



TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

[Pursuant to Schedule IV of the Companies Act, 2013 (“Act”) and Regulation 46(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”)]

Varun Beverages Limited (“Company”) believes in following the best Corporate Governance practices and complying with the applicable provisions of the SEBI LODR Regulations and the Act in true spirit, accordingly to comply with the applicable provisions of SEBI LODR Regulations and the Act related to the appointment of Independent Directors on the Board of the Company, the Board comprises majority of the Independent Directors (6 Independent Directors and 4 Non-Independent Directors) as follows:

- (i) Dr. Naresh Kumar Trehan
- (ii) Ms. Sita Khosla
- (iii) Dr. Ravi Gupta
- (iv) Ms. Rashmi Dhariwal
- (v) Mr. Abhiram Seth
- (vi) Mr. Anil Kumar Sondhi

Brief profile and terms & conditions of the appointment letter of Independent Directors are as follows:

I. Brief Profile and Term:

A. Dr. Naresh Kumar Trehan

He holds a bachelor’s degree in Medicine and Surgery from the University of Lucknow and has been certified as a renowned Cardiothoracic Surgeon by the American Board of Thoracic Surgery. He has trained and practiced at New York University Medical Center at Manhattan USA from July 1, 1971 to June 30, 1975 and is an honorary fellow at the Royal Australasian College of Surgeons. He has received many prestigious awards, including the Padma Bhushan Award, presented by the Government of India.

He was appointed for a term of 3 years w.e.f. December 1, 2015 upto November 30, 2018 by Members of the Company at their Extra-ordinary General Meeting held on April 27, 2016 and re-appointed for a second term of 5 years w.e.f. December 1, 2018 upto November 30, 2023 by Members of the Company at their Annual General Meetings held on April 17, 2019.

B. Ms. Sita Khosla

She holds Bachelor’s of Arts degree from St. Stephen’s College and LLB from the Faculty of Law, University of Delhi and is enrolled with the Bar Council of Delhi. She practices in the areas of corporate, contract and commercial laws since 1992. She has been involved in providing advice on a wide range of issues from company formation, corporate governance and regulatory compliance to mergers and acquisitions, corporate restructuring, joint ventures, foreign investments, exchange control regulations and securities laws. She has acted as India legal advisor to major players in the civil aviation sector including international commercial airlines, MRO organizations and ground handling operators in respect of their operations in India.

She was appointed for a term of 5 years w.e.f. February 16, 2018 upto February 15, 2023 by Members of the Company at their Annual General Meeting held on April 17, 2018 and re-appointed for a second term of 5 years w.e.f. February 16, 2023 upto February 15, 2028 by Members of the Company at their Annual General Meetings held on March 27, 2023.

C. Dr. Ravi Gupta

He holds a Bachelor's degree and a Master's degree in commerce from the University of Delhi. He also holds a Bachelor's degree in law from the University of Delhi, a diploma in labor law from the Indian Law Institute, a Master's degree in business administration from the Faculty of Management Studies, University of Delhi and a doctorate in philosophy for his thesis on 'Country Risk Analysis in Investment Financing Decision Making' from the University of Delhi. He was employed as an Associate Professor in the commerce department of Shri Ram College of Commerce, University of Delhi. He was appointed by the Government of India as a member of the committee constituted for simplification of Income Tax Act. He was also nominated by the government to the Central Council of the Institute of Chartered Accountants of India. He is Founder and President of Tax Law Educare Society, a non-profit making voluntary organization, with the main objective to educate general public and professionals on Taxation, Law and Allied Matters for last 15 years.

He was appointed for a term of 5 years w.e.f. March 19, 2018 upto March 18, 2023 by Members of the Company at their Annual General Meeting held on April 17, 2018 and re-appointed for a second term of 5 years w.e.f. March 19, 2023 upto March 18, 2028 by Members of the Company at their Annual General Meetings held on March 27, 2023.

D. Ms. Rashmi Dhariwal

She holds a bachelor's degree in Arts from the University of Delhi and is a practicing advocate at the Calcutta High Court since 1978. She is also the chairperson of a non-profit organization called Prayatn which provides education to underprivileged children. She has also worked in several leading firms in India including Khaitan & Co, Calcutta and Delhi, Mulla & Mulla, Mumbai and also in the Philippines.

She was appointed for a term of 5 years w.e.f. March 19, 2018 upto March 18, 2023 by Members of the Company at their Annual General Meeting held on April 17, 2018 and re-appointed for a second term of 5 years w.e.f. March 19, 2023 upto March 18, 2028 by Members of the Company at their Annual General Meetings held on March 27, 2023.

