

One 97 Communications Limited

Nomination, Remuneration and Board Diversity Policy

Version 5.0

Policy Version	Date of Board approval	Effective Date
Version 1.0	October 17, 2014	October 17, 2014
Version 2.0	July 10, 2021	July 10, 2021
Version 3.0	July 21, 2023	July 21, 2023
Version 4.0	January 19, 2024	January 19, 2024
Version 5.0	July 03, 2026	July 03, 2026

Table of Contents

S.no.	Contents	Page No.
I.	Preamble	3
II.	Definitions	3
III.	Objective, purpose and Scope	3
IV.	Letter of Appointment	4
V.	Appointment criteria and Qualification of Directors	4
VI.	Term/Tenure	5
VII.	Independence of Independent Directors	6
VIII.	Appointment Criteria and qualification of KMP and SMP and other employees	6
IX.	Retirement	6
X.	Removal	7
XI.	Evaluation	7
XII.	Board Diversity	7
XIII.	Remuneration to Executive Directors	7
XIV.	Remuneration to Non-Executive Directors	8
XV.	Remuneration to KMP, SMP and other employees	8
XVI.	Directors and Officers Liability Insurance Policy	9
XVII.	Recoupment	9
XVIII.	Subsidiary Companies	9
XIX.	Limitation	9
XX.	Disclosure of this Policy by the Company	9
XXI.	Policy Review	9
Annexure I		11

I. Preamble

This Nomination, Remuneration and Board Diversity Policy (the “Policy”) has been formulated by One 97 Communications Limited (“Company”) in compliance with Section 178 of the Companies Act, 2013, read with applicable rules made thereunder and in compliance of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The Board of Directors of Company (“Board”) has approved and adopted this Policy on the recommendation of the Nomination and Remuneration Committee. It is understood that this policy shall be subject to the provisions of the Articles of Association of the Company and any agreements that the Company may have entered into.

II. Definitions

- a) “Act” means the Companies Act, 2013, as amended from time to time and the rules framed thereunder.
- b) “Committee” or “NRC” means the Nomination and Remuneration Committee of the Company constituted by the Board of the Company consisting of three or more non-executive directors (with at least two-third independent directors), in compliance with the applicable provisions of the Act and the SEBI Listing Regulations
- c) “Director” means a member of the Board of the Company.
- d) “Employee” means any person who is a permanent employee of the Company.
- e) “Independent Director” means a Director referred to under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations, as amended from time to time.
- f) “Key Managerial Personnel” or “KMP” means Key Managerial Personnel as defined under sub-section (51) of Section 2 of the Act as under:
 - i) the Chief Executive Officer or the Managing Director or the Manager;
 - ii) the Company Secretary;
 - iii) the Whole-time Director;
 - iv) the Chief Financial Officer;
 - v) such other officer, not more than one level below the Directors who are in whole-time employment, designated as key managerial personnel by the Board; and
 - vi) such other officer as may be prescribed.

“Senior Management Personnel” or (“SMP”) means the officers and personnel of the Company who are members of its core management team excluding Board of Directors, and comprising all members of management one level below the Chief Executive Officer or the Managing Director, or the Whole-Time Director or Manager (including Chief Executive Officer and Manager in case they are not part of Board of Directors) and shall specifically include the functional heads, by whatever name called and persons identified and designated as key managerial personnel, other than the Board of Directors, by the Company.

Words and expressions not defined in this policy shall have the same meaning as contained in the Act and the SEBI Listing Regulations.

