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BOARD EVALUATION POLICY

Preamble

S. D. International Limited (the "Company") believes that an effective and well-functioning Board of Directors is essential for achieving sustainable growth, protecting stakeholder interests and maintaining high standards of corporate governance. Periodic evaluation of the performance of the Board, its Committees and individual Directors provides an opportunity to assess their effectiveness, identify areas for improvement and enhance overall Board performance.

The Company is committed to adopting and following best governance practices and recognizes that a formal evaluation process contributes to improved decision-making, accountability, transparency and strategic oversight. Such evaluation also facilitates constructive feedback and promotes a culture of continuous improvement.

Section 178(2) of the Companies Act, 2013 provides that the Nomination and Remuneration Committee ("**NRC**") shall specify the- manner for effective evaluation of performance of Board, its committees and individual directors and review its implementation and compliance. It may be carried out either by the Board, or by the Nomination and Remuneration Committee or by an independent external agency. Part VII of the Schedule IV requires the independent directors to review the performance of non-independent directors and the Board as a whole; and review the performance of the Chairperson of the company, taking into account the views executive directors and non-executive directors. Regulation 17(10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the independent directors to be evaluated by the entire Board of directors excluding the directors who are subject to evaluation Section 134(3)(p) of the Companies Act, 2013 **("Act")** requires Directors' Report to state the manner in which formal annual evaluation of the performance of the Board, its committees and of individual directors has been made.

Purpose and Objective

The purpose of the Board Evaluation is to oversee the functioning of company's top management and to conduct periodical evaluation of director's performance and formulating the criteria for determining qualification, positive attribute and independence of each and every director of the company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the company.

The Board acknowledges its intention to establish and follow "best practices" in Board governance in order to fulfil its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board's time, and increased effectiveness of the Board as a governing body.

Definitions

In this Policy, unless the context otherwise requires:

a) **"Committee"** or "**Nomination and Remuneration Committee**" or "**NRC**" means the Nomination and Remuneration Committee constituted by the Board in accordance with the provisions of Section 178 of the Act and applicable provisions of the SEBI Listing Regulations;

b) **"Director"** or "**Board of Directors**" means a member of the board of directors of the Company;

c) **"Independent Director"** means an independent director as defined under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;

d) **"SEBI Listing Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Words and expressions used but not defined in this Policy shall have the meanings respectively assigned to them under the Act, the SEBI Listing Regulations and other applicable laws, as amended from time to time.

Statutory/Regulatory Requirements:

Section 134 (3) (p) of the Act mandates that the performance of every director of a listed company and every other Public Company having a paid-up capital of Rs. 25 crores or more should be evaluated. In terms of the provisions of the Act:

1. Schedule IV of the Companies Act, 2013, which prescribes the Code of Conduct for Independent Directors, provides for an evaluation mechanism for the Board and whole-time directors, Chairman which need to be done at a separate meeting of Independent Directors.
2. The NRC and Board of Directors is required to carry out evaluation of every Director's performance.
3. In addition, performance evaluation of the Independent Directors shall be done by the entire Board, excluding the director being evaluated. This is to be done on an annual basis for determining whether to extend or continue the term of appointment of the independent director.
4. The Directors' report to the Members of the Company shall include a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and Individual Directors.

1. Manner of Evaluation:

Evaluation of Individual Directors

1.1 Performance of individual Directors of the Company (including the Chairperson and Independent Directors) shall be evaluated, on an annual basis, by: (i) the Board as a whole (excluding the Director being evaluated); and (ii) the Nomination and Remuneration Committee.

1.2 In carrying out its evaluation, the Board and/ or the Nomination and Remuneration Committee, shall keep in mind the evaluation parameters set out in:
- (i) Annexure 1 with respect to all Directors other than the Independent Directors and Chairperson;
- (ii) Annexure 2 with respect to the Independent Directors; and
- (iii) Annexure 3 with respect to the Chairperson of the Company.

