

Affle 3i Limited
NOMINATION & REMUNERATION POLICY

1. Introduction:

In terms of Section 178 of the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management of Affle 3i Limited (“the Company”) has been adopted by the Board of Directors.

This policy shall act as guidelines on matters relating to the appointment/re-appointment, remuneration, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

2. Definitions:

In this policy unless the context otherwise requires:

- a) Act: means the Companies Act, 2013 and rules there under, as amended from time to time.
- b) Board: means “Board of Directors” of Affle 3i Limited.
- c) Director: means Directors of the Company appointed under the Companies Act 2013
- d) Independent Director: means a Director referred to in Section 149 (6) of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) Committee: means “Nomination & Remuneration Committee” of the Company as constituted by the Board from time to time.
- f) Key Managerial Personnel or KMP: means Managing Director, Whole-time Director/Executive Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and such other persons who may be considered to be KMP under the Companies Act, 2013 or as may be identified by the Board._
- g) Senior Management shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.
- h) Listing Regulations means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3. Appointment of Director, Key Managerial Personnel & Senior Management

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or KMP and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

Appointment of Senior Management Personnel shall be in accordance to Company's HR policy and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's policy is committed to acquire, develop and retain a pool of high calibre and talent, establish systems and practices for maintaining transparency, fairness and equity and provides for payment of competitive pay packages matching industry standards.

4. Remuneration of Executive Director, KMP and Senior Management Personnel

a) The remuneration / compensation / commission etc. to the Executive Directors will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company, wherever required.

b) The remuneration and commission to be paid to the Executive Directors shall be in accordance with the percentage / limits / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act/Listing Regulations.

c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board in the case of Executive Directors, which should be within the limits approved by the Shareholders and in accordance with the provisions of the Act.

d) Remuneration of Senior Management Personnel shall be as per the policy of the Company based on the grade structure in the Company. The Chairman/ CEO/ Managing Director of the Company is authorized to decide any payments or compensation changes to Senior Management.

e) Commission:

Commission may be paid to the Executive Director, as may be applicable, within the monetary limit approved by shareholders, subject to the limits prescribed under the applicable provisions of the Act.

f) Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with

the provisions of the Act.

g) Provisions for excess remuneration

If any Chairman/Managing Director/Whole-time Directors draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act/Listing Regulations or without the necessary approvals /, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless necessary approvals are obtained under the Act/ Listing Regulations.

Remuneration of Independent Directors/Non-Executive Director

Sitting Fees

The Independent Directors of the Company are entitled to sitting fees as determined by the Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of Companies Act, 2013.

The Non-Executive Non Independent Directors may be paid sitting fees in accordance with the provisions of Companies Act, 2013.

Currently the Company does not pay any sitting fee to its Non-Executive Non Independent Director.

Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

The aggregate commission payable to the Independent Directors and Non-Executive Non-Independent Directors will be recommended by the Nomination & Remuneration Committee to the Board based on Company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

Currently, the Company does not pay any commission to its Directors.

5. Change in Directors & Key Managerial Personnel:

The Committee may recommend to the Board, changes in Board or Key Managerial Personnel subject to the provisions of the Act, Listing Regulations and applicable policies framed and adopted by the Company from time to time.

The Board of Directors will have the discretion to retain the Key Managerial Personnel in the same position / remuneration or revised remuneration after attaining the date of superannuation for organisational development reasons.

6. Evaluation

The evaluation of the performance of the Board and individual Directors shall be carried out in accordance with provisions of Companies Act, 2013 and Listing Regulations on an Annual Basis on the basis of self-assessment forms to be reviewed by the Committee annually.

The evaluation of the performance of the Key Managerial Personnel who are not Directors of the Company, Senior Management Personnel shall be conducted as per Company's HR Policies.

7. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

8. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

9. Amendments

The Board on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Version Control

Version	Date	Description	Description of changes
1.0	29.05.2021	Updation	Updation in definition as per amendment in Regulations
2.0	03.02.2024	Updation	Updation in definition as per amendment in Regulations