

**BAJAJ FINSERV DIRECT LIMITED****REMUNERATION POLICY**

(Approved by Board of Directors at its meeting held on 25 April 2023)

I. Criteria for Determining Qualifications, Positive Attributes & Independence of Director**1. Qualifications of Director:**

Directors 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 Directors:

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 bonafide 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, in addition meet the requirements of the Companies Act, 2013, or any other law as may be applicable to the Company.

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 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.

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.

Corporate Office

4th Floor, B2 Building,
Cerebrum IT Park, Kalyani Nagar,
Pune – 411 014, Maharashtra, India.

Registered Office:

Bajaj Auto Limited Complex,
Mumbai – Pune Road, Akurdi,
Pune – 411 035, Maharashtra, India.

Corporate ID NO:

U65923PN2014PLC150522
☎ 020-67064900

**B. MANAGING DIRECTOR / WHOLE TIME DIRECTOR, or Manager, 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/ Whole Time Director /Manager

The Remuneration to Managing Director /Whole Time Director CEO shall take into account the Company's overall performance, Managing Director /Whole Time Director'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 Pay, Performance Pay & Long-Term Incentives (LTI) reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

External benchmarking, against companies & conglomerates of similar size/structure, to be conducted from time-to-time to keep pace with market is part of the annual remuneration process & practice.

(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. Benchmarking through HR Compensation Consulting firm as part of the annual remuneration practice with comparators who are key industry competitors in the marketplace or companies of similar size/structure we lose talent to / hire from, needs to be undertaken to ensure market parity.

(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 holding company or of the group company including subsidiary or associate Company.

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

FOR BAJAJ FINSERV DIRECT LIMITED

Sd/-

Place: Pune

CHAIRMAN

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