MANIPAL PAYMENT AND IDENTITY SOLUTIONS LIMITED

POLICY ON ORDERLY SUCCESSION TO THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

VERSION CONTROL

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MANIPAL PAYMENT AND IDENTITY SOLUTIONS LIMITED MANIPAL *

Manipal Payment and Identity Solutions Limited
(Formerly known as MCT Cards & Technology Limited)
Regd. Office: Udayavani Building, Press Corner, Manipal - 576 104, Karnataka, India.
CIN: U72900KA2008PLC045316
+91 820 220 5000, +91 820 427 5000
Info@mpimanipal.com mpimanipal.com

Document

VISA, MasterCard and RuPay Certified Card Manufacturer

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1. LEGAL FRAMEWORK

The Securities and Exchange Board of India (SEBI) revised the Code of Corporate Governance for listed companies significantly to bring it in line with the Companies Act 2013. As per Regulation 17(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the board of directors of the listed entity shall satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior management. This is a significant attempt to ensure that investors do not suffer due to sudden or unplanned gaps in leadership. It is a mandate for boards of all listed companies to develop an action plan for a successful transition of key executives.

Perpetual succession is one of the facets of a corporate entity wherein the resources may come and go, but the Company will survive forever. This envisages that staff will not work with an organization indefinitely and this necessitates the formation and existence of orderly succession planning in an organization. Devising and strategizing proactive Succession Planning methodologies, therefore, forms one of the important functions of the Human Resource Department for a smooth transition with little disruption to the organization. Succession planning is a necessary tool for an organization to ensure its continued effective performance through leadership continuity.

The Company, in order to avoid any leadership gap in the Board and Senior Management, has therefore devised a Policy on Orderly Succession to the Board of Directors and Senior Management (hereinafter called the "Policy").

2. EFFECTIVE DATE

The Policy shall come into effect from 23 June 2025.

3. OBJECTIVES AND SCOPE

The objectives of the succession planning policy shall, *inter-alia*, include the following:

(a) To identify and nominate suitable candidates for the Board to fill the vacancies which arise in the Board of Directors from time to time.

(b) To identify the competency requirements of critical and key positions in the Company, assess potential candidates and develop required competencies through planned development and learning initiatives.

(c) To identify the key job incumbents in Senior Managerial positions and recommend whether the concerned individual should be granted an extension of term/service or be replaced with an identified internal or external candidate or recruit other suitable candidate(s).

(d) To ensure the systematic and long-term development of individuals in the senior management level to replace them when the need arises due to deaths, disabilities, retirements, and other unexpected occurrences.

4. DEFINITIONS

"Company" shall mean Manipal Payment and Identity Solutions Limited

"Board of Directors" or "Board" means the Board of Directors of the Company in terms of Regulation 2(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") as constituted/re-constituted from time to time.

"Key Managerial Personnel" shall mean key managerial personnel (KMPs) as defined in sub- section (51) of Section 2 of the Companies Act, 2013.

"Listing Regulations" shall mean an agreement entered into between the Company and the recognized stock exchange(s) wherein the securities of the Company are listed pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("LODR").

"Policy" means Policy on Orderly Succession to the Board of Directors and Senior Management, including amendments, if any, made from time to time.

"Senior Management Personnel" 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 persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the LODR regulations or any other applicable law or regulation to the extent applicable to the Company.

5. APPLICABILITY

The Policy shall be applicable to the succession planning of the following personnel:
(a) Board of Directors
(b) Whole-time Directors, including Managing Director & CEO
(c) Chief Financial Officer
(d) Company Secretary
(e) Chief Compliance Officer
(f) Executives in the cadre of Vice-President and above
(g) Senior Management Personnel
(h) Any other positions within the Company at the discretion of the Managing Director & CEO in consultation with the Board of Directors

6. SUCCESSION PLAN

The Nomination and Remuneration Committee of the Company shall oversee and review succession plan from time to time and recommend the same to the Board.

