



POLICY FOR SUCCESSION PLAN FOR APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT

1. INTRODUCTION

The Code of Corporate Governance for listed firms was substantially updated by the Securities and Exchange Board of India ("**SEBI**") to conform to the Companies Act, 2013 in this regard. According to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**"), the listed entity's board of directors must ensure that arrangements for orderly succession for appointments to the board of directors and senior management are in place. This is an important step in ensuring that investors do not suffer as a result of unexpected or unanticipated leadership changes. Boards of all publicly traded companies must prepare an action plan for the successful transition of key executives. Section 178 of the Companies Act, 2013 states that the Company is required to create a Nomination and Remuneration Committee, and the preparation of a succession plan for the Board and senior management is the goal of the Nomination and Remuneration Committee.

Perpetual succession is one aspect of a corporate structure in which resources may come and go but the company will endure indefinitely. This assumes that employees will not work for a company indefinitely, necessitating the formulation and implementation of orderly succession planning. Developing and developing proactive Succession Planning strategies is thus a key duty of the Human Resource Department to ensure a smooth transition with little disturbance to the firm. Succession planning is a crucial tool for a business to ensure long-term successful performance through leadership continuity.

The phrase "**Senior Management**" refers to officers/personnel of the listed entity who are part of its core management team, excluding the board of directors. This typically includes all members of management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager, as well as all functional heads and the Company Secretary and the Chief Financial Officer. To avoid any leadership gaps in the Board and Senior Management, the TruAlt Bioenergy Limited ("**Company**") has developed a Board and Senior Management Succession Planning Policy ("**Policy**").

2. OBJECTIVES

The succession planning policy's aims will include, among other things, the following:

- To identify and nominate suitable candidates for the Board's (including the Nomination and Remuneration/Compensation Committee) approval to fill vacancies on the Board for Public Interest Directors or Shareholders Directors as they arise, subject to SEBI approval/prior approval in accordance with the Listing Regulations and SEBI (Depository & Participants) Regulations, 1996.
- Identify the skill requirements for important and crucial positions, evaluate potential applicants, and develop required competencies through targeted development and learning programs.
- Identify key job incumbents in Senior Managerial roles and make recommendations on whether the individual should be given a term/service extension, replaced with an identified internal or external applicant, or recruited another suitable candidate.
- To ensure the methodical and long-term development of personnel in senior management who will be able to replace those who die, become disabled, retire, or experience other unexpected events.

3. APPLICABILITY

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

- Managing Director CEO/Whole-Time/Executive Directors.
- Non-Executive Directors/ Independent Directors.
- Senior Management Personnel.
- Any other positions within the Company at the discretion of the Managing Director & CEO in consultation with the Board.

4. SUCCESSION PLAN FOR THE BOARD

Any appointment or re-appointment of a Director will be subject to prior approval or recommendation by the Nomination & Remuneration Committee of the Company. The Nomination & Remuneration Committee of the Board will use a due diligence process to assess each candidate's suitability for appointment or reappointment as a Director of the Company based on their educational background, industry experience, and performance history.

5. SUCCESSION PLAN FOR SENIOR MANAGEMENT

The Committee shall evaluate and consider the list of Senior Management who are due to retire or resign within the year. The Committee will also assess any new vacancies that may occur as a result of business needs or departmental upgrades. As a result, the Committee will examine the availability of appropriate candidates for the Company's future growth and development. Furthermore, based on the Managing Director's and CEO's suggestion, the Nomination & Remuneration Committee will:

- Evaluate the incumbent after taking into account all relevant characteristics such as experience, age, health, leadership quality, and recommend to the board that the concerned individual (i) be allowed a term/service extension, or (ii) be replaced with an identified internal or external candidate.
- Shall determine the competency requirements of board/key roles, evaluate potential individuals, and develop required competencies through scheduled development and learning activities. The committee may hire professional search firms to help find and evaluate suitable candidates.
- May recommend to the board that other appropriate external candidates be appointed as special recruitments at the senior managerial level based on job functions and competencies in order to offer a constant supply of bright people to satisfy the organization's needs.
- While making its recommendation, the Nomination & Remuneration Committee shall consult with the Chairman/Vice Chairman, the Managing Director, and the CEO, as appropriate, and all factors, including available talent within the organization and the need to ensure the Company's continued operation and growth, shall be carefully considered.

When it is decided to appoint an external candidate, procedures must be done in a timely and planned manner to choose a qualified candidate so that the appointment is made long before the retirement or relief of the concerned officer to enable a smooth transition.

In the event of an unexpected incident involving any member of the core management team, the next person listed on the Company's organizational chart will take over the role until a normal appointment is made in accordance with the succession plan.

The appointment of Key Managerial Personnel, such as the Chief Financial Officer (CFO), Company Secretary (CS), and other Compliance Professionals, such as the Internal Auditor (if an employee), shall be made in line with the provisions of the Companies Act, 2013 as read with the Listing Rules.

6. REVIEW OF THE POLICY

The NRC shall evaluate this policy as needed, depending on changes resulting from regulatory amendments or otherwise, and submit revisions to the Board for consideration. Any changes/amendments to Applicable Laws relating to the maintenance and preservation of documents and records will be presumed to be covered by this Policy without further examination.

The Board of Directors must approve any changes to the Policy and reserves the right to withdraw and/or amend any portion of this Policy or the entire Policy at any time as it sees appropriate, or from time to time, and the Board's decision in this regard is final and binding.