Hindustan Coca-Cola Holdings Limited

Charter of the Nomination and Remuneration Committee

("Charter")

Effective Date –

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Classified - CONFIDENTIAL

A. PREAMBLE

This Charter of the Nominations and Remuneration Committee ("**Committee**") has been formulated by Hindustan Coca-Cola Holdings Limited ("**Company**"), to provide a framework for remuneration of the members of the board of directors ("**Board**") of the Company, key managerial personnel ("**KMP**"), members of senior management and other employees of the Company.

This Charter is guided by the principles enumerated in Section 178(3) of the Companies Act, 2013 and the rules made thereunder ("**Act**") and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI LODR Regulations**"), and other applicable provisions (including any statutory enactments / amendments thereof), to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company.

Terms used in this Charter but not defined shall have the meaning as prescribed to them under the Act, the SEBI LODR Regulations and/or any other applicable law or regulation to the extent applicable to the Company, as amended from time to time.

B. PURPOSE

The objective of the Committee, as specified under this Charter, is to assist the Board, in compliance with the Articles of Association of the Company, in:

(a) Identifying individuals who are qualified to become directors and who may be appointed in senior management cadre in accordance with the criteria laid down, and to recommend to the Board their appointment and removal;

(b) Developing and administering a fair and transparent policy relating to remuneration for the directors, KMP, and other employees of the Company;

(c) Evaluating the performance of the Board, its committees, of the Company;

(d) Deciding on whether to extend or continue the term of appointment of independent director(s), on the basis of the report of performance evaluation of independent directors;

(e) Recommending to the Board, all remuneration, in whatever form, payable to senior management of the Company;

(f) Formulating and implementing compensation and incentive schemes and plans to boost the morale and performance of directors, KMP and other employees of the Company; and

(g) Complying with prescribed legal and regulatory requirements.

The roles, responsibilities and powers of the Committee flow from the Board's overview on corporate governance, which holds the management accountable to the Board, and the Board, in turn, is accountable to the shareholders. The roles, responsibilities and powers of the Committee shall include matters set out in this Charter and such other items as may be prescribed by the Board in compliance with applicable law from time to time.

C. COMPOSITION

(a) Each member of the Committee must be a member of the Board.

(b) The Committee shall comprise of a minimum of 3 (three) directors as members. All directors of the Committee shall be non-executive directors, with at least two-thirds of the directors being independent directors.

(c) The Committee should collectively possess sufficient knowledge of HR, recruitment and hiring processes and requirements, as well as specific industry knowledge, in addition to general knowledge of different functional requirements such as finance, IT, law, governance, risk management and controls to ensure it is able to meet requirements of the role. The Board may re-evaluate the members' competencies and overall balance of skills of the Committee on a periodic basis as it may deem fit.

(d) The Committee shall have a chairperson, who shall be an independent director of the Company and shall be appointed as the chairperson in accordance with the Articles of Association of the Company. The chairperson shall preside over all the meetings of the Committee. In case the chairperson is unable to attend a particular meeting, the Committee members present may choose another member nominated in accordance with the Articles of Association of the Company to be the chairperson for that meeting only. The chairperson of the Committee shall be present at annual general meetings to answer shareholder queries, however, it shall be up to the chairperson to decide who shall answer the queries. The chairperson of the Company, if any, may be a member of the Committee; however, the chairperson of the Company shall not be nominated as the chairperson of the Committee.

(e) The Company Secretary shall act as the secretary to the Committee.

D. PROCESS

The Committee shall fulfill its objective through the following processes:

(a) Developing the performance criteria for the Board, committees, and individual directors and senior management of the Company;

(b) Establishing and updating a detailed skills and competency matrix for Board and senior management roles and ensuring that candidates align with the Company's strategic goals and desired attributes;

(c) At its discretion, invite members of the management, external experts in legal, financial and technical matters, to provide advice and guidance;

(d) Providing periodic feedback and reports to the Board;

(e) Conducting meetings of the Committee in accordance with this Charter read with the Company's Articles of Association; and

(f) Reviewing the Charter, structure, processes and membership periodically and recommending proposed changes to the Board for approval.

