

BN HOLDINGS LIMITED

BOARD CHARTER

(w.e.f May 21, 2025)

1. Introduction, purpose, and framework

The following Corporate Governance guidelines have been adopted by the Board of Directors (the “Board”) of BN Holdings Limited (the “Company”). These guidelines are framed in conjunction with the Company’s Memorandum & Articles of Association and applicable laws / rules/ regulations / guidelines in force for the time being in India, as applicable. In case of any change in the laws / rules/ regulations / guidelines, the same will supersede the content of this policy.

In the event of any conflict between the provisions of this guideline and of the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) or any other statutory enactments, the provisions of such other law for the time being in force, to the extent applicable to the Company, the statutory provisions shall prevail over this guideline.

The Board is the Apex authority appointed by shareholders of a Company to monitor and direct strategies, operations, and management of the business of the Company. The Board shall assess external environment, decide business strategy, formulate policies, appoint, and compensate executive management, delegate powers, review performance and set up checks and balances.

2. Composition of the Board

2.1 Board size

The number of Directors on the Board of the Company shall not be less than such number as mentioned in the applicable provisions of SEBI Listing Regulations or the Companies Act, 2013 or the Articles of Associations of the Company.

2.2 Board Composition

- The Board of Directors of the Company shall have an optimum combination of executive and non-executive directors.
- In compliance with the applicable provisions of SEBI Listing Regulations, the Board shall consist of at least 50 % of Independent Directors, where there is an Executive / Promoter Chairman.
- In compliance with applicable provisions of SEBI Listing Regulations, the Board shall consist of at least one-third of independent directors, where there is a regular Non-executive Chairman. If there is no regular non-executive chairman or where the regular non-executive chairman is promoter or related with promoter and promoter group then the board shall comprise of at least half of the independent directors.
- **Key attributes and expertise** - The Board shall include qualified directors who bring the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board shall comprise of distinguished individuals with one or more following key attributes:
 - Leadership experience, resulting in a practical understanding of organizations, processes, strategy, corporate governance and risk management. Demonstrated strengths in developing talent, planning succession and driving change and long-term growth.
 - Experience in driving business success in relevant markets, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and a broad perspective on the market opportunities.
 - Proficiency in financial management, capital allocation and financial reporting processes, financial controls.

- Proficiency with capital markets.
- Background and experience in matters involving human resources and defining / shaping people and organizational culture.
- A history of leading growth through acquisitions and other business combinations, with the ability to assess 'build or buy' decisions, analyse the fit of a target with the Company's strategy and culture, accurately value transactions and evaluate operational integration plans
- Service on a company board to develop insights about maintaining board and management accountability, protecting stakeholder interests, awareness of the corporate responsibilities towards its lenders, customers, employees, suppliers, regulatory bodies and the communities in which it operates and observing appropriate governance practices.
- Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
- Knowledge and experience of building and leading sustainable organizations

3. Independence criteria

The Board shall comprise of Independent Directors who qualify as 'independent' under the SEBI Listing Regulations and the Companies Act, 2013 & the rules made thereunder. The Independent Directors at the first Board meeting of every financial year submit a declaration of Independence, affirming that they meet the requirement specified under the applicable provisions of SEBI Listing Regulations and the Companies Act, 2013 & the rules made thereunder.

4. Board inductions

- The Board and the Nomination & Remuneration Committee of the Board shall be responsible for selecting members of the Board and in recommending them for election by the shareholders. The Nomination and Remuneration Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or SMP level and recommend to the Board his/her appointment.
- Each director is expected to maintain the necessary level of expertise to perform better at his or her duties as a director.

5. Tenure and retirement

- The term of executive directors shall not exceed five years on each occasion. An independent director may hold office for a term up to five consecutive years on the Board and shall be eligible for reappointment for another term of up to five years on passing of a special resolution by the Company's shareholders.
- The age limit for retirement of Executive Directors shall be in alignment with the statutory regulations/ Human Resource policy of the Company.
- Two-third of the total number of Directors shall be persons whose period of office is liable to retire by rotation, out of such Directors one-third of the Directors shall be such persons whose office shall be liable to retire by rotation at every annual general meeting. Each year, at the Company's annual general meeting for seeking shareholders' approval, the Board shall

recommend names of directors eligible for retire by rotation by shareholders. The Independent directors shall not be subject to retire by rotation.

