



Nomination & Remuneration Policy

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Reviewed and approved by:	Board of Director
Approval date:	April 15, 2025
Renewal:	Annually

1. Preamble

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and the Senior Management Personnel (“SMP”) of the Company (collectively referred to as “Executives”). The expression “Senior Management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

In line with the statutory requirement under sections 149 and 178 of the Companies Act, 2013 and the regulatory frame work for Non-Banking Financial Companies (“NBFC’s”) issued by Reserve Bank of India (“RBI”) the following policy is adopted for the time being to act as the guiding principles in the appointment of directors and the matters connected therewith.

The policy will be reviewed by the Nomination and Remuneration Committee of the Board of Directors, as and when required.

2. Objectives of the Policy

1. To formulate 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;
2. For every appointment of an independent director, the Nomination and Remuneration Committee 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 rector shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. To formulate criteria for evaluation of performance of independent directors and the board of directors;
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

The key objectives of the Policy are:

5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. To recommend to the board, all remuneration, in whatever form, payable to senior management.
7. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
8. That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
9. To formulate criteria for evaluation of performance of the Board of Directors and Members of other Committees of the Board, KMPs and Senior Management and other employees of the Company and recommend remuneration payable to them to the Board.
10. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
11. To assist the Board in fulfilling responsibilities.
12. To retain, motivate and promote talent and to ensure their sustainability and create competitive advantage.

3. Assessment of independence & Fit and proper criteria

While considering the appointment of an independent director, the nomination committee and the board shall ensure that the incumbent satisfies the test of independence as provided under the Companies Act. The board shall on a continuous basis ensure that the independent directors continue to maintain their independence during their tenure on the board. In case of appointment of executive directors, non-executive directors or independent directors, the nomination committee and the board shall ensure that they meet the fit and proper criteria prescribed by the Reserve Bank of India from time to time and maintains the position during their tenure in office. The Company shall obtain the declarations in the manner prescribed by RBI as applicable to the Company from time to time from all appointees and review the same

4. Principles of remuneration

- a. **Support for Strategic Objectives:** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.

- b. **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- c. **Internal equity:** The Company shall remunerate the board members, KMP and senior management in terms of their roles within the organization. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- d. **External equity:** The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.
- e. **Flexibility:** Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.
- f. **Performance-Driven Remuneration:** The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.
- g. **Affordability and Sustainability:** The Company shall ensure that remuneration is affordable on a sustainable basis.

5. Compensation Structure

a. Remuneration to Non-Executive Directors:

The Non-executive Directors of the Company are paid remuneration by way of sitting fees for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Directors for the Board Meetings and Committee meetings are fixed by the Board and reviewed from time to time in accordance with applicable law. The Non-executive Directors may be paid such remuneration as the Board may approve from time to time subject to limits prescribed from time to time in the Act or Rules made there under.

b. Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel(s) (SMPs):

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director/ Whole Time Directors (MD/ WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration are governed by the external

competitive environment, track record, potential, individual performance and performance of the company as well as industry standards.

6. Supplementary provisions

- a. Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant state laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.
- b. The right to interpret this Policy vests in the Board of Directors of the Company.