E. Mr. Abhiram Seth

He is graduate in Economics from Delhi University and Masters in Management Studies from Jamnalal Bajaj Institute, Bombay University with specialization in marketing. He is the Managing Director of Aquagri since 2008 that is focused on promoting Aqua Agriculture through self-help groups amongst the coastal communities. He started his career with Hindustan Lever Limited in 1975 where he worked in the Sales and Marketing function and then moved on to the MGF group, where he looked after the industrial gases business. Since 1993, he was the Executive Director – Exports and External Affairs for PepsiCo India and in 2001, at PepsiCo he took on additional responsibility of driving the sustainability agenda and external affairs.

He is appointed for a term of 5 years w.e.f. May 2, 2023 upto May 1, 2028 by the Board of Directors at their Meeting held on May 2, 2023, subject to approval of Shareholders of the Company.

F. Mr. Anil Kumar Sondhi

He is B.Tech from IIT Delhi and Master of Business Administration from Faculty of Management Studies, Delhi University. He has more than 45 years experience in the areas of Projects, Manufacturing & Technical operations of process industry. He has worked as Director – Projects, Director – Quality & Food Safety for PepsiCo India Holdings Pvt. Ltd., Chief of Technical Operations & Supply Chain for NourishCo Beverages Pvt. Ltd. (Tata PepsiCo JV) and Vice President – Operations of Safe Water Network. During the early years of career, he worked for manufacturing as well as projects for heavy chemicals like Acids, Oleums, Caustic Soda, Chlorine, Edible oils, fats and Calcium carbide with Shriram Industrial Enterprises Limited.

He is appointed for a term of 5 years w.e.f. May 2, 2023 upto May 1, 2028 by the Board of Directors at their Meeting held on May 2, 2023, subject to approval of Shareholders of the Company.

II. Other Terms and Conditions

1. Committees:

- 1.1 During their tenure as Independent Director(s), they may serve in one or more of the Committees of Board including Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Share Allotment Committee, Environment, Social and Governance Committee or any other Committee of the Board, as the Board may decide from time to time.
- 1.2 During their tenure as Independent Director(s) they will not serve as (i) an Independent Director in more than the prescribed number of listed companies; and (ii) a Committee member of more than the prescribed number of Committees (i.e. Audit Committee and Stakeholders' Relationship Committee) including chairmanship of such committees.

2. Duties, Liabilities & Code of Conduct:

- 2.1 The Independent Director(s) will comply with the requirements of Section 166 read with Schedule IV of the Act and Regulations 4(2)(f) & 25 of SEBI LODR Regulations while discharging their duties.
- 2.2 The Independent Director(s) will be required to abide by the guidelines as to professional conduct for Independent Director(s) as set out in Section 149(8) read with Schedule IV of the Act.
- 2.3 The Independent Director(s) will be required to provide the disclosures prescribed under the Act and SEBI LODR Regulation including declaration that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR Regulations and comply with the provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- 2.4 The Independent Director(s) will be required to comply with the Code of Conduct for Board of Directors and Senior Management, Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prohibition of Insider Trading of the Company including compliance with the applicable provisions of the Insider Trading Laws and Regulations, as amended from time to time.
- 2.5 The Independent Director(s) will be held liable only in respect of such acts of omission or commission by the Company which have occurred with their knowledge, attributable through Board processes and with their consent or where they have not acted diligently.

3. Training and Development:

Independent Director(s) shall undertake appropriate induction and regularly update & refresh their skills, knowledge and familiarity with the Company. Presently, Company is familiarizing the Independent Directors including the following:

- (a) Nature of industry in which the Company operates
- (b) Business model of the Company
- (c) Roles, rights and responsibilities of the Independent Directors
- (d) Quarterly business presentations and regulatory updates

4. Separate Meeting of Independent Directors:

To comply with the provisions of Schedule IV of the Act and Regulation 25(3) of the SEBI LODR Regulations, Independent Directors of the Company shall strive to be present at meeting of Independent Directors held atleast once in a financial year without the presence of Non-Independent Directors. In this meeting, the Independent Directors shall:

- (a) review the performance of Non-independent Directors and the Board as a whole;
- (b) review the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors; and
- (c) assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

5. Sitting Fee:

The Company may pay sitting fees to the Independent Director(s) for attending meetings of the Board and its Committees as may be decided by the Board from time to time.

6. Confidentiality:

The Independent Directors (during and after their tenure) will not use for their own, or for other's benefit or disclose or permit the disclosure of any confidential information relating to the Company, subsidiary or any group or associate companies of the Company, which they may acquire by virtue of their position as an Independent Director, including without limitation, any information about the deliberations of the Board without prior clearance from the Board unless required by law or by the rules of any stock exchange or regulatory body. The restriction shall cease to apply to any confidential information which may (other than by reason of the director's breach of this term), become available to the public generally.

7. Governing Law:

The appointment and the terms are governed by the laws of India.