR Department may utilize the services of professional search firms to assist in identifying and evaluating potential candidates.
3. May recommend to the management to appoint other suitable external candidate(s) as special recruitment in senior managerial level based on job roles and competency to provide a continuous flow of talented people to meet the organizational needs.
4. Where it is decided to appoint an external candidate, timely and planned steps shall

be taken for selection of a suitable candidate so that the appointment is made well before the retirement/relieving of the concerned officer to ensure the smooth transition.

5. The Managing Director and Head - Human Resources shall from time to time identify high-potential employees who merit faster career progression to position of higher responsibility and formulate, administer, monitor & review the process of skill development and identify the training requirements.
6. Every member of the senior management team shall always endeavor to add capability in house and mentor officials, having potential, working under him to handle his/her responsibility in his/her absence by exposing him to all aspects of work being handled by him/her.
7. In the event of any unexpected occurrence in respect of any member in the core management team, the next person as per the organization chart of the company shall take interim charge of the position, pending a regular appointment in terms of the succession plan.
8. In addition to the above, the appointment of Key Managerial Personnel such as Chief Financial Officer & Company Secretary shall be made in accordance with the provisions of Companies Act, 2013 read with Listing Regulations as amended from time to time.

#### **6. DISCLOSURE IN THE BOARD'S REPORT**

The disclosures as required under the relevant provisions of the Companies Act, 2013, the rules made there under and the SEBI Listing Regulations shall be made as per the provisions.

#### **7. REVIEW OF THE POLICY**

The Policy shall be reviewed periodically by the Board, or such individuals or committees of individuals authorized to do so by the Board and any change in the Policy shall be approved by the Board of the Company. However, all such amendments will be subject to applicable laws, rules, and regulations, from time to time.

#### **8. COMPLIANCE**

The NRC would be responsible for supervision of the Policy. Any queries regarding this Policy may be referred to the NRC, who oversees administering, enforcing and updating this Policy.

#### **9. AMENDMENT**

In case of any amendment (s), clarification (s), circular (s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions in this Policy and this Policy shall stand amended accordingly.

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