

Diensten Tech Limited
(Formerly known as JKT Consulting Limited)

NOMINATION & REMUNERATION POLICY

(Approved by Board of Directors in their meeting held on 19th October, 2022)

Prepared by Corporate Secretarial	Reviewed by Corporate Secretarial & Finance	Approved by Board of Directors
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1. Introduction

The Nomination & Remuneration Policy (“**Policy**”) of Diensten Tech Limited (“**DTL**” or “**Company**”) is formulated under the Companies Act, 2013 (“**Act**”) and other applicable laws (hereinafter referred to as “**Relevant laws**”).

2. Objective and Purpose

The objectives and purpose of this Policy are:

- 2.1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (Whole-time/non-executive/independent) of the Company (“**Director**”); and
- 2.2. To recommend policy relating to the remuneration of the Directors, KMP and Senior Management to the Board of Directors of the Company (“**Board**”).

This includes reviewing and approving corporate goals and objectives relevant to the compensation of the whole-time Directors, evaluating their performance in light of those goals and objectives and either as a committee or together with the other independent Directors (as directed by the Board), determine and approve whole-time Directors’ compensation based on this evaluation; making recommendations to the Board with respect to KMP and Senior Management compensation and recommending incentive-compensation and equity-based plans that are subject to approval of the Board.

3. Constitution of the Nomination and Remuneration Committee

- 3.1. The Board has constituted the “Nomination and Remuneration Committee” of the Board on October 19, 2022. This is in line with the requirements under the Act. This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together.

The Board has authority to reconstitute this Committee from time to time.

4. Definitions

- a. ‘Board’ means Board of Directors of the Company.
- b. ‘Directors’ means directors of the Company.
- c. ‘Committee’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act.
- d. ‘Company’ means *Diensten Tech Limited (Formerly known as JKT Consulting Limited)*.
- e. ‘Independent Director’ means a Director referred to in Section 149(6) Act and rules and Listing Regulations.

- f. 'Key Managerial Personnel (KMP)' means-
- i) the Managing Director or Chief Executive Officer or Manager
 - ii) Whole-time Director
 - iii) the Company Secretary;
 - iv) the Chief Financial Officer; and
 - v) Any other person as defined under the Act from time to time.

g. Senior Management means officers/personnel of the Company who are members of its core management team. The core management team includes Chief Executive Officer, Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary and all members of the management one level below of Chief Executive Officer/Managing Director/Whole time Director/Manager).

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Act as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. *General*

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and removal of Directors, KMP and Senior Management; and

Part – C covers remuneration for Directors, KMP and Senior Management.

Part – A

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee ("NRC").

The following matters shall be dealt with by the Committee: -

- (a) Size and composition of the Board:

Periodically reviewing the size and composition of the Board to have an appropriate mix of executive and independent Directors, as required under the Act to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

The Committee shall also assist the Board in ensuring the Board nomination process is in line with the diversity policy of the Board relating to differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge & skills including – expertise in financial, global business, leadership, technology, Acquisition, Board service, strategy sales and marketing, environment social & governance ("ESG"), risk and cybersecurity and other domains.

- (b) Directors:

Formulate the criteria determining qualifications, positive attributes of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.

- (c) Succession plans:

Establishing and reviewing Board, KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

- (d) Evaluation of performance:
- (i) Make recommendations to the Board on appropriate performance criteria for the Directors.
 - (ii) Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third-party facilitator in doing so.
 - (iii) Identify ongoing training and education programs and other familiarization programme for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.
- (e) Remuneration framework and policies:
The Committee is responsible for reviewing and making recommendations to the Board on:
- a. Remuneration of whole-time Directors to be presented for shareholders' approval including severance, if any.
 - b. Individual and total remuneration of non-executive Directors and the chairperson (if non-executive), including any additional fees payable for membership of Board committees;
 - c. the remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
 - (i) attract and motivate talent to pursue the Company's long term growth;
 - (ii) demonstrate a clear relationship between executive compensation and performance;
 - (iii) be reasonable and fair, having regard to best governance practices and legal requirements and
 - (iv) balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals
 - d. the Company's incentive compensation and equity based plans including a consideration of performance thresholds and regulatory and market requirements;

PART – B

Policy for appointment and removal of Directors, KMP and Senior Management

(a) Appointment criteria and qualifications

1. The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
2. A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he / she is considered for.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
4. 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 for such role shall meet the description and other requirement as prescribed under the Act.
5. 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
6. The Company shall appoint or continue the employment of a person as Managing Director /whole-time Director and non-executive Director who has not attained the maximum age of retirement as prescribed under relevant laws.

7. A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

(b) *Term / Tenure*

1. Managing Director / Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director and CEO or whole-time Director as per the relevant laws.

2. Non-Executive Director

Non-executive director's office is subject to retirement by rotation at the Annual general meeting in the manner as specified under relevant laws.

3. Independent Director

An Independent Director shall be appointed / re-appointed in the manner as specified under relevant laws and shall not be subject to retirement by rotation.

(c) *Removal*

Due to reasons for any disqualification mentioned in the Act and rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

(d) *Retirement*

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the relevant laws. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company, subject to approvals as required, if any.

PART – C

Policy relating to the remuneration for Directors, KMP and Senior Management

(a) General

1. The remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Act, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.
4. Where any insurance is taken by the Company on behalf of its Directors, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(b) Remuneration to KMP and Senior Management

The pay program for KMP and Senior Management has been designed around two primary pay components: Base/Fixed Pay and Performance Bonus. These two components together constitute the “Total Rewards” of the KMP and Senior Management.

1. **Base/ Fixed pay:** It is guaranteed pay and paid periodically, usually monthly or bi-monthly or as per payroll policy by country.
2. **Performance Bonus:** Cash bonus, payable on the achievement of objective and quantifiable key performance indicators (KPI) as established by the Committee.

The total rewards for KMP and Senior Management is designed to ensure their continued alignment with organizational goals. The Committee aims to ensure that KMP and Senior Management pay is reflective of market pay, consisting of a mix of base/ fixed pay and performance bonus.

(c) Remuneration to other employees

The compensation for other employees would be as per the compensation policy of the Company, as revised through the annual compensation review process from time to time and approved by the Chief Executive Officer, in consultation with the Head- HR.

(d) Minimum remuneration to Whole-time Directors

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its whole-time Directors in accordance with the provisions of Schedule V of the Act, subject to the necessary approvals under the Act.

(e) Remuneration to Non-Executive / Independent Directors

Remuneration: The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of relevant laws. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Non-Executive / Independent Directors in accordance with the provisions of Schedule V of the Act.

- i. Stock incentive: The Independent Directors shall not be entitled to any stock incentive of the Company.
- ii. The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

Notes:

(1) The Company normally has four regular Board meetings in a year. Independent directors are expected to attend all four quarterly Board meetings and the AGM.

The payment is subject to deduction of tax at source (TDS) as required by applicable tax laws. In case if any tax is deducted at source as per applicable tax laws, a certificate as prescribed by law will be issued for the amount of tax withheld. The company shall seek necessary and relevant tax documents as per applicable law in seeking waiver or reducing any applicable withholding taxes.

6. Policy review

- (a) This Policy is framed based on the provisions of the Act and rules thereunder.
- (b) In case of any subsequent changes in the provisions of the Act which makes any of the provisions in the policy inconsistent with the Act., then the provisions of the Act would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.
- (c) This policy shall be reviewed by the Nomination and Remuneration Committee, periodically. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.
