ORGANIC COATINGS LIMITED

NOMINATION AND REMUNERATION POLICY

Date of Revision: 05.11.2026

The philosophy for remuneration of Directors, KMP and all other employees of Organic Coatings Limited ("Company") is based on commitment demonstrated by the Directors, Key Managerial Personnel (KMPs) and other employees towards the Company and truly fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Regulation 19(4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this Policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
c. remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals".

KEY PRINCIPLES GOVERNING THIS REMUNERATION POLICY ARE AS FOLLOWS:

Remuneration for Independent Directors and Non-Independent Non-Executive Directors
Overall remuneration should be reflective of the size of the Company, complexity of the sector/industry/company's operations and the company's capacity to pay the remuneration.

Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.

Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives). Overall remuneration practices should be consistent with recognised best practices. The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based

on Company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

The NRC will recommend to the Board, the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.

In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organised by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

Remuneration for Managing Director (MD)/Executive Directors (EDs)/KMP/rest of the employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:

a. Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent),
b. Based on the role played by the individual in managing the Company including responding to the challenges faced by the Company,
c. Reflective of size of the Company, complexity of the sector/ industry/company's operations and the Company's capacity to pay,
d. Consistent with recognised best practices and
e. Aligned to any regulatory requirements.

In terms of remuneration mix or composition,

- The remuneration mix for the MD/EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
- Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/fixed salary, the Company may provide employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimisation, where possible. The Company may also provide all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through reimbursements or insurance cover and accidental death and dismemberment through personal accident insurance.

- The Company provides retirement benefits as applicable.

- In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the Company may provide MD/EDs such remuneration by way of bonus/performance linked incentive and/ or commission calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.

Such remuneration shall be subject to approval of the Members of the Company, wherever required.

- The Company may provide the rest of the employees a performance linked bonus and/or performance linked incentive and/or long-term incentive as applicable. The performance linked bonus/performance linked incentive would be driven by the outcome of the performance appraisal process and the performance of the Company.

Remuneration payable to Director for services rendered in other capacity

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:

a) The services rendered are of a professional nature; and

b) The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

Premium on Insurance policy

Where any insurance is taken by the Company on behalf of its NEDs, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration. Where any insurance is taken by the Company on behalf of its MD/ EDs, KMP and any other employees for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Policy implementation

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

Review of the Policy

This Policy will be reviewed and reassessed by the NRC as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

Applicability to subsidiaries This Policy may be adopted by the Company's subsidiaries subject to suitable modifications and approval of the Board of Directors of the respective subsidiary companies.

Compliance Responsibility

Compliance of this Policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarification from the management in this regard.

Amendment:

Any or all provisions of this documents would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. 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 document, then such amendment(s), clarification(s), circular(s) etc. shall prevail over the provisions hereunder and this document shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

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