6. Board powers, duties, responsibilities, and other matters

The Board is empowered to manage the Company business and affairs with diligence, prudence, and transparency. It can exercise all powers over the business except those reserved with shareholders by law. The Board shall perform the roles as mentioned below:

6.1 Primary responsibilities

- The primary responsibility of the directors is to exercise their business judgement to act in a manner they reasonably believe in the best interest of the Company and its stakeholders and in a manner consistent with their fiduciary duties, in compliance with applicable laws and regulations. In fulfilling that responsibility, directors may ask such questions and conduct such investigations as they deem appropriate and may reasonably rely on the information provided to them by the Company's executives, external advisors, and auditors.
- The Board of Directors provides oversight, counselling and direction to the management of the Company in the interest and for the benefit of the Company's stakeholders. The Board's detailed responsibilities include, but not limited to the following:
 - Receive, review and approve the strategy, business plan & budget and risk management plan on an annual basis and monitor performance against plan on a timely basis, as required, to identify, suggest and approve revisions to the same during the year.
 - Appointment of Key managerial personnel (KMP), & compensation.
 - Review and approve executive management structure.
 - Delegation of powers/ authority to the management.
 - Planning and monitoring of succession planning for appointment of the Board of Directors, KMP and other senior management.
 - Overseeing the conduct of the Company's business and assessing the Company's business and other enterprise risks along with their mitigation plan to evaluate whether the business is being properly managed.
 - Overseeing the manner in which the culture of the Company is shaped, create accountability, monitoring measurement of culture and talent metrics.
 - Reviewing and approving the Company's major financial objectives, strategy, operating plans, and other significant actions.
 - Overseeing the Company's processes for maintaining the integrity of the Company's financial statements and other public disclosures, proper safeguarding of the assets of the Company and the Company's compliance with law and ethics.
 - Monitoring and managing potential conflict of interest of management, board members and other stakeholders.
 - Selecting and recommending to the shareholders, appropriate candidates for election to the Board.
 - Evaluating Board processes and performance and the overall effectiveness of the Board.
 - Evaluating the performance of the Board and of senior management.
 - Overseeing the governance over subsidiaries, associates, joint venture and group companies.

6.2 Board access

The Board and the Board Committees shall be granted complete access, upon receipt of the request, to the following:

- Company's books / records.

- Company's management, employees, offices, and other facilities (nevertheless ensuring that such contact is not disruptive to the business operations of the Company).
- External advisors / expert / auditors to assist the Board in its work.

6.3 Appointment of Managing Director / Chief Executive Officer and key management executives

The Board shall, based on review and recommendations of the Nomination and Remuneration Committee –

- appoint Managing Director / Chief Executive Officer and other key management executives.
- approve compensation plan for Managing Director / Chief Executive Officer and other key management executives.
- draw up terms of appointment of Managing Director / Chief Executive Officer in line with the business plan and objectives.

6.4 Delegation of Authority Matrix

The Board or Board Committee shall approve Delegation of Authority Matrix. The matrix shall be submitted by Chief Executive Officer or Managing Director of the Company. The Board shall examine that the matrix contains adequate delegation of authority, built in internal controls, enable swift and effective decision making. The Board shall review the Matrix documents at periodic interval or on occurring of events which warrant immediate alteration.

6.5 Board compensation

- Compensation payable to Board members shall be determined as per the Nomination and Remuneration Policy, in line with the applicable laws governing Board compensation including Companies Act, 2013 and SEBI Listing Regulations.
- All compensation paid to the Board members shall be disclosed in the annual report.

