



Freecharge Payment Technologies Pvt. Ltd.

Comprehensive Remuneration Policy

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Document History

Version	Author	Reviewer	Approver	Date
1.0	Samarth Govila	Nomination & Remuneration Committee	Board of Directors	23.01.2019
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3.1	Rashmeet Kaur	Sumit Bhatnagar Samarth Govila Raghav Garg	Board of Directors	13.01.2025



1. INTRODUCTION & PHILOSOPHY

Freecharge Payment Technologies Pvt Ltd (Freecharge) remuneration policy is designed to attract, retain and reward high quality talent within the increasingly competitive environment in which it operates. It is underpinned by principles of meritocracy and fairness. Freecharge's pay-for-performance approach strives to ensure both internal and external equity in line with emerging market trends. However, the business model and the allocated budget form the overarching boundary conditions.

Freecharge strives to maintain strong focus in the areas of compensation governance and ensures that the compensation systems are in line with compensation regulations, including guidelines as defined by The Companies Act, 2013, as applicable.

This Policy seeks to:

- Ensure the linkage of compensation with individual performance as established against a set of balanced parameters as well as alignment with Freecharge's corporate objectives.
- Maintain the ability to attract, retain and reward employees to enable the Company to attain its strategic objectives within the increasingly competitive context in which it operates.
- Reinforce a culture of meritocracy and differentiate and reward performance.
- Balance the mix of Fixed and Variable Pay to appropriately reflect the value and responsibility of the role performed day to day
- Ensure the policy is consistent with and promotes the company's commitment to compliance and controls.
- Ensure reasonable and fair rewards administration, in alignment with best governance & regulatory practices.
- Align compensation programs, structures and decisions with shareholder interests and regulatory guidelines.

2. COVERAGE:

This Policy provides the remuneration guidelines for:

- Non-Executive Directors including Independent Directors,
- Managing Director (MD), Whole Time Director (WTD), other executive Directors and Chief Executive Officer (CEO),
- Other Key Managerial Personnel (Chief Finance Officer and Company Secretary)
- Senior Management and other employees of Freecharge.

3. Remuneration Guidelines

- The remuneration / compensation / commission etc. to Directors and CEO will be determined by the Board.
- The remuneration / compensation / commission etc. shall be subject to the approval of the board of Directors and shareholders of the Company as may be required.
- The remuneration and commission to be paid to Directors shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force and as amended from time to time.
- Increase to the existing remuneration / compensation structure of Directors should be within permissible monetary limits as prescribed under the Companies Act, 2013 and rules made thereunder. Such increase/revision shall also require the approval from the shareholders by mean of a resolution passed at the meeting of shareholders.

4. REMUNERATION OF NON-EXECUTIVE DIRECTOR, MANAGING DIRECTOR, WHOLE TIME DIRECTOR, CEO AND KMP & OTHER EMPLOYEES OF FREECHARGE.

A. NON-EXECUTIVE DIRECTORS (NEDs)

- The Non-Executive Directors of Freecharge would not be entitled to remuneration or profit related commission, if any.
- The Non-Executive Directors of Freecharge shall be entitled to reimbursement of expenses for attending the meetings of Board & Committees and such other expenses, incurred by them in discharge of their duties for Freecharge.
- The Non- Executive Director may receive sitting fees for attending meetings of Board or Committee thereof.as approved by the Board of and within the overall limits as prescribed under Rule 4 of the Companies
- (Appointment & Remuneration) Rules, 2014, as amended, from time to time.

B. INDEPENDENT DIRECTOR:

- The Independent Directors are entitled to sitting fees as approved by the Board of Directors of Freecharge
- The Independent Directors of Freecharge shall be entitled to reimbursement of expenses for attending the meetings of Board & Committees and such other expenses incurred by them in discharge of their duties as Independent Directors for Freecharge.
- Subject to the provisions of Companies Act,2013, the total tenure of an Independent Director of Freecharge on the Board shall not exceed 10 years. No independent Director shall hold office as director for more than 2 consecutive terms of 5 years each.

C. Executive Directors (Managing Director (MD),Whole-Time Director(WTD)) and CEO

- The remuneration for MD ,WTD and other ED shall be within the limits as per Section197, Schedule V and other applicable provisions of Companies Act,2013. The terms and conditions relating to the appointment including remuneration of the Managing Director /Whole-time Directors of the Company and its revision will be considered by by Board and will be subject to the approval of the shareholders of the Company.
- The guidelines governing remuneration for the MD, WTDand CEO are as follows:

1. Fixed Pay

The fixed portion of compensation for MD & CEO and other Whole Time Directors shall be reasonable, taking into account all relevant factors including adherence to statutory requirements and industry practice.