E. POWERS

This Charter sets out authority of the Committee to carry out its responsibility as laid down in this Charter. To carry out its responsibilities, the Committee shall have:

(a) Access to members of the Company's management, employees, data, records, reports and relevant information the Board considers necessary for the Committee to discharge its duties. If access to any data/information is restricted due to legal or confidentiality reasons, the Committee will follow the prescribed procedure to obtain Board approval to obtain the details;

(b) Power to investigate any activity within its terms of reference (by way of this Charter or as referred to it by the Board from time to time) and to summon any employee of the Company;

(c) Power to retain and obtain advice from external legal, accounting or other professional advisors as the Committee deems necessary or appropriate to carry out its duties, with consent of the Board; and

(d) Power to secure attendance of outsiders with relevant expertise, if it considers necessary.

The chairperson of the Committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries, or as applicable by law.

F. ROLE OF THE COMMITTEE

The roles and responsibilities of the Committee shall be as follows:

Role of the Committee with respect to nominations	
(a)	To formulate criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: a. use the services of an external agencies, if required; b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates.
(b)	To identify persons who are qualified to become directors and who may be appointed as KMP, including the Chief Executive Officer and the Chief Financial Officer, or senior management positions of the Company in accordance with the criteria laid down.
(c)	To recommend to the Board the appointment and removal of directors and senior management in accordance with the Articles of Association of the Company.
(d)	To formulate a policy on Board diversity, considering factors such as age, gender, experience, and expertise.
(e)	To review and provide recommendations to the Board on matters which shall impact the role, duty, remuneration and other factors of directors, KMP and senior management.
(f)	To recommend to the Board, whether to extend or continue the term of appointment of the independent director(s), on the basis of the report of performance evaluation of independent directors.

Role of the Committee with respect to the remuneration	
(a)	To formulate and recommend to the Board a policy relating to the remuneration for the directors, KMP, and other employees. The policy shall ensure that: (i) The level and composition of remuneration are reasonable and sufficient to attract, retain, and motivate directors of the quality required to run the Company successfully. (ii) The relationship between remuneration and performance is clear and meets appropriate performance benchmarks. (iii) Remuneration to directors, KMP, and senior management shall involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The policy on nomination and remuneration is provided in **Annexure A** to this Charter.
(b)	To recommend to the Board the remuneration package for all executive directors and KMP, including salary, benefits, bonuses, stock options, and other incentive plans.
(c)	To review and approve the remuneration payable to non-executive directors, including sitting fees, keeping in view the overall performance of the Company and their responsibilities.
Compensation and Benefits	
(a)	To administer and oversee any employee stock option schemes or other incentive plans of the Company.
(b)	Determine, approve and grant of stock options or stock purchase rights to individuals eligible for such grants under the plans (including any employee stock option plan for 2026 that may be adopted by the Board) and applicable law, including grants to individuals subject to the provisions of the Securities and Exchange Board of India Act 1992, SEBI Depository receipt framework, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Section 16 of the Exchange Act, as may be applicable.
(c)	Frame appropriate policies and procedures to ensure that there is no violation of securities laws including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended from time to time, by the trust, the company and its employees, as may be applicable.
Performance-based duties	
(a)	To develop, subject to approval by the Board, a process for an annual self-evaluation of the performance of the Board, the individual directors and board committees in the governance of the Company and to coordinate and oversee this annual self-evaluation.
(b)	To devise a succession plan for the Board and senior management, based on current progression of the Company.

(c)	To formulate a criterion for effective evaluation of Board, its committees and every Director's performance including independent directors.
(d)	To annually review its own performance and present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.
The Committee Report presented to the Board	
(a)	The Committee shall make regular reports to the Board regarding its actions and make recommendations to the Board as appropriate.
(b)	The Committee shall prepare such reports as may be required by any law, rule or regulation to which the Company is subject.
Other Responsibilities of the Committee	
(a)	Ensure the minutes of each Committee Meetings are placed before the Board for noting.
(b)	Carry out any other function as is mentioned in the terms of reference of the Committee or specifically asked to by the Board.

