

**POLICY ON SUCCESSION PLANNING FOR THE
BOARD AND SENIOR MANAGEMENT**

FOR

PB FINTECH LIMITED

**(FORMERLY “PB FINTECH PRIVATE LIMITED / ETECHACES MARKETING AND
CONSULTING PRIVATE LIMITED”)**

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1. Overview:

The policy on succession planning for the Board of Directors and senior management (“Policy”) has been formulated by the Board of Directors of PB Fintech Limited (“Company”), in line with the requirements of the Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”). It has been considered and approved by the Board of Directors (“Board”) of the Company at its meeting held on October 19, 2021.

2. Purpose:

Succession planning is a tool for an organization to ensure its continued effective performance through leadership continuity. A good succession planning program aims to identify high growth individuals, train them and feed the pipelines with talents. The Company recognizes the importance of the process to succession planning to provide for continuity in the smooth functioning of the organization. There are certain positions in the Company that are key to its current and future growth. It is, therefore, important that these positions are assigned to duly skilled and best possible incumbents. It is critical to fillup such positions well in time to avoid any leadership gap. The Company has therefore put in place this Policy.

3. Objectives:

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

- a) To identify and nominate suitable candidates for the Board’s (including Nomination and Remuneration Committee) approval to fill the vacancies which arises in the Board of the company from time to time.
- b) To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
- c) To identify the key job incumbents in senior managerial positions and recommend whether the concerned individual:
 - (i) be granted an extension in term/service or
 - (ii) 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 when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence.

The key considerations in the succession planning process are as follows:

- Identify the long term vision and direction of the organization. (Strategic Plan)
- Review the mission and values of the organization.
- Determine who the key leadership people are to be developed and nurtured for the future.

- Determine which positions need a succession plan.
- Identify core competencies and skills needed to lead the organization.

4. Applicability of the Policy:

The Policy shall be applicable for succession planning of the following personnel:

- (a) Whole Time Director, Chief Executive Officer and the rest of the Board;
- (b) Senior management of the Company as defined in Regulation 16(1)(d) of the LODR;
- (c) Any other positions within the Company at the discretion of the Chief Executive Officer and Whole Time in consultation with the Board.

5. Succession Plan for the Board and Senior Management:

The Committee shall periodically review and determine if there is reason to believe that one or more director's slots/ senior management's position shall become vacant within the next twelve months and accordingly report its finding to the Board.

a) Assessment of candidates:

The 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 Committee. When the Committee identifies individuals that it believes meet the criteria mentioned in the Nomination and Remuneration Policy of the Company, it shall recommend them to the Board for selection.

b) Procedure:

- i. If the Committee anticipates that a Director/ senior management position shall become vacant within the next twelve months (whether by reason of an announced intent to retire or otherwise), or if such position suddenly becomes vacant (whether by death or otherwise), the Committee shall as soon as reasonably practicable recommend to the Board, sufficient number of candidates for selection.
- ii. While identifying candidates for nomination as Director or senior management, the Committee may consult whatever sources it deems appropriate, including, but not limited to, referrals from existing Directors or senior management, recommendations from third-party search firms etc.
- iii. The Committee shall have the authority to engage whatever advisors (including attorneys and search firms) it believe appropriate in its efforts to identify and evaluation potential candidates.
- iv. The Committee shall also periodically review the list of high performer employees within the Company that may be potential candidates for elevation to the position of senior management position
- v. The recommendation of the Nomination and Remuneration Committee shall be placed to the Board for approval. While making its recommendation, the Nomination and Remuneration Committee shall consult with the concerned and all factors including the available talent within the organization and the need to ensure continues working and growth of the Company shall be carefully considered.

- vi. The CEO, Executive Directors and Head - Human Resources shall from time to time identify high-potential employees who merit faster career progression to position of higher responsibility and formulate, administer, monitor & review the process of skill development and identify the training requirements

Appointment of Key Managerial Personnel such as Company Secretary, Chief Financial Officer and other compliance professionals shall be made in compliance with and conforming applicable provisions of relevant laws.

c) Emergency Succession:

If a director's slot /senior management's position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein.

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 (as far as practicable) shall take interim charge of the position, pending a regular appointment in terms of this Policy.

6. Review and Monitoring:

The Committee shall review and monitor from time to time the implementation of this Policy to ensure its effectiveness and may also recommend changes, if any, to the Board for ensuring effective succession planning.

7. Amendments:

The Board may amend the Policy as and when it deems necessary either pursuant to any change in law or otherwise. The Board shall be free to devise and implement any supplementary or other policies and guidelines in respect hereof for better implementation of this Policy.

8. Dissemination of the Policy:

The Policy shall be uploaded under a separate section on the website of the Company at www.pbfintech.in