6.6 Code of conduct, ethics, and conflict of interest

- The Board is committed to upholding the highest legal and ethical conduct in fulfilling its responsibilities.
- The Board expects all directors to always act in accordance with the requirements of the Company's code of conduct, which shall be applicable to each director in connection with his or her activities relating to the Company. This obligation shall at all times include, without limitation, adherence to the Company's policies with respect to conflicts of interest, confidentiality, protection of the Company's assets, ethical conduct in business dealings and respect for and compliance with applicable laws.
- The Board members are expected to be mindful of possible conflicts of interest, including anything that could impair their independence as a director (only in case of an Independent Director), and should discuss any issues with the Board of Directors. If a significant conflict arises and cannot be resolved, the director would be expected to resign.
- Each director and KMP are required to annually disclose their directorship / shareholding / relative details to the Company. All directors who are concerned or interested in a transaction, shall abstain from participating in the discussion at the Board / concerned committee meetings on such transactions.

6.7 Confidentiality and insider trading

- By virtue of the positions held, the Board members are generally exposed to material, non-public information concerning business, strategy, and operating plans. The Board members

shall always treat all corporate information available for their consumption with discretion and treat all information received in the course of their work with utmost confidentiality.

- The Board members are prohibited from discussing all non-public information or any other information having bearing on the price of the securities of the Company, with friends, relatives and acquaintances. These obligations are continuing and shall subsist until such information is consummated or abandoned or until there is a public announcement by the Company in this regard.
- The Board members being designated persons under Insider trading policy, all their trades in the securities of the Company shall be regulated as prescribed under the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders of the Company. Further, the Board members are prohibited from hedging activities such as, trading in options, puts, calls, or other derivative instruments related to Company's stock or debt. Each Board member shall strictly adhere to the Insider Trading policy of the Company including provisions related to structural digital database.

7. Meetings

7.1 Frequency

Board meetings shall be held at least four times a year, with at least one meeting being held in every quarter.

7.2 Agenda and distribution of board material

- The agenda for the Board meetings should be sent to the Directors at least seven days prior to the Board meeting. In case of exigency, Board may allow meetings at shorter notice subject to prior approval in case of UPSI agenda. The agenda shall include such matters as decided by the Board and its Committees as well as matters suggested by Management from time to time. Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is also free to raise at any Board meeting, subjects that are not on the agenda for that meeting.
- The agenda and meeting schedule must permit adequate time for discussion and a healthy exchange between Board members and management.
- The Board acknowledges that certain items to be discussed at Board meetings are of an extremely sensitive nature and that the distribution of materials on these matters prior to Board meetings may not be appropriate. Under all circumstances relevant statutory provisions with regard to discussions on additional agenda item not included in the main agenda, should be strictly adhered to.

7.3 Venue

- The meetings of the Board will be held at the Company's corporate office/ registered office unless otherwise decided or via Audio-Visual means as permitted under applicable laws.

7.4 Attendance

- All Directors shall strive to attend all Board meetings and maintain full attendance. In case, it is not possible to attend Board meeting in person, wherever possible, the Directors shall make themselves available to participate in the Board meetings through Audio-Visual means. In any case, the Directors are encouraged to maintain at least 75% attendance for the year.
- The Board welcomes regular attendance, at each Board meeting, of selected members of management as invited by the Chairperson.

- All Directors are expected to attend the Company's general meetings, except if unusual circumstances make attendance impractical. Disclosure of such exception should be made in the general meeting.

7.5 Minutes

- Minutes must be drawn up for every Board meeting and for every resolution adopted outside a meeting / resolution by circulation. The minutes are to be signed by the Chairperson of the meeting and then added to the Company's records.

7.6 Independent Directors meeting

- The Independent directors shall meet at least once in a financial year or such other timelines as may be prescribed under applicable laws, without the presence of executive management. One of the Independent Directors chosen by the group of Independent Directors shall act as Chair of the meeting. Such meetings shall inter-alia:
 - Review the performance of non-independent directors and the Board as a whole.
 - Review the performance of the Chairperson of the Company, considering the views of executive directors and non-executive directors.
 - Assess the quality, quantity, and timeliness of flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably.
 - These meetings discussions may include such topics as the independent directors determine. The name of the Lead Independent Director, if any, who presides the meeting shall be disclosed in the annual report.