G. DELEGATION OF AUTHORITY

The Committee may delegate to one or more designated members of the Committee and / or the Company Secretary, severally, the authority to carry out all acts, deeds, matters and things as may be necessary to comply with the scope of activities as laid down by the Board from time to time, provided such delegation has been approved by all members of the Committee at its scheduled meetings.

H. CONFLICT OF INTEREST

The Committee members must adhere to the Company's Code of Conduct for the Board of Directors and Senior Management Personnel. The Committee members are required to disclose any conflict of interest or appearance of a conflict of interest to the Committee. If there is any question as to whether members of the Committee should recuse themselves from a vote, the other members of the Committee should vote to determine whether the member should recuse himself or herself.

I. ORIENTATION & TRAINING

All members of the Committee shall receive formal orientation training on the purpose, role and responsibilities of the Committee and the objectives of the Company.

J. MEETINGS & QUORUM

(a) The Committee shall meet at least once every 3 (three) months, or as and when required but in any event at least once a year.

(b) At least 7 (seven) days' prior written notice of a Committee meeting shall be given to each member and his/her alternate (if any), provided that a Committee meeting may be convened by giving less than 7 (seven) days' prior notice with the written consent of majority of the members in accordance with the Articles of Association of the Company. All notices for Committee meetings shall be in writing and shall specify the agenda setting

forth the business to be transacted, the issues to be considered by the members at any such meeting and shall be sent to each of the members. Such notices can be provided through email at the pre-approved email addresses of the members of the Committee. Copies of any documents relevant to the items on the agenda for a Committee meeting shall, to the extent possible, be distributed along with the relevant notice of such Committee meeting to all the members. No business other than those specified in the notice shall be tabled or transacted at the relevant Committee meeting, unless consented to by majority of the members in accordance with the Articles of Association of the Company.

(c) The quorum of each meeting shall be as per applicable law, and such other requirements as may be mentioned in the Company's Articles of Association.

(d) If the quorum of the Committee is not met, then the meeting shall be adjourned to the same day in the next week (or if that day is not a business day, to the succeeding business day) at the same time and place as the original meeting, unless decided otherwise by the members unanimously ("**Adjourned Committee Meeting**").

(e) A duly convened meeting of the Committee at which the requisite quorum is present shall be competent to exercise all or any of the authorities, power and discretion vested in or exercisable by the Committee.

(f) All members of the Committee shall be invited to attend the meetings of the Committee.

(g) The Committee may invite such other executives as it considers appropriate, to be present at the meetings of the Committee.

(h) Subject to provisions of the Articles of Association of the Company, in case of an Adjourned Committee Meeting, the members present shall, notwithstanding Section J(c) of this Charter, subject to their constituting a valid quorum under the Act (if applicable), be deemed to constitute a valid quorum and the Committee may proceed to discuss and decide on the matters on the same agenda as the non-quorate Committee meeting and nothing further as regards such agenda.

K. RECORDINGS

The Committee shall record its summaries of recommendations to the Board, which will be incorporated as a part of the minutes of the Board 's meetings, and as part of the information placed before the Board. The recommendations of the Committee on any matter must be considered by the Board.

L. REPORTING ON COMMITTEE PERFORMANCE

The Committee shall report to the Board at least once in a financial year, summarizing the Committee's activities, performance and recommendations and any other information as the Committee deems necessary. The report may be delivered during a committee meeting attended by the Board or during a regularly scheduled meeting of the Board.

M. DISSEMINATION OF POLICY

This Policy shall be posted on the website of the Company and the salient features of this Policy and changes therein, if any, along with the web address of the policy, if any, shall be mentioned in the Board Report of the Company.