III. Objective, purpose and Scope

The objective of this Policy is to serve as a guiding charter to appoint qualified persons as Directors on the Board of the Company (“Directors”), KMP, and SMP, to recommend the remuneration to be

paid to them and to evaluate their performance including to:

- a) lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive including Independent Directors) and persons who may be appointed as KMP and SMP.
- b) identify the criteria for determining qualifications, positive attribute and independence of Directors;
- c) specify framework for remuneration of Directors, KMP and SMP, based on factors including the Company's size, financial position, trends and practices on remuneration prevailing in peer companies in the similar industry.
- d) specify the manner for effective evaluation of performance of the Board, its committees and individual Directors and Chairman of the Board to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
- e) assessing the independence of Independent Directors
- f) providing them reward, linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- g) retaining, motivating and promoting talent and to ensure long term sustainability of talented persons and create competitive advantage.
- h) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provision of the Act and Rules thereunder and the SEBI Listing Regulations

IV. Letter of appointment

Letter of appointment shall be issued by the Company to each Director, KMP and SMP based on the recommendations of the NRC on the basis of the guidelines for the same under the Act and this Policy and shall be accepted and signed by the concerned person.

Part A – Criteria for Appointment of Directors, KMP, SMP and other employees

V. Appointment criteria and Qualification of Directors

- 1) The Board shall have an optimum combination of Executive, Non-Executive and Independent Directors including at least one woman Director in accordance with requirements of the Articles of Association of the Company, the Act and SEBI Listing Regulations as it is necessary to effectively manage the affairs of the Company. The appointment of Directors shall be approved by the Board on the recommendation of the NRC and shall be subject to approval of Shareholders as per applicable provisions of the Act and or SEBI Listing Regulations.
- 2) The Committee shall be responsible for identifying suitable candidates for appointment/ re-appointment of Chairman, Managing Director, Whole-time Director, Non-Executive Directors including Independent Directors. While evaluating a person for appointment/re appointment as Directors, the Committee shall consider and evaluate number of factors including but not limited to background, qualification, integrity, knowledge, skills, ability to exercise sound judgement, professional and personal accomplishment, age, experience of industry and such other factors

that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board.

- 3) The proposed candidate may possess appropriate expertise, experience and knowledge in one or more fields of Business and Management, Technology and Digital Expertise, Finance, Marketing, Corporate Governance, ESG or such other areas related to the Company's business as may be determined by the NRC.
- 4) The Company shall not appoint or continue the employment of any person as Managing Director / Whole-Time Director who has attained the maximum age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders.
- 5) The Company shall not appoint or continue the employment of any person as Non-Executive Director who has attained the maximum age of Seventy-Five years. Provided that the term of the person holding this position may be extended beyond the age of Seventy-Five years with the approval of shareholders.
- 6) The Committee shall ensure that an appropriate induction and training and familiarization program is in place for new Directors after their appointment. The Committee shall also ensure that all directors are provided with appropriate training and/or business/regulatory updates on a periodic basis.

VI. Term / Tenure

On the recommendations of the NRC and the Board of Directors:

1) Managing Director/Whole-Time Director

The Company shall appoint or re-appoint a person as its Managing Director and CEO or Whole-Time Director for a term not exceeding five years which may be extended to other terms with the approval of the shareholders, as may be permitted under the applicable laws.

2) Non-Executive Non-Independent Director

The Non-Executive Non-Independent Director's office is subject to retirement by rotation and subject to approval of Shareholders at the General Meeting in the manner as specified under the applicable laws.

3) Independent Director

An Independent Director shall be appointed / re-appointed for a term not exceeding five years with the approval of the shareholders and shall not be liable to retire by rotation.

4) Limitation on number of Directorships.

No person shall serve as director in more than twenty companies (including the Company) at the same time, provided that the maximum number of public companies in which they can be appointed as a director shall not exceed ten companies.

For reckoning the limit of public companies in which they can be appointed as director, directorship in private companies that are either holding or subsidiary Company of a public Company shall be included.

Provided further that the appointment of an Executive Director as a director of any other company shall be subject to the consent of the Board of Directors of the Company as long as there is no conflict of interests involved.

The above provisions shall be subject to the applicable provisions of the act and rules made thereunder.

5) Maximum Number of Directorships of Public Listed Companies.

A person shall not be a director in more than seven public listed companies.

Notwithstanding the above, any person who is serving as a whole-time director / Managing director in any public listed company shall serve as an independent director in not more than three public listed companies.

The above provisions shall be subject to the SEBI Listing Regulations, as may be applicable.