1.3 While evaluating the performance of individual Directors, the Nomination and Remuneration Committee shall always consider the appropriate benchmarks set as per industry standards, the performance of the individual Director, the performance of the Company and the role of the individual Director within the Company. Further, the Nomination and Remuneration Committee shall determine whether to extend or continue the term of appointment of each Independent Director, on the basis of the report of performance evaluation of Independent Directors.

1.4 In addition, the Independent Directors shall hold a meeting at least once in any given year, without the presence of the non-Independent Directors of the Company, to review the performance of: (i) such non-Independent Directors in accordance with the evaluation parameters set out in Annexure 1; and
(ii) the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors, and the evaluation parameters set out in Annexure 3. All Independent Directors shall strive to attend such meeting.

Evaluation of the Board

1.5 The Board shall, on an annual basis, evaluate its own performance keeping in mind the evaluation parameters set out in Annexure 4.

1.6 In addition, the Independent Directors, in the meeting referred to in paragraph 1.4 above, without the presence of the non-Independent Directors of the Company, shall (i) review the performance of the Board as a whole in accordance with the evaluation parameters set out in Annexure 4; and (ii) assess the quality, quantity and timelines of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Evaluation of the Board Committees

1.7 The Board shall, on an annual basis, evaluate the performance of each Board Committee as per the evaluation parameters set out in **Annexure** 5.

Criteria for Evaluation

1.8 The criteria for evaluation are laid out in the relevant Annexures. These include quantitative questions along with an option to provide qualitative comments. Each of the questions have the following five options:

Strongly disagree	Disagree	No opinion	Agree	Strongly Agree
1	2	3	4	5

2. Feedback

The Chairman of Nomination and Remuneration Committee shall give [written assessment / oral feedback] to:

(i) each Director separately;
(ii) the entire Board; and
(iii) each Board Committee.

Provided, in case the members are not comfortable with open individual assessment, provision for confidentiality may be made where possible.

3. Action Plan

3.1 Once responses from all the Directors have been received, a summary of results of the Board evaluation will be placed before the Nomination and Remuneration Committee. Based on the feedback from each member, an average rating for each question will be obtained. All questions with average rating of 4.5 or less have been identified as areas for reflection and action planning. These are not necessarily the problem areas but definitely the areas where processes/ practices can be improved to meet the best governance standards and the Board may devise a plan to address such identified areas ("Action Plan"). While identifying the areas for reflections, proposed actions should be suggested for consideration of the evaluation panel. In some areas, suggestions from the evaluation panel are required to be provided.

3.2 The Action Plan should carry in detail the following:

a. The nature of actions, including training and skill building, required to be undertaken to address the identified areas.
b. Timeline within which the actions detailed in the Action Plan shall be completed.
c. Persons responsible for the implementation of the Action Plan.
d. Resources required to achieve the objectives set out in the Action Plan.

3.3 The Board must review the actions set out in the Action Plan within a specific time period.

4. Policy Review

Subject to the approval of the Board, the Nomination and Remuneration Committee reserves its right to review and amend this Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration

Committee.

5. **General**

Notwithstanding anything contained in this Policy, the Company shall ensure compliance with any additional requirements as may be prescribed under any laws/regulations either existing or arising out of any amendment to such laws/regulations or otherwise and applicable to the Company, from time to time.

6. **Interpretation**

In case of any conflict or subsequent changes in the provisions of the applicable law, the applicable law would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with prevailing law. Any subsequent amendment/modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

7. **Disclosures**

In accordance with the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Act disclosure regarding the manner in which the performance evaluation has been done by the Board of its own performance, performance of various Board Committees and individual Directors will be made by the Board in the Board's Report. Further, the Board's Report containing such statement will be made available for the review of shareholders at the general meeting of the Company. The key features of this Policy will be included in the corporate governance statement contained in the annual report of the Company.

This Policy will be disclosed on the Company's website at https://sdpack.in/.

Version History

Version	Approved By	Approval Date	Effective Date
1st Version	Board of Directors	20/08/2026	20/08/2026

Annexure 1 | Individual Director (Excluding Independent Director and Chairperson)

This questionnaire has been designed to enable the assessment of every individual director by all members of the Board, saving the Director who is being evaluated. Every question would need to be evaluated on a 5-point scale as given below.