All the fixed items of compensation, including the perquisites constitute 'Fixed Pay'.

a) Monthly fixed salary

- Basic salary
- All cash allowances
- Other allowances and perquisites as may be decided by the Board of Directors of the Company, from time to time.

b) Retirals – As per Company's Policy

Refer Annexure I for detailed definition of Fixed Pay.

2. Variable Pay: Progressive Incentive Earnings (PIE)

a) As decided by Board from time to time.

3. Stock Option (optional):

Stock Options (under the Employee Stock Option Scheme of the Axis Bank Ltd.) as may be decided by Axis Bank, from time to time, subject to eligibility criteria and such

approval as may be required.

4. Other Terms:

- a. No sitting fees will be paid to Managing Director / Whole-time Directors of the Bank for attending the meetings of the Board/ Committees thereof.

COMPENSATION REVISION CYCLE

Annual revision in compensation to be followed as per defined process. The compensation cycle of the Company is from 1st April to 31st March every year. However, in certain cases, compensation revision may take place during the course of the year. These revisions could occur in lieu of any promotion or Internal Job Posting (IJP) opportunities

D. Other Key Managerial Personnel , Senior Management & Other Staff

The overall remuneration guidelines & wage bill for all staff for the entire year would be approved by the board. The staff under Risk and Compliance function shall be compensated in a manner that is independent of the business areas they oversee. The compensation system should be able to attract, retain and motivate the best of talent in the function, while ensuring that their compensation is not affected by the short term goals. The remuneration structure will constitute the following heads:

1. Fixed Pay

All the fixed items of compensation, including the perquisites constitute 'Fixed Pay'.

- a) Monthly fixed salary
 - Basic salary
 - All cash allowances
 - Other allowances, incentives, bonuses and perquisites - As per Company's Policy
- b) Retirals – As per Company's Policy

Refer Annexure I for detailed definition of Fixed Pay.

2. Variable Pay: Progressive Incentive Earnings (PIE)

As decided from time to time and will take individual performance into consideration. Company shall use a combination of financial and non-financial measures to assess performance of employees to take decision on grant of Total Variable Pay. For control functions, the parameters will be independent of performance of the business area control functions oversee and will commensurate with their key role in the Company.

3. Stock Option (optional):

Stock Options (under the Employee Stock Option Scheme of the Axis Bank Ltd.) as may be decided by Axis Bank, from time to time, subject to eligibility criteria and such approval as may be required.

4. Sales Incentives

- a) Employees in certain sales/ relationship management roles may be covered under the sales incentives schemes, which are paid basis the individual and business performance. Sales incentive amount may be held back or even clawed back in case of compliance/disciplinary issues.

5. Other Terms:

- a.) Joining / sign on bonus may be granted only in the context of hiring.

b.) Any other bonus such as retention bonus shall be provided as per company's discretion.

6. AUTHORIZATION SCHEDULE:

The authorization schedule will set out to provide powers to the MD/ CEO and the Head HR to review/ratify/approve any special compensation interventions at a company level provided that it is ratified by the Board of Directors at its subsequent meeting.

7. REVIEW

This Policy shall be reviewed annually by the Board pursuant to any changes to the applicable provisions of the Company's Act, 2013 and Rules made thereunder, or as deemed appropriate.

Any amendment to this Policy would be subject to its review and the approval of the Board of Directors of Freecharge.

8. DISCLOSURES

The details of remuneration paid to the Directors and other employees of Freecharge, in terms of this Policy, shall be made in the Annual Financial Statements and Annual Report of Freecharge, in terms of the relevant provisions of the Companies Act, 2013 and the Rules made thereunder.

The details of this Policy shall also be disclosed in the Annual Report as part of Board's Report therein

ANNEXURE I DEFINITION OF FIXED PAY

Details of Fixed Remuneration	Particulars
Monthly Cash Components	<ul style="list-style-type: none">• Basic Pay• Leave Travel Allowance• House Rent Allowance• Utility Allowance• Other Fixed Allowances
Retiral Benefits	<ul style="list-style-type: none">• Provident Fund• Gratuity• Superannuation

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