N. REVIEW/AMENDMENT/MODIFICATION

This Policy shall be reviewed and accordingly amended by the Board from time to time so that it remains compliant with the applicable law. Notwithstanding anything contained to the contrary herein, this Policy shall automatically stand amended to incorporate any changes to the requirements prescribed under applicable law to the extent that such provision does not require the Board to exercise its discretion. If there is any change in provisions of applicable law that requires the Board to exercise its discretion, the Board shall promptly review such provisions and adopt any changes to the Policy as it may deem fit.

Annexure A

Nomination and Remuneration Policy

A. REMUNERATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS

i. Non-Executive and Independent Directors ("**NEDs**") will be paid remuneration by way of sitting fees and commission The remuneration/commission/ compensation to the NEDs will be determined by the Committee and recommended to the Board for its approval.
ii. As approved by the shareholders at the shareholders' meeting held on August 13, 2026 , the remuneration to NEDs of the Company may exceed the prescribed limit of 1% of the net profits of the Company per annum, up to such amount as may be decided by the Board of Directors of the Company and computed in accordance with Section 198 of the Act in any financial year(s) during their tenure as directors of the Company. The commission to be paid will be restricted to a fixed sum within the above limit annually on the basis of their tenure in office during the financial year.
iii. The payment of the commission to the NEDs will be placed before the Board every year for its consideration and approval. The sitting fee payable to the NEDs for attending the Board and committee meetings will be fixed, subject to the statutory ceiling. The fee will be reviewed periodically.
iv. Keeping with evolving trends in industries and considering the time and efforts spent by specific NEDs, the practice of paying differential commission will be considered by the Board.
v. NEDs are entitled to be paid all travelling and other expenses they incur for attending to the Company's affairs, including attending meetings of the Company.
vi. The remuneration payable by the Company to NEDs shall be subject to the conditions specified in the Act and the SEBI LODR Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

B. REMUNERATION OF EXECUTIVE DIRECTOR

i. The compensation paid to the executive directors (including managing director if any) will be within the scale approved by the shareholders. The elements of the total compensation, approved by the Committee will be within the overall limits specified under the Act.
ii. The elements of compensation of the executive director will include the elements, as described in paragraph (iv) below.
iii. The Committee will determine the annual variable pay compensation in the form of annual incentive and annual increment for the executive director based on Company's and individual's performance as against the pre-agreed objectives for the year.
iv. In case of inadequacy of profit in any financial year, the remuneration payable to the executive director shall be further subject to the relevant provisions of the Act.
v. Executive directors will not be paid sitting fees for any Board/committee meetings attended by them.
vi. The remuneration payable by the Company to the executive directors shall be subject to the conditions specified in the Act and the SEBI LODR Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL/SENIOR MANAGEMENT AND OTHER EMPLOYEES

i. The Company's total compensation for key managerial personnel/ members of senior management as defined under the Act and the SEBI LODR Regulations, as applicable, and other employees will consist of:

- fixed compensation;

- variable compensation in the form of annual incentive;
- benefits;
- work related facilities and perquisites.

ii. Fixed compensation will be determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation will include basic salary, housing allowance, leave travel allowance and a cash allowance

iii. The annual incentive (variable pay) of executives will be linked directly to the performance of the Company.

iv. Based on the grade and seniority of employees, benefits for employees may include:

- Health-Related
- Health (hospitalization) insurance
- Accident and life insurance
- Retirement-related
- Contribution to a superannuation fund (in addition to statutory benefits such as provident fund account, gratuity, etc.)

v. Employees will also be eligible for work related facilities and perquisites as may be determined through human resources policies issued from time to time based on the grade of the employee.

vi. A formal annual performance management process will be applicable to all employees, including senior executives. Annual increases in fixed and variable compensation of individual executives will be directly linked to the performance ratings of individual employee.

- Overall compensation shall be subject to periodic reviews which takes into account data from compensation surveys conducted by specialist firms, as well as factors such as affordability based on the Company's performance and the economic environment.
- Employees may be eligible for severance payments in accordance with the termination clause in their employment agreement subject to applicable regulatory requirements.