VII. Independence of Independent Directors

The independence of Directors is decided based on criteria provided under the relevant provisions of the Act read with rules made thereunder, and any modification/amendments made from time to time and as envisaged under SEBI Listing Regulations. A declaration of independence is taken from the Independent Directors at the first meeting of the Board in which he or she participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his/her status as an Independent Director. An Independent Director shall be under the obligation to inform the Board of any change in circumstances which may affect his/her independence and shall not serve as an independent director in more than seven listed entities.

VIII. Appointment Criteria and qualification of KMP and SMP (not being a director) and other employees.

- 1) The Managing Director/ Whole-Time Director shall ensure that the candidate being recommended to the NRC possesses the requisite qualification, expertise and experience for the position he / she is considered for appointment, as per the Company's requirements and applicable laws/policies. The appointment of KMP and SMP shall be approved by the Board on recommendation of the NRC.
- 2) The NRC shall consider and make a recommendation to the Board for appointment of KMP and SMP. NRC shall have a right to interview the identified candidate.
- 3) The appointment of other employees shall be made based on the experience, qualifications, and expertise of the individual as well as the roles and responsibilities required for the position.
- 4) The whole KMP of the Company shall not hold executive office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a director in any company, with the permission of the Board subject to applicable provisions of the Act and/or SEBI Listing Regulations

IX. Retirement

The Directors, KMP and SMP shall retire as per the applicable provisions of the Act along with the rules made there under and the prevailing policy of the Company. The Board will have a discretion to retain any Director, KMP and SMP, even after attaining the retirement age, for the benefit of the Company, after seeking applicable approvals.

X. Removal

Due to reasons for any disqualification mentioned in the Act and rules made there under or under any other applicable law, the Committee may recommend to the Board with reasons recorded in writing for removal of a Director, KMP and SMP, subject to the provisions of the Act and other applicable laws, policy of the Company and terms of their respective appointment.

XI. Evaluation

The Committee shall specify the manner for effective evaluation of performance of the Board, its Committees, individual Directors and Chairman of the Board to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance as per applicable provisions of the Act and SEBI Listing Regulations

XII. Board Diversity

The Company's Policy on Board Diversity is annexed as Annexure I to this Policy.

Part B – Remuneration to Directors/KMP/SMP and other employees

The remuneration structure would normally depend upon the roles and responsibilities as well as the prevailing market practices. The overall limit of remuneration of the Directors including Executive Directors (i.e., Managing Director, Whole-Time Director etc.) is governed by the applicable provisions of the Act & rules made thereunder and SEBI Listing Regulations. The overall remuneration, including fixed and variable pay including but not limited to ESOP, will be benchmarked with other companies based on size, sector or other parameters as may be considered appropriate by the Committee and/ or Board.

XIII. Remuneration to Executive Directors (Managing Director and Whole-Time Director)

In accordance with provisions of the Act and SEBI LODR Regulations, the remuneration of the Whole-time Director / Managing Director will be determined by the Committee and recommended to the Board for its approval.

The remuneration shall be subject to the approval of shareholders of the Company as may be required as per provisions of the Act and or SEBI Listing Regulations.

The remuneration payable to Executive Directors may consist of the following components which shall be reviewed by the Committee and / or Board based on their performance.

- i) **Base Compensation (fixed salaries):** This component of salary is competitive and reflective of the individual's role, responsibility and experience in relation to performance of day -to-day activities, usually reviewed on an annual basis. The base Compensation includes salary, allowances and other statutory/non- statutory benefits which are a normal part of remuneration package in line with market practices.
- ii) **Variable salary/Long Term Incentives:** A relevant part of remuneration is payable as variable salary linked to Company and individual performance, fulfillment of quantitative and or qualitative targets or the attainment of certain financial or other objectives set in this regard.
- iii) **Stock Options:** Stock Options in accordance with applicable laws.
- iv) **Others:** Any other component/benefits including commission as may be recommended and approved by the NRC as per applicable provisions of the law and/or policies of the Company.

- v) **Increments** to the existing remuneration/ compensation structure may be recommended by the NRC Committee to the Board which should be within the limits approved by the Shareholders in the case of Whole-time Director / Managing Director or as per applicable provisions of the Companies Act/ SEBI Listing Regulations.

