
NOMINATION & REMUNERATION POLICY

Effective From : July 24, 2014
Last Amended : May 12, 2025

1. PREAMBLE

This Nomination & Remuneration Policy (“**the Policy**”) has been formulated by the Nomination and Remuneration Committee and Board of Directors of the Company in compliance of the provisions of Section 178 of the Companies Act, 2013 read with rules framed thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

On the recommendation of the Nomination and Remuneration Committee, this Policy has been formulated by the Board of Directors of the Company at its meeting held on July 24, 2014 and was last amended on May 12, 2025.

2. APPLICABILITY

This Policy is applicable to:

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel
- Other Employees

3. DEFINITIONS

Definitions of some of the key terms used in this Policy are given below:

- 3.1 ‘**Act**’ means the Companies Act, 2013, along with rules, notifications and circulars made/ issued thereunder, as amended from time to time.
- 3.2 ‘**Applicable Laws**’ shall mean any statute, law, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, notification and clarification issued by any governmental **or** statutory or regulatory authority or other governmental instruction and/or mandatory standards, as maybe applicable to the Company and includes (a) the Act; (b) the SEBI Listing Regulations; and (c) the Indian Accounting Standards.
- 3.3 ‘**Board of Directors**’ or ‘**Board**’ means the Board of Directors of the Company.
- 3.4 ‘**Committee**’ means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.
- 3.5 ‘**Company**’ means Artemis Medicare Services Limited.
- 3.6 ‘**Directors**’ means a Director appointed to the Board of the Company.
- 3.7 ‘**Employee**’ means any person who is in the permanent employment of the Company.
- 3.8 ‘**Independent Director**’ means an independent director, as defined under the Act, and under the SEBI Listing Regulations.

- 3.9 **‘Key Managerial Personnel’ or ‘KMP’** shall mean the officers of the Company as defined in Section 2(51) of the Act.
- 3.10 **‘SEBI Listing Regulations’** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 3.11 **‘Senior Management’** means the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of management one level below the Chief Executive Officers or Managing Director or Whole-time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as key managerial personnel, other than Board of Directors, by the Company.

Words and expressions used but not defined in this Policy shall have the meaning as contemplated in the Act, the SEBI Listing Regulations and any other applicable laws.

4. OBJECTIVE OF POLICY

- 4.1 To lay down criteria with regard to identifying persons who are qualified to become Director, Key Managerial Personnel and persons who may be appointed in Senior Management.
- 4.2 To lay down criteria for determining qualifications, positive attributes and independence of a director.
- 4.3 To lay down criteria for evaluation of performance of the Board, its Committees and Individual Directors.
- 4.4 To provide a framework for remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

5. CRITERIA FOR APPOINTMENT OF DIRECTORS, KMPs AND SENIOR MANAGEMENT

- 5.1 The Committee shall identify suitable candidate for appointment as Director, KMP or Senior Management of the Company and recommend their appointment to the Board. The Committee shall consider the following factors while evaluating a person for appointment as Director, KMP or Senior Management:
- Person’s background, integrity, knowledge, skills, abilities, professional experience, functional expertise, qualifications, experience, educational and professional background, accomplishment, age, and such other factors that the Committee might consider relevant.
 - A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

- the extent to which the appointee director is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company.
- For appointment of Independent Director – (i) roles and capabilities required from such independent director on the basis of the balance of skills, knowledge and experience on the Board; (ii) An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business; and (iii) must meet the requirements as set out in the Act, the SEBI Listing Regulations and Applicable Laws.
- the person to be appointed as Director/ Independent Director/ KMP/ Senior Management shall not be disqualified under the Act, the SEBI Listing Regulations and Applicable Laws.

The Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s).

- 5.2 The Company may appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who has attained the age of seventy years subject to the approval of shareholders by passing a special resolution. The explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

6. REMOVAL AND RETIREMENT

- 6.1 Due to reasons for any disqualification mentioned in the Act, the SEBI Listing Regulations and Applicable Laws or any other reasonable grounds, the Committee may recommend to the Board for removal of a Director, KMPs or Senior Management Personnel, subject to the provisions and compliance of the Act, the SEBI Listing Regulations and Applicable Laws.
- 6.2 The Director, KMP and Senior Management personnel shall retire as per the applicable provisions of the Act and the SEBI Listing Regulations, and the prevailing policy of the Company. The Board will have discretion to retain the Director, KMP and Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

7. CRITERIA FOR DETERMINING POSITIVE ATTRIBUTES & INDEPENDENCE OF DIRECTORS

7.1 Criteria for determining positive attributes

The Committee shall consider the following factors for determining positive attributes of Directors (including Independent Director):

- Integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.

- Actively update their knowledge and skills with the latest developments in the healthcare industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
- Bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the Senior Management Personnel of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.

7.2 Criteria for determining independence

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Act and rules related thereto and in Regulations 16(1)(b) of the SEBI Listing Regulations.

8. CRITERIA FOR EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions the Act and the SEBI Listing Regulations, the Committee shall specify the manner of effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Committee or by any independent external agency.

