Manipal Payment and Identity Solutions

MANIPAL PAYMENT AND IDENTITY SOLUTIONS LIMITED

POLICY ON THE DIVERSITY OF THE BOARD OF DIRECTORS

VERSION CONTROL

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MANIPAL PAYMENT AND IDENTITY SOLUTIONS LIMITED MANIPAL

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1. LEGAL FRAMEWORK

The policy on the Diversity of the Board of Directors (the "Policy") of Manipal Payment and Identity Solutions Limited (the "Company") has been formulated pursuant to provisions of Section 178(3) of the Companies Act, 2013 ("Companies Act") read with Regulation 19 (4) and Part D of the Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI-LODR) to ensure that the Board is fully diversified and comprises of an ideal combination of executive and non-executive directors, including independent as well as women directors, with diverse backgrounds. This Policy sets out the approach to have diversity on the Board of the Company in terms of thought, experience, knowledge, perspective, and gender in the Board mandated under laws, rules, and regulations applicable to the Company.

2. EFFECTIVE DATE

This Policy shall come into force with effect from 23rd June, 2025.

3. OBJECTIVES & SCOPE

Diversity in composition of Board of Directors (the Board) includes the different skill sets, knowledge, industry experience, background, race, gender, and other qualities of the individual members as a whole. All Board appointments are done on merit, in the context of skills as required for the areas of business operations, management, and also expertise in the fields of regulatory, legal, research / clinical development, human capital management, strategic planning, marketing and general administration. The Policy applies to the composition of the Board only.

The purpose of achieving diversity of the Board is directed towards objectives of:-

- Enhancement in the quality of performance of the Board;
- Usher in independence in the performance of the Board;
- Eradicate the gender bias in the Board;
- Achievement of sustainable and balanced performance and development in the Company;
- Support the attainment of strategic objectives of the Company;
- Compliance of applicable law/s and good practices; &
- Promoting good corporate governance.

4. DEFINITIONS

"Act" means the Companies Act, 2013 (or the Companies Act, 1956 to the extent applicable) and Rules made thereunder.

"Board" means Board of Directors of the Company.

"Company" means Manipal Payment and Identity Solutions Limited.

"Director" means a director appointed to the Board of the Company.

"Diversity" The term "Diversity" of the Board of Directors has not been defined by law. Diversity is achieved, functionally and gender-wise, whereby the Board has an optimum combination of executive, non-executive, independent, woman directors, and small shareholders director/s. It would also mean that the individuals to be appointed as members of the Board shall have diverse backgrounds, education, experience, knowledge, thoughts, perspectives, functional expertise, independence, age, and gender. Diversity would further include differences that relate to communication styles, problem-solving & interpersonal skills.

"Listing Regulations / SEBI (LODR)" mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 , as amended, from time to time.

"Nomination and Remuneration Committee (NRC)" means a Committee of Directors constituted under the requirements of Section 178 of the Companies Act, 2013, read with rules made thereunder.

5. POLICY STATEMENT

The Company recognizes and believes that a diverse Board enhances the quality of the decisions made by the Board by utilizing different skills, qualifications, professional experiences, knowledge, gender, ethnicity, background, and other distinguished qualities of the members of the Board, necessary for driving business, achieving competitive advantage, ensuring effective corporate governance, and for sustainable and balanced development.

The Company maintains that Board appointments are to be based on merit that complements and expands the skills, experience, and expertise of the Board as a whole taking into account discrete characteristics reflected in the individual members, that the Board might consider relevant to function effectively and efficiently.

The Company sees increasing diversity at the Board level as an essential element in maintaining a competitive advantage.

6. GUIDING PRINCIPLES

In the process of attaining a diverse Board based on the aforementioned criteria, the following norms are assessed:

(a) Optimum composition

1. The Board has an optimum combination of Executive and Non-executive Directors and not less than fifty per cent of the Board of Directors comprise of Non-executive Directors.

2. At least half of the Board comprise of Independent Directors (where the Chairman of the Board is Executive) or at least one-third of the Board comprise of Independent Directors (where the Chairman of the Board is non-executive).

3. The Company shall have at least one-woman Director on the Board to ensure that there is no gender inequality on the Board. In case the Company falls under top 1000 listed companies by market capitalization, it shall appoint at least one-woman independent director.

(b) Functional diversity

1. Appointment of Directors to the Board of the Company is based on specific needs and business of the Company. Appointment is done based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company.

2. Knowledge and experience in domain areas such as Finance, Legal, Risk Management and other areas related to the business of the Company, is duly considered while making appointments to the Board level.

3. While appointing Independent Directors, care is taken as to the independence of the proposed appointee.

4. Directorships in other companies is also taken into account while determining the candidature of a person.

(c) Stakeholder diversity

The Company may also have Directors on its Board representing the interest of any financial institution or any other person in accordance with the provisions of its Articles of Association and/or any agreement between the Company and the nominating agency.

7. ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ('NRC') of the Board shall inter alia be responsible for:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees while ensuring that;

   1. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

   2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   3. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(b) Formulation of criteria for evaluation of Independent Directors and the Board;

(c) Devising a policy on Board diversity;

(d) Identifying 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 their appointment and removal and shall carry out evaluation of every director's performance (including Independent Director);

(e) Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of directors;

(f) Assessing the independence of Independent Directors; and

(g) Such other key issues/matters as may be referred by the Board or as may be necessary in view of the provisions of the Companies Act 2013 and Rules made thereunder. The Committee shall also review the Board composition in terms of the size of the Board, the composition of executive and non-executive directors and the composition of independent directors, each of which shall be in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013, the Listing Regulations and other statutory/regulatory requirements.

8. COMMUNICATION

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

9. RETENTION OF DOCUMENTS

This document 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 may directly administer this Policy or form a sub-committee for the purpose of execution of this Policy. The board or such sub-committee shall support in laying down a succession plan and drive the understanding of talent across the organization and support development program for the Board. As a part of the exercise, it shall also review and suggest training for directors. Amongst the key requirements is to plan for the evolution of non-executive directors over the medium term to maintain an appropriate mix of skills, age, and gender diversity on the Board.

The Company shall provide sufficient information about this Policy to its shareholders, and provide information regarding the composition of the Board, the areas of expertise of each director and their qualification/characteristics etc. The necessary disclosures about this Policy and other details shall be made as per the requirements of the SEBI (LODR) and Companies Act, 2013.

11. REVIEW AND AMENDMENT

This Policy shall be reviewed by the Board at least at annual intervals. The Board shall have the power to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Board reserves the right to amend this Policy from time to time based on changing requirements as prescribed by SEBI/Stock Exchange(s) or any other appropriate statutory authority.

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