XIV. Remuneration to Non-Executive Directors including Independent Directors:

As per the provisions of Section 197 of the Act read with the rules made thereunder, the remuneration payable to Non-Executive Directors including Independent Directors shall be based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution of Directors, the Company's performance. The remuneration may be benchmarked with other companies based on size, sector or other parameters as may be considered appropriate by the Committee and/ or Board including the following components:

- i) **Fixed Remuneration** – The Non-Executive Directors, including Independent Directors shall be eligible to receive remuneration as recommended by the Committee and approved by the Board and/or shareholders, as applicable.
- ii) **Variable Remuneration** – The Non-Executive Directors including Independent Directors may receive remuneration based on criteria like type of committee membership/ chairmanship, attendance of meetings of the Board or Committees of the Board to which they are appointed from time to time thereof.
- iii) The Non-Executive Directors including Independent Directors, are entitled for the sitting fees and reimbursement of expenses for participation in the Board and / or Committee meetings such as flight, transportation, accommodation etc., as may be decided by the Board.
- iv) In the event of absence or inadequacy of profits, subject to the approval of the shareholders of the Company and on the recommendation of the Committee, the Company shall pay remuneration to its non-executive including Independent Directors in accordance with the provisions of Schedule V of the Act.
- v) **Stock incentive:** The Independent Directors shall not be entitled to any stock incentive of the Company.
- vi) **Others:** Any other component/benefits/including commission as may be recommended and approved by the NRC as per applicable provisions of the law.
- vii) Non-Executive Nominee Directors shall not be paid any remuneration. However, they shall be entitled for reimbursement of expenses for participation in the Board and / or Committee meetings such as flight, transportation, accommodation etc., as may be decided by the Board.
- viii) Any remuneration paid for services rendered by any director which are of professional nature shall not be considered as part of the remuneration as per applicable provisions of the Act and/or SEBI LODR Regulations.

XV. Remuneration to KMP (other than covered in Clause a above), SMP and other employees:

The remuneration of KMP (other than covered in Clause above), SMP and other employees, shall be as per the policies of the Company. The Committee shall recommend to the Board, all remuneration, in whatever form, payable to KMP and SMP.

The remuneration payable to KMP, SMP and other employees may consist of the following components which shall be reviewed by the Committee and / or Board based on their performance:

- i) **Fixed Pay:** This component of salary is competitive and reflective of the individual's role, responsibility and experience in relation to performance of day -to-day activities, usually reviewed on an annual basis. The base Compensation includes salary, allowances and other statutory/non- statutory benefits which are a normal part of remuneration package in line with market practices.
- ii) **Variable salary/Long Term Incentives:** A relevant part of remuneration is payable as variable salary linked to corporate and individual performance, fulfilment of specified quantitative and qualitative targets or the attainment of certain financial or other objectives set in this regard.
- iii) **Stock Options :** Stock Options in accordance with applicable laws.
- iv) **Perquisites :** **Perquisites** and such other benefits as may be deemed appropriate as per applicable laws and/or Policies of the Company.

XVI. Directors and Officers Liability Insurance Policy

All Directors and officers (including KMP and SMP) of the Company would be covered by the requisite Directors and Officers Liability Insurance Policy.

XVII. Recoupment

In the event, the Company restates its financial statements due to fraud or non-compliance of any rules, regulations, accounting standards, applicable to the Company, to the extent permitted or required by governing laws, the Company shall seek to recover any Incentive Based Compensation received by the concerned employee that is in excess of what would have been payable based on the restated and corrected financial statements. Additionally, Executive Director and any KMP/SMP related to, or providing oversight to the respective function could also be subject to similar recoupment.

XVIII. Subsidiary Companies

This Policy may be adopted by the Company's subsidiaries subject to suitable modifications and approval of the Board of Directors of the respective subsidiary companies.as per applicable provisions of the Act.

