



PIRAMAL PHARMA LIMITED

REMUNERATION POLICY

Effective Date: 30th August, 2022

1. Preamble

- 1.1. The Nomination and Remuneration Committee ('NRC') of Piramal Pharma Limited (the 'Company'), has adopted the following policy and procedures with regard to remuneration of Directors, Key Managerial Personnel and other employees.
- 1.2. The Remuneration Policy ('Policy') is framed in compliance with the applicable provisions of Regulation 19 read with Part D of the Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 178 and other applicable provisions of the Companies Act, 2013 (hereinafter referred as 'Applicable Laws')
- 1.3. This Policy reflects the core values viz. Knowledge, Action, Care and Impact.

2. Designing of Remuneration Packages

- 2.1. While designing remuneration packages, the following factors are taken into consideration:
 - a. Ability to attract, motivate and retain the best talent in the industries in which the Company operates;
 - b. Current industry benchmarks;
 - c. Cost of living;
 - d. Maintenance of an appropriate balance between fixed, performance linked variable pay and long term incentives reflecting long and short term performance objectives aligned to the working of the Company and its goals;
 - e. Achievement of Key Result Areas (KRAs) of the employee, the concerned department / function and of the Company.

3. Remuneration to Directors

A. Non- Executive/ Independent Directors:

The Non- Executive / Independent directors are entitled to the following:

- i. Sitting Fees: The Non- Executive / Independent Directors receive remuneration in the form of sitting fees for attending meetings of Board or Committees thereof. Provided that the amount of such fees shall not exceed such amount per meeting as may be prescribed by the Central Government from time to time.
- ii. Commission: Commission may be paid within the monetary limit approved by shareholders subject to compliance with applicable statutory requirements.

B. Remuneration to Whole – Time Directors

- i. The remuneration to be paid to the Whole – Time Directors shall be in compliance with the applicable statutory requirements, including such requisite approvals as required by law.
- ii. Increments may be recommended by the NRC to the Board which shall be within applicable statutory limits.

- iii. The Board may at the recommendation of the NRC and its discretion, may consider the payment of such additional remuneration within the framework of applicable laws.

4. Remuneration to Key Managerial Personnel and Senior Management

Remuneration to Key Managerial Personnel and other Senior Management shall be as per the HR Policy of the Company in force from time to time and in compliance with applicable requirements of law. Total remuneration comprises of:

- i. A fixed Basic Salary;
- ii. Perquisites as per Company Policy;
- iii. Retirement benefits as per Company Rules and statutory requirements;
- iv. Performance linked incentive (on an annual basis) based on the achievement of pre-set KRAs and long term incentives based on value creation.

In addition to the above mentioned remuneration package, Key Managerial Personnel and Senior Management may also be provided Employee Stock Options (ESOPs) in compliance with applicable regulatory requirements.

5. Remuneration to Other Employees

The remuneration packages of other employees are also formulated in accordance with HR Policy of the Company in force from time to time. In addition to basic salary and other components forming part of overall salary package, employees are also provided with perquisites and retirement benefits as per the HR Policy of the Company and statutory requirements, where applicable.

6. Disclosure

As per applicable laws, the Remuneration Policy or its salient features shall be disclosed in the Board's Report.

7. Review

The NRC shall periodically review the effectiveness of this Policy and recommend any revisions that may be required to this Policy to the Board for consideration and approval.
