

**SECUREKLOUD TECHNOLOGIES LIMITED**

**NOMINATION AND REMUNERATION  
POLICY**

## **Introduction:**

The Nomination & Remuneration Policy (“Policy”) of SecureKloud Technologies Limited (“SecureKloud” or “Company”) is formulated under the requirements of applicable laws, including the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“Listing Regulations”).

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

## **Objectives and Purpose**

**The objectives and purpose of this Policy are:**

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

## **Definitions**

- **“Board”** means Board of Directors of the Company.
- **“Directors”** means Directors of the Company.
- **“Committee”** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- **“Company”** means SecureKloud Technologies Limited.
- **“Independent Director”** means a Director referred to Section 149(6) of the Companies Act, 2013 and rules.
- **“Key Managerial Personnel (KMP)”** means –
  - i. The Managing Director or Chief Executive Officer or manager
  - ii. Whole-time Director
  - iii. The Company Secretary
  - iv. The Chief Financial Officer ; and
  - v. Any other person as defined under the Companies Act, 2013 from time to time
- **“Senior Management”** means officers/ personnel of the listed entity, 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 include Company Secretary and Chief Financial Officer.

## **General**

This policy is divided into three parts:

**Part A** covers the matters to be dealt with, perused and recommended by the Committee to the Board

**Part B** covers the appointment and removal of Directors, KMP and Senior Management;

**Part C** covers remuneration for Whole-time Director, KMP and Senior Management Personnel

**Part D** covers payments made to Non-Executive/ Independent Directors

## **PART A**

### **Matters to be dealt with perused and recommended by the Committee to the Board**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal, remuneration of Director, KMP and Senior Management Personnel.
- To formulate criteria for determining qualification, positive attributes and independence of a Director
- To review the annual performance of executive and non-executive Director(s).
- To annually review the duties and performance of the chairman of the Board and recommend the process to the Board for his election.
- Committee to assist the Board in ensuring the Board nomination process is in line with the diversity policy of the Board relating to gender, thought, experience, knowledge and perspectives. The policy on Board diversity is available at the website.

## **PART B**

### **Policy for appointment and removal of Directors, KMP and Senior Management**

#### **Appointment:**

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment. The candidate for a position at KMP or Senior Management level is met by the Chief Executive Officer, Whole-time Director and/or Vice President – Human Resource and the interview is targeted at assessing the candidate on his/her functional and leadership capabilities and cultural fitment to the organization. The Head – HR ensures that the person possess adequate qualification, expertise and experience for the position he / she is considered for appointment.
- The Managing Director assesses the shortlisted candidates for the position of KMP or Senior Management Level.
- The selected candidate's details and the proposed compensation is shared with the Nomination and Remuneration Committee for their review and suggestions. The same is shared with the Board at the next Board Meeting.

#### **Term / Tenure:**

- The tenure for Directors shall be governed by the terms defined in the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time.
- The tenure for other KMP and Senior Management Personnel will be governed by SecureKloud Technologies Limited - HR Policy.

#### **Evaluation:**

The Chief Executive Officer, Whole-time Director, Chief Financial Officer and/or Head Human Resource evaluates the performance of Senior Management Personnel at regular intervals.

The evaluation of the Independent Directors shall be done by the entire Board of Directors which shall include performance of the directors including the contributions made to the Board deliberations on various matters including business strategy, financial strategy, operations, cost and risk management, etc., and suggestions given in this regard and fulfillment of the independence criteria as specified in SEBI LODR Regulations and their independence from the management.

Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.

**Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a director, subject to the provisions and compliance of the said Act, rules and regulations.

For other KMP or Senior Management Personnel the removal will be governed by SecureKloud Technologies Limited- HR Policy and the subsequent approval of the Chief Executive Officer.

**Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Chief Executive Officer will have the discretion to retain the KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**PART C****Policy relating to the remuneration for the Whole-time Director, KMP and Senior Management Personnel****Evaluation Process:**

- The performance metrics shall be defined by the Nomination and Remuneration Committee for Directors and for other KMP and Senior Management Personnel, the metrics shall be determined by the Chief Executive Officer and/or the Whole-time Director along with the Vice President- Human Resources.
- A holistic view of the ratings will be reviewed by the Board in relation to Directors and for KMP and Senior Management Personnel be reviewed by the Chief Executive Officer and/or the Whole-time Director along with the Vice President- Human Resources. The Reporting heads of the business does a qualitative review of the performance based on the efforts put in by the employee, results achieved and impact of the external and internal factors to arrive at the Final Rating.
- The revision in the total remuneration is directly linked to the Final Rating for all employees.
- The remuneration / compensation / commission etc to the Whole Time Director, KMP and Senior Management Personnel will be determined by the Chief Executive Officer in accordance with the HR Policy, which is based on the Final rating, employee potential and market benchmark compensation. The revised remuneration is shared with the Nomination and Remuneration Committee for review.
- The ESOP's to the Whole Time Director and Senior Management Personnel will be determined by the Chief Executive Officer as per the ESOP Schemes of the Company and recommended to the Committee and the Board for approval in the subsequent board meeting.

- The remuneration/compensation/commission etc. to the Directors shall be subject to the prior/post approval of the Shareholders of the Company.
- The remuneration and commission to be paid to Whole Time Director shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provision of the Companies Act, 2013 and the rules made thereunder.

Where any insurance is taken by the Company on behalf of its Whole-Time Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and any other employee for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such Insurance shall be treated as part of the remuneration.

#### **PART – D**

##### **Policy relating to the making of payments to Non-Executive/ Independent Directors:**

- The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- The approval of the shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non – executive director exceeds fifty percent of the total annual remuneration payable to all non – executive directors, giving details of the remuneration thereof.
- The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- Any remuneration paid to non-executive for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes stated as above if the following conditions are satisfied:
  - The Services are rendered by such Director in his capacity as the professional; and in the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
  - The Nomination and remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall

determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

**AMENDMENTS TO THE POLICY**

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.