

# **VEEDA CLINICAL RESEARCH LIMITED**

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## **POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT**

### **1. PREAMBLE**

Succession planning is a tool for an organization to ensure its continued effective performance through leadership continuity. A good succession planning program aims to identify high growth individuals, train them and feed the pipelines with talents. The Company recognizes the importance of the process to succession planning to provide for continuity in the smooth functioning of the organization. There are certain positions in the Company that are key to its current and future growth. It is, therefore, important that these positions are assigned to duly skilled and best possible incumbents. It is critical to fill up such positions well in time to avoid any leadership gap. The Company has therefore put in place this Policy.

The Securities and Exchange Board of India has mandated the need for a succession policy pursuant to Regulation 17(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations”), in order to ensure that interests of investors of a listed company does not suffer on account of sudden or unplanned gaps in management of the company. Therefore, the board of directors (“Board”) of all listed companies are required to develop an action plan for successful transition of key executives in accordance with the Listing Regulations. Pursuant to the Listing Regulations, Veeda Clinical Research Limited (the “Company”) is required to put in place a plan for orderly succession for the Board and senior management. For this purpose, senior management shall mean officers / personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise of all members of management one level below the chief executive officer / managing director / whole time director / manager (including chief executive officer / manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer. Succession planning is crucial to the survival and growth of any business and a tool for an organization to ensure its continued effective performance through leadership and management continuity.

The Company appreciates the importance of succession planning to ensure continuity in its smooth functioning. Key positions in the Company, which are important for the Company’s current and future growth are assigned to qualified and competent professionals. It is imperative to fill up vacancies in such positions well in time to ensure continuity in leadership and management of the Company.

The Policy shall become effective from 22<sup>nd</sup> September, 2021.

The Policy shall be uploaded under a separate section on the website of the Company at [www.veedacr.com](http://www.veedacr.com)

## **2. OBJECTIVES**

The objectives of the Policy are, inter alia, as under:

- a) To identify and nominate suitable candidates for the Board's approval to fill vacancies which may arise in the Board from time to time;
- b) To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives;
- c) To identify the key job incumbents in senior management positions and recommend whether the concerned individual be granted an extension in term/service or be replaced with an identified internal or external candidate or recruit other suitable candidate(s); and
- d) To ensure the systematic and long-term development of individuals in the senior management level to replace as and when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence.

## **3. APPLICABILITY OF THE POLICY**

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

- a) Managing Director and Chief Executive Officer and the rest of the Board;
- b) Senior management of the Company as defined in Regulation 16(1)(d) of the LODR;
- c) Any other positions within the Company at the discretion of the Managing Director & Chief Executive Officer in consultation with the Board.

## **4. SUCCESSION PLAN FOR THE BOARD AND SENIOR MANAGEMENT**

The Committee shall periodically review and determine if there is reason to believe that one or more director's slots/ senior management's position shall become vacant within the next twelve months and accordingly report its finding to the Board.

### **a) Assessment of candidates:**

The Committee shall make an initial assessment of potential candidates for the vacancy. It shall select from such pool, candidates for an initial interview by one or more members of the Committee. When the Committee identifies individuals that it believes meet the criteria mentioned in the Nomination and Remuneration Policy of the Company, it shall recommend them to the Board for selection.

### **b) Procedure:**

- i. If the Committee anticipates that a Director/ senior management position shall become vacant within the next twelve months (whether by reason of an announced intent to retire or otherwise),

or if such position suddenly becomes vacant (whether by death or otherwise), the Committee shall as soon as reasonably practicable recommend to the Board, sufficient number of candidates for selection.

ii. While identifying candidates for nomination as Director or senior management, the Committee may consult whatever sources it deems appropriate, including, but not limited to, referrals from existing Directors or senior management, recommendations from third-party search firms etc.

iii. The Committee shall have the authority to engage whatever advisors (including attorneys and search firms) it believe appropriate in its efforts to identity and evaluation potential candidates.

iv. The Committee shall also periodically review the list of high performer employees within the Company that may be potential candidates for elevation to the position of senior management position.

**c) Emergency Succession:**

If a director's slot /senior management's position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein.

Further, The NRC may, at its discretion, recommend to the Board, appointment of suitable candidate(s) in senior management level with a view to ensure a continuous availability of managerial talent at senior levels to meet the organizational needs.

The recommendations of the NRC shall be placed before the Board for approval. The senior management team shall always strive to develop in-house capabilities by enriching work exposure.

**5. REVIEW OF THE POLICY**

The Policy shall be reviewed periodically by the Board or such individuals or committees of individuals authorized to do so, by the Board and any change in the Policy shall be approved by the Board of the Company. However, all such amendments will be subject to applicable laws, rules and regulations, from time to time.

**6. AMENDMENTS**

The Board may amend the Policy as and when it deems necessary either pursuant to any change in law or otherwise. The Board shall be free to devise and implement any supplementary or other policies and guidelines in respect hereof for better implementation of this Policy.

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