8. Committees of the Board

8.1 Board Committees

- The Board shall constitute committees required by law and regulatory provisions and in addition may constitute such more committee with specific objective, purpose or project.
- The Board may, from time to time, form new committees comprising of Board members / executives as it deems appropriate. The Board may, to the fullest extent permitted by law, delegate any of its functions and responsibilities to a committee of the Board.
- The Committee shall approve minutes which clearly record decisions taken and action points. The Committee shall review progress on action taken at each meeting.
- The Committee shall ensure to report findings, decisions, actions taken to the Board with precise details and analysis of each issue.

8.2 Composition of the Committees

- The composition of the Committees of the Board shall be in line with the SEBI Listing Regulations and/or the Companies Act, 2013 and rules made thereunder, to the extent applicable to the Company.
- The composition of the statutory committees shall mandatorily have such number of Non-Executive Independent Directors as required under the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.
- The members and Chairperson of the Committees shall be appointed by the Board, taking into account the qualifications, areas of expertise, skill sets, diverse perspective, offering and

independence possessed by the Director in order to discharge their duties in the role of a Board Committee member / Chairperson.

8.3 Frequency and agenda of Committee meetings

- The frequency of the committee meeting shall be in compliance with the provisions of the Companies Act, 2013, SEBI Listing Regulations and the charter of the committee.
- Each Committee shall establish, to the extent foreseeable and practical, a schedule of agenda items to be discussed during the meeting.
- The Committee shall approve minutes which clearly record decisions taken and action points. The Committee shall review progress on action taken on a quarterly basis.

8.4 Reporting to the Board

- Each Committee shall report regularly to the Board with respect to the Committee's activities. The Committee shall ensure to report findings, decisions, actions taken to the Board with precise details and analysis of each issue.

9. Anti-money laundering

'Money-laundering' means any act or attempted act to conceal or disguise the true origin and ownership of illegally obtained proceeds so that they appear to have originated from legitimate sources thereby avoiding prosecution, conviction and confiscation of the illegal proceeds.

The Company will remain committed to adhering to all relevant anti-money laundering, anti-fraud, anti-terrorism, and anti-corruption regulations. Established procedures to prevent violations of these laws will be followed and regularly reviewed to ensure compliance and proper implementation.

10. Performance and quality evaluation

10.1 Evaluation of Board and its Committees

- At least once a year, the Board of Directors shall discuss its own activities, its individual members and its Committees, the effectiveness of such activities and the composition and competence of the Board of Directors. Inputs emerging from the meeting of Independent Directors may also be considered in the discussion.
- The Nomination and Remuneration Committee shall facilitate such annual evaluation. The Board / Committee may engage an external specialist from to time, to carry out the evaluation, as it may deem fit.

10.2 Formal evaluation of management members

- The Nomination and Remuneration Committee shall perform an annual evaluation of the Managing Director / Chief Executive Officer, Key Managerial Personnel (KMPs) and Senior Managerial Personnel (SMPs).
- The evaluations shall be based on pre-determined Key Performance Indicators (KPIs) such as, performance of the business, accomplishment of long-term strategic objectives, overall management of stakeholders and such other evaluation parameters as may be prescribed in the Nomination and Remuneration Committee Policy.
- The evaluations shall be used by the Committee in the course of its decision relating to the compensation of the Managing Director / Chief Executive Officer(s), KMPs and SMPs.

10.3 Succession planning

The Nomination and Remuneration Committee shall review succession planning and management development topics with the Board at least on an annual basis. The Board's goal is to have in place a long-term program for effective senior leadership development and succession, as well as short-term contingency plans for emergency and ordinary course contingencies. The detailed guidelines for succession planning will be laid down in the Succession Planning Policy of the Company as adopted by Board of Directors from time to time.

10.4 Board Interaction with Stakeholders

The Stakeholders Relationship Committee serves as the Board's liaison for consultation and direct communication with stakeholders. Individual Board members may, from time to time, meet or otherwise communicate with various other stakeholders that are involved with the Company (key customers, vendors, auditors, employees, etc.), but it is expected that Board members would do this with the knowledge of management and, in most instances, at the request of management.

11. Miscellaneous

The Board shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Board Charter.

The Board reserves the right to amend this Board Charter from time to time based on changing requirements as prescribed by the SEBI/ Stock Exchange(s) or any other appropriate statutory authority or otherwise required.