Strongly disagree	Disagree	No opinion	Agree	Strongly Agree
1	2	3	4	5

Individual Director– Assessment	**<Name of Director>**
Qualifications:	
Experience:	
Knowledge and Competency: i. The person is competent, as per the criteria identified by the Nomination and Remuneration Committee for the effective functioning of the entity and the Board	
ii. The person has sufficient understanding and knowledge of the entity and the sector in which it operates	
The person understands and fulfils the functions to him/her as assigned by the Board including his/her duties and responsibilities under the S.D. International Limited ("**S.D. International**") Code of Conduct and Ethics and the law (E.g. Law imposes certain obligations on independent directors)	
The person is able to function as an effective team- member	
The person actively takes initiative with respect to various areas	
The person is available for meetings of the Board and attends the meeting regularly and timely, without delay.	
The person is adequately committed to the Board and the Company	
The person contributed effectively to the entity and in the Board meetings	
The person demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)	

Note 1: Additional Comments and Suggestions, if any, to be written separately and attached to this questionnaire.

Note 2: The Independent Directors of the Company shall evaluate the non-independent director in a meeting without the attendance of the non-independent directors and the management

Annexure 2 | Independent Director

This questionnaire has been designed to enable the assessment of every Independent Director by all members of the Board, saving the Independent Director who is being evaluated. Every question would need to be evaluated on a 5-point scale as given below.

Strongly disagree	Disagree	No opinion	Agree	Strongly Agree
1	2	3	4	5

Independent Director – Assessment	**<Name of Director>**
Qualifications:	
Experience:	
Knowledge and Competency: i. The person is competent, as per the criteria identified by the Nomination and Remuneration Committee for the effective functioning of the entity and the Board	
ii. The person has sufficient understanding and knowledge of the entity and the sector in which it operates	
The person understands and fulfils the functions to him/her as assigned by the Board including his/her duties and responsibilities under the S.D. International-Code of Conduct and Ethics and the law (e.g. law imposes certain obligations on independent directors)	
The person is able to function as an effective team- member	
The person actively takes initiative with respect to various areas	
The person is available for meetings of the Board and attends the meeting regularly and timely, without delay.	
The person is adequately committed to the Board and the Company	
The person contributed effectively to the entity and in the Board meetings	
The person demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)	
The person is independent from the entity and the other directors and there is no conflict of interest	
The person exercises his/ her own judgment and voices opinion freely	

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Annexure 3 | Chairperson

This questionnaire has been designed to enable the assessment of the Chairperson by all members of the Board. Every question would need to be evaluated on a 5-point scale as given below.

Strongly disagree	Disagree	No opinion	Agree	Strongly Agree
1	2	3	4	5

Independent Director – Assessment	**<Name of Director>**
Qualifications:	
Experience:	
Knowledge and Competency: i. The person is competent, as per the criteria identified by the Nomination and Remuneration Committee for the effective functioning of the entity and the Board	
ii. The person has sufficient understanding and knowledge of the entity and the sector in which it operates	
The person understands and fulfils the functions to him/her as assigned by the Board including his/her duties and responsibilities under the S.D. International - Code of Conduct and Ethics and the law (e.g., law imposes certain obligations on independent directors)	
The person is able to function as an effective team- member	
The person actively takes initiative with respect to various areas	
The person is available for meetings of the Board and attends the meeting regularly and timely, without delay.	
The person is adequately committed to the Board and the Company	
The person contributed effectively to the entity and in the Board Meetings	
The person demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)	
The Chairperson displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to coordinate the discussion, etc. and is overall able to steer the meeting effectively	
The Chairperson is impartial in conducting discussions, seeking views and dealing with dissent, etc.	
The Chairperson is sufficiently committed to the Board and its meetings.	
The Chairperson is able to keep shareholders' interest in mind during discussions and decisions.	

Annexure 4 | Board Evaluation

This Annexure has been designed to enable assessment of the Board. Every question would need to be evaluated on a 5-point scale as given below.