XIX. Limitation

In the event of any conflict between the provisions of this Policy and the Act, rules made there under, the SEBI Listing Regulations or any other statutory enactments or rules as maybe applicable, the provisions of Act, rules made there under, the SEBI Listing Regulations or any other statutory enactments or rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

XX. Disclosure of this Policy by the Company

This Policy shall be placed on the website of the Company and the salient features of the Policy and changes therein, if any, along with the web address of the Policy shall be disclosed in the Board's Report.

XXI. Policy Review

- a) This Policy is framed based on the provisions of the Act and rules thereunder and the requirements of Listing Regulations.
- b) In case of any subsequent changes in the provisions of the Act or any other regulations which makes

any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

- c) This policy shall be reviewed by the Committee as and when any changes are to be incorporated in the policy due to changes in regulations or as may be felt appropriate by the Committee, provided that such review should be undertaken at least once in two years. Any changes or modification to the policy as recommended by the Committee would be placed before the Board for their approval.

Annexure I

Policy on the Diversity of the Board of Directors

I. BACKGROUND:

Pursuant to Regulation 19(4) read with Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**SEBI Listing Regulations**”), this policy on diversity of board of directors (the “**Board**”) of One 97 Communications Limited (the “**Company**”) is formulated.

II. OBJECTIVE

The Company believes that diversity plays a very important role in ensuring transparency and balanced decision making in the boardroom.

The Company recognizes that diversity in the composition of the Board is essential in view of the expansion of business, gender equality, greater social responsibility, increasing emphasis on corporate governance, need for addressing concerns of diverse stakeholders and the necessity for managing risks in the business effectively. A Board composed of appropriately qualified and skilled people, with a broad range of experience relevant to the business, is important for effective corporate governance and sustained commercial success of the Company. The Company is therefore committed to promoting social and professional diversity in the Board.

The purpose and objective of this Policy is to comply with SEBI Listing Regulations and to ensure diversity of thought, experience, knowledge, perspective and gender in the Board. This Policy provides a framework and sets standards for having a diversified board with the ability to reach its decisions after evaluating multiple options and perspectives as compared to a homogeneous board and thus enrich the performance of the Company.

III. BOARD DIVERSITY POLICY:

The Nomination and Remuneration Committee of the Board (the “**Committee**”) shall consider this Policy along with the Nomination and Remuneration Policy while selecting and recommending a person for appointment as a member of the Board and while evaluating the Board and its members.

The Board shall have, all times, an optimum combination of executive, non-executive directors including independent and atleast one woman director with diverse backgrounds in accordance with the articles of association of the Company, Companies Act, 2013, as amended and the rules notified thereunder (the “**Companies Act**”) and the SEBI Listing Regulations.

IV. SCOPE

This Policy should be read along with the Nomination and Remuneration Policy of the Company. This Policy applies to the Board and it does not apply to employees of the Company.

V. SUCCESSION PLANNING, MONITORING, TRACKING AND REPORTING:

The Committee shall suggest laying down a succession plan and drive the understanding of SMP/ KMP talent. As part of the exercise, it may also review and suggest training for directors. One of the key requirements is to plan for the evolution of non-executive directors over the medium term to maintain an appropriate mix of skills, age, experience and gender diversity on the Board.

The Company shall provide to its shareholders information regarding the composition of the Board, the areas of expertise of each director and their qualification/ characteristics etc., as per the requirements of the SEBI Listing Regulations and the Companies Act.

VI. AMENDMENTS:

This Policy may be amended, modified or supplemented from time to time, basis the review by the Committee, to ensure compliance with any modification, amendment or supplementation to the SEBI Listing Regulations or as may be otherwise prescribed by the Committee or the Board, from time to time.

VII. INTERPRETATION:

The terms used in this Policy but not defined herein shall have the same meaning ascribed to it in the articles of association of the Company and/ or the Companies Act.

In the event of any conflict between the Companies Act or the SEBI regulations or any other statutory enactments (collectively referred as “**Regulations**”) and the provisions of this Policy, the Regulations shall prevail over this Policy. Any subsequent amendment/ modification in the Regulations shall automatically apply to this Policy to the extent they are applicable.