

**BAJAJ FINSERV LIMITED****REMUNERATION POLICY****I. Criteria for Determining Qualifications, Positive Attributes & Independence of Director****1. Qualifications of Independent Director:**

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

**2. Positive attributes of Independent Directors:**

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

**3. Independence of Independent Directors:**

An Independent director should meet the requirements of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, concerning independence of directors.

**II. Remuneration Policy for Directors, Key Managerial Personnel and other employees****A. NON-EXECUTIVE DIRECTORS (NEDs)**

NEDs may be paid a sitting fee for every meeting of the board or committee thereof attended by them as member, and/or commission at such rate as may be decided by the board, subject to maximum permissible under Companies Act, 2013, SEBI Listing Regulations, RBI Regulations and other applicable laws.

NEDs shall be paid commission up to an aggregate amount not exceeding 1% of the net profits of the Company for the year. The payment of commission shall be based on their attendance at the board and the committee meetings as member.

Further, as approved by the shareholders of the Company, vide their resolution dated 22 June 2022, in the event of loss or inadequacy of profits in any financial year, the Non-Executive Directors shall be paid remuneration by way of commission as may be decided by the Board of Directors of the Company, notwithstanding that, it may exceed 1% of the net profits of the Company, subject to such restrictions, if any, as may be set out in the Schedule V to the Companies Act, 2013, from time to time.

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Additional commission, apart from commission referred to above, may be paid to non-executive directors as may be decided by the board of directors of the company from time to time, depending on the extra time and effort as may be devoted and contribution as may be made by the non-executive directors.

No stock options shall be granted and no payment by way of bonus, pension, incentives etc. shall be made to NEDs.

## **B. MANAGING DIRECTOR & CEO, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.

### **(i) Managing Director & CEO**

The Remuneration to Managing Director & CEO shall take into account the Company's overall performance, MD's contribution for the same and trends in the industry in general, in a manner which will ensure and support a high performance culture.

Remuneration to Directors, Key Managerial Personnel and Senior Management will 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.

### **(ii) Other Employees**

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

### **(iii) Employee Stock Options**

As permissible under the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (as re-enacted), the permanent employees or directors (other than promoter directors and independent directors) of the Company shall be eligible for Stock Options pursuant to Employee Stock Option Scheme of the Company.

The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company.

**FOR BAJAJ FINSERV LIMITED**

**Place: Pune**

**Date: 15 March 2023**

**CHAIRMAN**

### **Bajaj Finserv Limited**

Corporate Office: 6th Floor, Bajaj Finserv Corporate Office, Off Pune-Ahmednagar Road,  
Viman Nagar, Pune - 411 014, Maharashtra, India  
Registered Office: Mumbai - Pune Road, Akurdi, Pune - 411 035, Maharashtra, India

Tel: +91 7150 5700  
Fax: +91 7150 5732

www.bajajfinserv.in  
Corporate ID No: L65923PN2007PLC130075