The Chairperson is able to keep shareholders' interest in mind during discussions and decisions.

1.	**Structure of the Board**	**Strongl y disagree 1**	**Disagree 2**	**No Opinio n 3**	**Agre e 4**	**Strongly Agree 5**
1.1	The Board as a whole has directors with a proper mix of competencies to conduct its affairs effectively					
1.2	Board as a whole has directors with enough experience to conduct its affairs effectively					
1.3	Board as a whole has directors with a proper mix of qualifications to conduct its affairs effectively					
1.4	There is sufficient diversity in the Board (Gender/background/competence/experience)					
1.5	The process of appointment to the board of directors is clear and transparent and includes provisions to consider diversity of thought, experience, knowledge in the Board					

2.	**Meetings of the Board**	**Strongly disagree 1**	**Disagree 2**	**No Opinion 3**	**Agree 4**	**Strongly Agree 5**
2.1	The meetings are being held on a regular basis					
2.2	The Board meets frequently					
2.3	The frequency of such meetings is enough for the Board to undertake its duties properly					
2.4	The logistics for the meeting is being handled properly, venue, format, timing, etc.					
2.5A	The agenda is circulated well before the meeting					
2.5B	The agenda has all the relevant information to take decisions on the matter					
2.6	The quality of agenda and Board papers is up to the mark (explains issues properly, not overly lengthy, etc.)					

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2.7	The outstanding items of previous meetings are followed-up and taken up in subsequent agendas					
2.8	The time allotted for the every item (especially substantive items) in the agenda of the meeting is sufficient for adequate discussions on the subject					
2.9	The Board is able to finish discussion and decision on all agenda items in the Meetings					
2.10	The agenda includes adequate information on the various Committee's activities					
2.11	The Board discusses every issue comprehensively and depending on the importance of the subject					
2.12	The discussions generally add value to the decision making					
2.13	All members actively participate in the discussions					
2.14	Overall, the Board functions constructively as a team					
2.15	The minutes of the Board meeting are being recorded properly, clearly, completely, accurately and consistently					
2.16	The minutes of the Board are approved properly in accordance with set procedure					
2.17	The minutes of the Board are circulated to all the Board members					
2.18	Dissenting views are recorded in the Minutes					
2.19	Board is adequately informed of material matters in between meetings					

3.	**Functions of the Board**	**Strongl y disagree 1**	**Disagree 2**	**No Opinion 3**	**Agree 4**	**Strongly Agree 5**
	Role and Responsibility of the Board & Strategy and Performance Evaluation					
3.1	Role and responsibility of the Board is clearly documented e.g. Difference in roles of Chairman and CEO, matter reserved for the Board, etc.					
3.2	Various scenario planning is used to evaluate strategic risks					
3.3	The Board overall reviews and guides corporate strategy, major plans of action, risk policy, annual budgets and business plans, sets performance objectives, monitored implementation and corporate performance, and oversees major capital expenditures, acquisitions and divestments					
4	**Governance and Compliance**	**Strongly disagree 1**	**Disagree 2**	**No Opinio n 3**	**Agree 4**	**Strongly Agree 5**
4.1	Adequate time of the Board is being devoted to analyse and examine governance and compliance issues					
4.2	The Board monitors the effectiveness of its governance practices and makes changes as needed					
4.3	The Board ensures the integrity of the Company's accounting and financial reporting systems, including the independent audit, and the appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards					
4.4	The Board oversees the process of disclosure and communications					
4.5	The Board evaluates and analyses the compliance certificate from the auditors / practicing company secretaries regarding compliance of conditions of corporate Governance					