For annual performance evaluation of the Board as a whole, its committee(s) and individual Directors including the Chairman of the Board, the Company shall formulate a questionnaire to assist in evaluation of the performance. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself by rating the performance on each question on the scale of 1 to 5, 1 being Unacceptable and 5 being Exceptionally Good. On the basis of the response to the questionnaire, a formal annual evaluation shall be made by the Committee and the Board of the performance of the Board as whole and that of its Committees and individual Directors.

The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include (a) performance of the Directors; and (b) fulfillment of the independence criteria as specified in the Act and the SEBI Listing Regulations and their independent from the management. However, the Directors who are subject to evaluation shall not participate in such evaluation.

9. REMUNERATION OF DIRECTORS, KMPs, SENIOR MANAGEMENT AND OTHER EMPLOYEES

While determining the remuneration of the Directors, KMPs, Senior Management Personnel and other employees of the Company, the following shall be ensured:

- the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the Directors, KMPs, Senior Management Personnel and other employees of the quality required to run the Company successfully;
- the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- the remuneration 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.

9.1 Remuneration to Managing Director / Whole-time Director / Manager

- The Managing Director/ Whole-time Director/ Manager shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors.
- Increments to the remuneration of Managing Director/ Whole Time Director/ Manager shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the Shareholders.
- The Managing Director/ Whole-time Director (other than promoters) shall also be eligible for the grant of stock options, under the employee stock option scheme, if any, of the Company. The promoter(s) of the Company will not be entitled to grant of stock options unless otherwise permitted under Applicable Laws.

9.2 Remuneration to Non-Executive/ Independent Director

9.2.1 Sitting Fees:

The Non-Executive Directors (including Independent Directors) may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such other limits as may be prescribed under the Act and the SEBI Listing Regulations. The quantum of sitting fees will be determined as per the recommendation of the Committee and approved by the Board of Directors of the Company.

9.2.2 Remuneration/ Fees/ Commission

On recommendation of the Committee and / or the Board and approval of the shareholders of the Company, the Company may pay remuneration to its Non-Executives Directors either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other within the limit prescribed under the Act and in compliance with the applicable provisions of the SEBI Listing Regulations.

9.2.3 Stock Options

Pursuant to the provisions of the Act and the SEBI Listing Regulations, an Independent Director shall not be entitled to any stock option of the Company.

Non-Executive Directors (who is not a promoter or member of the promoter group) but excluding independent directors, may be granted stock options subject to compliance of the applicable provisions of the Act, the SEBI Listing Regulation and Applicable Laws.

9.2.4 Reimbursement of actual expenses incurred

All Non-Executive Directors (including Independent Directors) are also entitled for reimbursement of expenses incurred by him/ her for attending the Shareholders meetings, Board Meetings and Committee meetings thereof, induction and training (organized by the Company for Directors).

9.3 Remuneration to KMP (other than Managing Director and Whole-time Director), Senior Management Personnel and other employees

- The Committee shall recommend to the Board, all remuneration (including revision/ increment), in whatever form, payable to KMPs (other than Managing Director and Whole-time Director) and Senior Management Personnel.
- The Board shall have the final authority to approve the remuneration of KMPs (other than Managing Director and Whole-time Director) and Senior Management Personnel based on recommendation of the Committee.
- The remuneration including revision/ increment in remuneration of other Employees shall be decided by the human resources department in consultation with the matrix manager within the overall framework of compensation and appraisal practices of the Company and under the overall authority of the Managing Director.
- KMPs, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

Directors' and officers' Insurance: Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Non-Executive Directors (including Independent Directors), Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

This Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes.

10. THE ADMINISTRATION AND SUPERINTENDENCE OF ARTEMIS MEDICARE MANAGEMENT STOCK OPTION PLAN-2021 (“THE PLAN”)

- The Committee shall finalize the eligibility criteria, number, grant date, vesting of the Options to be granted to the eligible employee subject to the pool of Options of the Plan.
- Decide the vesting period along with vesting schedule, subject to minimum and maximum period of vesting as stated in the Plan, and finalize the eligibility criteria for vesting.
- Decide upon treatment of vested and unvested Options in cases of cessation of employment and to decide cancellation of the Options which were lapsed, forfeited or surrendered under any provisions of the scheme.
- Allot shares pursuant to exercise of Options, including the treatment of vested and unvested Options in the event of Corporate Actions as specified in the Plan.
- Accelerate the vesting of Options on a case-to-case basis, subject to completion of minimum 1 year from the date of grant.
- Finalize letters and other documents, if any, required to be issued under the Plan.
- Establish, amend, suspend or waive such rules and regulations and determine or impose other conditions to the grant of Options as it shall deem appropriate.

11. DISCLOSURES

The Policy shall be placed on the Company's website and the salient features of the policy and changes therein, if any, along with the web address of the policy shall be disclosed in the Board's Report.

12. REVIEW AND AMENDMENTS

In case of any changes in the provisions of the Act, the SEBI Listing Regulations or any other regulation which are inconsistent with the Policy, such amended provisions would prevail over the Policy.

The Board of Directors on its own and / or as per the recommendations of the Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.
