

**Remuneration Policy**

**Edelweiss Alternative Asset Advisors Limited**

**Objective**

The Companies Act, 2013 ('the Act') and the Rules framed there under requires a Company to frame policy for determining the remuneration payable to the Directors, Key Managerial Personnel (KMPs) and other employees. While appointing the Directors, the Nomination and Remuneration Committee ('the Committee') considers qualification, positive attributes, areas of expertise, , gender diversity and number of Directorships in other companies and such other factors as it may deem fit. The Board considers the Committee's recommendation and takes appropriate action.

The objective of the Remuneration Policy (the Policy) of the Company is to provide a framework for the remuneration of the Independent Directors, Non-executive Directors, Managing Director/Executive Directors, KMPs, and other Senior level employees of the Company.

The primary objective of the Policy is to ensure that:

- i. the level and composition of remuneration is reasonable and sufficient to attract and retain talent required to run the Company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to the Directors, KMPs and senior management comprises a balance fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**Remuneration of the Independent Directors & Non- executive Directors**

- The Independent Directors & Non-executive Directors will be eligible for sitting fees for attending the meetings of the Board and the Committees thereof.
- The Independent Directors & Non-executive Directors may also be eligible for commission, subject to limits prescribed under the Act and the Rules framed thereunder.
- The Independent Directors are not eligible for stock options of the Company or a holding company.
- The Non-executive Directors shall be eligible for stock options of the Company or a holding company.

### **Remuneration of the Managing Director and Executive Directors**

- The remuneration of the Managing Director/Executive Directors is recommended by the Nomination and Remuneration Committee ('the NRC') to the Board. Based on the recommendations of the NRC, the Board determines and approves the remuneration of the Managing Director/Executive Directors, subject to necessary approvals, if any.
- The remuneration paid to the Managing Director/Executive Directors is within the limits prescribed under the Act and approved by the shareholders of the Company. The remuneration structure includes fixed salary, perquisites, bonus, other benefits and allowances and contribution to Funds, etc.
- The Managing Director/Executive Directors shall be eligible for stock options of the Company or a holding company.

### **Remuneration of the KMP (other than Managing Director/Executive Director) and Senior level employees**

- The key components of remuneration package of the KMP (other than Managing Director & Executive Director) and Senior level employees shall comprise of fixed salary, perquisites, annual bonus, other benefits and allowances and contribution to Funds, etc.
- They shall be eligible for stock options of the Company or the Holding Company.

### **Performance Management Process**

The Company has a Performance Management & Review process commensurate to the size and operations of the Company, which forms the basis of Compensation Review. The formal Performance Review Process is undertaken once in a year and Performance evaluation for the employees is largely based on their overall performance for last financial year along with their competency displayed and their potential.

### **Edelweiss Code of Conduct and the Guiding Principles**

- The employees must conduct themselves according to the Edelweiss Code of Conduct and the Guiding Principles.
- Any such breach will attract appropriate disciplinary action and may have a direct bearing on their performance appraisal and rewards.

### **Policy Review**

- The Policy may be amended as may be necessary.
- The NRC shall implement the Policy, and may issue such guidelines, procedures etc. as it may deem fit.