6.1 Succession Plan for the Board

The Nomination and Remuneration Committee shall proactively review the succession requirements for the Board and carry out the due diligence process to determine the suitability of every person who is being considered for being appointed or re-appointed as a director of the Company based on his educational qualification, relevant experience, track record, reputation contribution to the Board, as applicable, and every such person shall meet the 'fit and proper' criteria as may be stipulated by the committee, from time to time, and accordingly any appointment or re-appointment of a director shall be subject to prior approval / recommendation by the Committee.

The Nomination and Remuneration Committee shall make an initial assessment of potential candidates for the vacancy. It shall select from such pool, candidates for an initial interview by one or more members of the Nomination and Remuneration Committee. When the Nomination and Remuneration Committee identifies individuals that it believes meet the criteria mentioned in the Nomination and Remuneration Policy of the Company, it shall recommend them to Board for selection.

The proposed candidate shall be evaluated by the Nomination and Remuneration Committee to determine the eligibility and proper criteria as per the Companies Act 2013, and if any, and thereafter such candidate shall be recommended to the Board for its consideration and approval. The Company has also framed a Nomination and Remuneration Policy for directors and other Senior Management Personnel and a Policy on Diversity of the Board to guide the Board in relation to the appointment / re-appointment / removal of the directors to ensure adequate diversity in the board to make good use of the varied skills, regional and industry experience, background, gender, and other qualities of the directors. Accordingly, the appointment / re-appointment / removal and tenure of directors shall be governed by the provisions of the Nomination and Remuneration Policy for directors and Senior Management Personnel.

6.2 Succession Plan for the Senior Management Personnel

Based on the inputs received from the Human Resource Department, the Nomination and Remuneration Committee shall periodically review and consider the list of senior management due for retirement/ attrition within the year. HR shall also consider the new vacancies that may arise by any vacancy / probable vacancy in the position of Senior Management Personnel which may arise on account of retirement, resignation, death, removal, transfer, business expansion, incapacity whether temporary or permanent or otherwise.

For Key Managerial Personnel, the Nomination and Remuneration Committee shall evaluate the suitability of any person based on factors viz., educational qualification, experience, age, health, leadership qualities, suitability to external market requirement/expectation, etc., and recommend his/ her candidature to the Board.

The Nomination and Remuneration Committee shall also identify the competency requirements of Board/key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The Nomination and Remuneration Committee may utilize the services of professional search firms to assist in identifying and evaluating potential candidates. Such agency my recommend appointing other suitable external candidate(s) as special recruitment in Senior Management Personnel based on the profiles and competency in order to provide a continuous flow of talented people to meet the organisational needs.

Every member of the Senior Management Personnel shall always endeavour to add capability in-house and mentor officials with potential working under him / her to handle his responsibility in his / her absence by exposing him/ her to all aspects of work being handled by him/ her.

In the event of any unexpected occurrence in respect of any member in the core management team, the next person as per the organization chart and hierarchy can be considered for interim charge of the position, pending a regular appointment in terms of the succession plan.

7. FREQUENCY

At least once a year, the Nomination and Remuneration Committee shall specifically discuss succession planning.

8. COMMUNICATION

This Policy shall be published by the Company on the website of the Company for wider dissemination.

9. RETENTION OF DOCUMENTS

All important documents generated in the implementation of this Policy shall be retained by the Company for a period of 8 (eight) years or such other period as specified by any other applicable law in force, whichever is more.

10. ADMINISTRATION OF THE POLICY

The Board shall oversee the implementation of this Policy through Nomination and Remuneration Committee.

11. REVIEW AND AMENDMENT

This Policy has been embraced and adopted by the Board voluntarily for effective corporate governance. However, the Policy would be subject to modification in accordance with the statutory provisions and applicable guidelines as may be applicable from time to time. The Policy shall be reviewed by the N at least once a year.

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