

EAAA INDIA ALTERNATIVES LIMITED

**(formerly known as Edelweiss Alternative
Asset Advisors Limited)**

NOMINATION AND REMUNERATION POLICY

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EAAA INDIA ALTERNATIVES LIMITED

NOMINATION AND REMUNERATION POLICY

A) Objective of the Policy

This Policy is formulated by EAAA India Alternatives Limited (“**Company**”) to govern matters related to nomination, evaluation, rewards and remuneration to Directors, Senior Management Personnel and Key Managerial Personnel, efficient administration of the equity-based schemes of the Company.

This Policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”). In case of any inconsistency between the provisions of law and this Policy, the provisions of the above stated law shall prevail, and the Company shall abide by the applicable law.

B) Applicability

This Policy shall be applicable to all members of the Board of Directors of the Company (“**Directors**”) and Senior Management Personnel, which shall mean personnel of the Company who are members of its core management team excluding Board of Directors. This would comprise all members of management one level below the Executive Director and shall include the Chief Financial Officer and the Company Secretary (“**SMP**”).

C) Definitions

- i) “Applicable laws” mean the SEBI Listing Regulations and the applicable provisions of Companies Act, 2013, as amended along with the rules framed thereunder.
- ii) “Board” means Board of Directors of the Company as constituted from time to time.
- iii) “Companies Act” mean the Companies Act, 2013
- iv) “Directors” mean members of the Board of Directors of the Company as appointed from time to time
- v) “Key Managerial Personnel” means key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013;
- vi) “Officer” includes any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act;
- vii) “Policy” shall mean this Nomination and Remuneration Policy.
- viii) “Senior Management” shall mean the officers and personnel of the listed entity 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.

D) Composition, Quorum and Meetings of Nomination and Remuneration Committee (“NRC”)

- a) The Board shall determine the membership of the Committee.
- b) The NRC shall comprise of at least three directors; all directors of the NRC shall be non-

executive directors; and at least two-thirds of the directors shall be independent directors.

- c) The Chairperson of the NRC shall be an independent director, provided that the chairperson of the listed entity, may be appointed as a member of the NRC and shall not chair such Committee.
- d) The quorum for a meeting of the NRC shall be either two members or one third of the members of the NRC, whichever is greater, including at least one independent director in attendance.
- e) The Chairperson of the NRC may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.
- f) The NRC shall meet at least once in a year.

E) Role of NRC

The Role of NRC shall, inter-alia, include the following:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.

While formulating the above policy, the NRC should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- b. Advise and recommend to the Board on various matters relating to the appointment, removal and remuneration (including changes if any) of Director, Senior Management Personnel and Key Management Personnel;
 - c. Formulating performance evaluation criteria of all Independent Directors and Board of Directors;
 - d. Identifying persons who are qualified to become directors and who may be appointed in senior management, in accordance with the prescribed criteria;
 - e. Assist and advise the Board in overseeing succession planning for Directors, Senior Management Personnel and Key Management persons.

- f. Recommend to the board, all remuneration, in whatever form, payable to senior management;
- g. Assist and advise the Board in ensuring a transparent nomination process to the Board of Directors with the diversity of thought, experience, knowledge, perspective and gender in the Board of Directors.
- h. To act as Administrator and superintendent of the Stock Option Plans of the Company;
- i. Devising a policy on diversity of the board of directors;
- j. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as is mandated by the Board as required under SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The policy is further elaborated below:

1. APPOINTMENT AND REMOVAL

Directors

- a) The NRC shall evaluate the candidates for appointment and recommend to the Board based on current requirement, fitment, diversity, professional qualification, expertise in the relevant areas of business, availability of candidate, personal traits as integrity, honesty and transparency, and such other additional criteria as may be determined by the Board from time to time.
- b) In addition to the above specifications the NRC shall ensure that the candidate possesses the requisite qualifications and attributes as per the applicable laws.
- c) The removal of Directors may be warranted due to reasons such as disqualification prescribed under the applicable laws and / or disciplinary reasons. In such situation, the NRC shall in consultation with the Board, review the performance and/or other factors and subject to the provisions of the applicable laws and the Articles of Association of the Company, recommend to the Board its course of action.
- d) The resultant vacancy caused by removal of Directors may be filled by the NRC in accordance with this policy and the applicable laws.
- e) Further, for every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the NRC may:
 - i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates.

Senior Management Personnel (“SMP”) and Key Managerial Personnel

The Managing Director (“MD”)/ Whole-time Directors (“WTDs”) / Chief Executive Officer (“CEO”) of the Company shall be responsible and authorised to decide the requirement, desirable skills and experience for Officers. The MD/ WTDs/ CEO shall ensure that the candidates possess the requisite qualifications and attributes as per the applicable laws.

Based on the recommendation of MD/ WTDs / CEO, the NRC shall consider and make a recommendation to the Board for appointment of Officers. The appointment of Officers shall be subject to compliance with applicable laws and Articles of Association of the Company.

2. REMUNERATION:

One of the objectives of this Policy 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 SMP 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 may be granted 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/or as approved by the shareholders of the Company in accordance with the prevailing law and rules & regulations. 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 subject to the applicable law and rules & regulations.

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 may be granted stock options of the Company or the Holding Company.

3. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded as minutes and signed by the chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

4. DISCLOSURE OF THIS POLICY

The Policy shall be disclosed in the annual report of the Company, as required under the Companies Act and the SEBI Listing Regulations and as may be required under any other law for the time being in force.

5. ADMINISTRATOR

NRC shall act as Administrator of the stock options scheme(s) of the Company.

The role of Administrator shall be as defined under the stock options scheme of the Company.

6. AMENDMENT

Any change in the Policy shall be approved by the Board. The Board shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.