5	**Evaluation of Risks**	**Strongly disagree 1**	**Disagree 2**	**No Opinion 3**	**Agree 4**	**Strongly Agree 5**
5.1	The Board undertakes a review of the high risk issues impacting the Company regularly					
6	**Grievance Redressal for Investors & Conflict of Interest Evaluation**	**Strongly disagree 1**	**Disagree 2**	**No Opinion 3**	**Agree 4**	**Strongly Agree 5**
6.1	The Board regularly reviews the grievance redressal mechanism of investors, details of grievances received, disposed of and those remaining unresolved					
6.2	The Board monitors and manages potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions					
6.3	a sufficient number of non-executive members of the board of directors capable of exercising independent judgement are assigned to tasks where there is a potential for conflict of interest					
7	**Stakeholder Value and Responsibility**	**Strongly disagree 1**	**Disagree 2**	**No Opinion 3**	**Agree 4**	**Strongly Agree 5**
7.1	The decision making process of the Board is adequate to assess creation of stakeholder value					
7.2	The Board has mechanisms in place to communicate and engage with various stakeholders					
7.3	The Board treats shareholders and stakeholders fairly where decisions of the board of directors may affect different shareholder/ stakeholder groups differently					

7.4	The Board regularly reviews the Business Responsibility Reporting / related corporate social responsibility initiatives of the entity and contribution to society, environment etc.					
8	**Board and management**	**Strongly disagree 1**	**Disagree 2**	**No Opinion 3**	**Agree 4**	**Strongly Agree 5**
8.1	The Board evaluates and monitors management, especially the CEO regularly and fairly and provides constructive feedback and strategic guidance					
8.2	The measures used are broad enough to monitor performance of the management					
8.3	The management's performance is benchmarked against industry peers					
8.4	The remuneration of the management is in line with its performance and with industry peers					
8.5	The remuneration of the Board and the management is aligned with the longer term interests of the entity and its shareholders					
8.6	The level of independence of the management from the Board is adequate					
8.7	The Board and the management are able to actively access each other and exchange Information					
8.8	Adequate secretarial and logistical support is available for conducting Board meetings					
8.9	An appropriate and adequate succession plan is in place and is being reviewed and overseen regularly by the Board					
8.10	Continuing directors training is provided to ensure that the members of board of directors are kept up to date					
8.11	The Board monitors and reviews the Board evaluation framework					

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8.12	The Board facilitates the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of board of directors and any criticism by such directors is taken Constructively					

Annexure 5 | General Evaluation Criteria for the Committees of the Board

While evaluating the performance of the Committees of the Board the following general criteria as laid out in the SEBI Guidance Note shall be considered by the Board. Every question would need to be evaluated on a 5-point scale as given below.

Strongly disagree	Disagree	No opinion	Agree	Strongly Agree
1	2	3	4	5

Name of the committee: ___________________________________

No.	Parameter	Description	Rating
1.	**Mandate and Composition**	The Mandate, composition and working procedures of the committees of the Board are clearly defined and discussed.	
2.	**Effectiveness of the Committee**	The committee has fulfilled its functions as assigned by the Board and laws as may be applicable.	
3.	**Structure of the Committee and meetings**	The committee has properly structured and regular meetings.	
		The frequency of such meetings is enough for the committee to undertake its duties properly.	
		The logistics for the meeting is being handled properly, venue, format, timing, etc.	
		The agenda is circulated well before the meeting	
		The agenda has all the relevant information to take decisions on the matter	
		The agenda is up to date, regularly reviewed and involves major substantial decisions	
		The outstanding items of previous meetings are followed-up and taken up in subsequent agendas	
		The time allotted for every item (especially substantive items) in the agenda of the meeting is sufficient for adequate discussions on the subject	
		The committee is able to finish discussion and decision on all agenda items in the meetings	
		The committee discusses every issue comprehensively and depending on the importance of the subject	
		The discussions generally add value to the decision Making	
		All members actively participate in the discussions	
		Overall, the committee functions constructively as a team	

		The minutes of the committee meeting are being recorded properly – clearly, completely, accurately and consistently	
		The minutes of the committee are approved properly in accordance with set procedures	
		The minutes of the committee are circulated to all the committee members	
		Committee is adequately informed of material matters in between meetings	
4.	**Independence of the Committee from the Board**	The independence of the committee is ensured from the Board.	
5.	**Contribution to decisions of the Board**	The committee's recommendations contribute effectively to the decisions of the Board.	

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