



SHIGAN QUANTUM TECHNOLOGIES LIMITED

NOMINATION AND REMUNERATION POLICY

DOCUMENT CONTROL

Document Title and Version

This document, titled as 'Nomination and Remuneration Policy' is issued as version 1.1.

Revision history

Sr. No.	Date of Approval	Version	Department Responsible	Approval Authority
1	16-10-2021	1.0	Legal & Secretarial Department	Board of Directors
2	25-02-2026*	1.1	Legal & Secretarial Department	Board of Directors

** Effective from 1st April, 2026*

Custodian and Review Authority

This Policy shall be maintained and updated, by way of additions, deletions, modifications or substitutions, only by the Legal and Secretarial Department.

Any revision to this Policy shall be subject to review by the Managing Director(s), and approval by the Board of Directors.

Applicability

This Policy applies to Shigan Quantum Technologies Limited.

PREFACE

This Policy is framed in terms of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company follows a remuneration philosophy that is performance-driven and market-aligned. The framework aims to attract, motivate, reward and retain competent professionals while ensuring alignment with the Company's long-term objectives and stakeholder interests.

DEFINITIONS AND INTERPRETATIONS

- a) **'Board'** means the Board of Directors of the Company.
- b) **'Company'** means Shigan Quantum Technologies Limited, unless the context otherwise provides.
- c) **'Key Managerial Personnel'** means:
- the Chief Executive Officer or the Managing Director or the Manager;
 - the Company Secretary;
 - the Whole-time Director;
 - the Chief Financial Officer;
 - such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - any other person appointed by the Board as Key Managerial Personnel.
- d) **'Listing Regulations'** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) **'Nomination and Remuneration Committee'** or **'Committee'** means the Nomination and Remuneration Committee constituted by the Board of Directors of the Company in accordance with Section 178 of the Act read with Regulation 19 of the Listing Regulations.
- f) **'Policy'** or **'this Policy'** means the Nomination and Remuneration Policy.
- g) **'SEBI'** means the Securities and Exchange Board of India.
- h) **'SEBI Act'** means the Securities and Exchange Board of India Act, 1992.
- i) **'Senior Management Personnel'** means
- all members of management one level below the Managing Director / Whole-time Director / Executive Director

- Chief Financial Officer
- Company Secretary
- Functional heads
- Such other persons as may be decided by the Board from time to time.

OBJECTIVES

The key objectives of this Policy are to:

- a) lay down the criteria for identification of persons who are qualified to become Directors, Key Managerial Personnel and Senior Management Personnel.
- b) lay down the criteria for assessing the qualifications, positive attributes and independence of Directors.
- c) prescribe principles for determining remuneration for Directors, Key Managerial Personnel and other employees.
- d) align compensation practices with market benchmarks and peer organizations operating in comparable industries.
- e) attract, reward, motivate, promote, retain talent who will contribute to long term success of the Company and thereby build value for stakeholders and create competitive advantage for the Company.
- f) ensure that rewards are linked directly to individual contribution, performance, commitment and achievement of organizational goals.

REMUNERATION PHILOSOPHY

The remuneration framework of the Company ensures that:

- a) Compensation levels are adequate and competitive to attract and retain capable leadership and employees.
- b) A clear linkage exists between remuneration and performance, aligned with defined benchmarks.
- c) There is an appropriate mix of fixed and variable pay, reflecting short-term and long-term performance objectives.

CRITERIA FOR NOMINATION, QUALIFICATION, POSITIVE ATTRIBUTES, AND INDEPENDENCE

Directors

- a) The Nomination and Remuneration Committee shall identify and recommend suitable candidates for appointment or re-appointment as Directors.
- b) The composition of the Board shall be appropriate to the size, complexity, and nature of the Company's business subject to compliance with the Act, the Listing Regulations and the Articles of Association.
- c) The Board shall strive to have an appropriate combination of Executive, Non-Executive and Independent Directors including a Woman Director.
- d) In evaluation of the candidature, the Committee shall consider, inter alia:
 - i. Integrity, professional standing, competence, expertise, experience, educational background, leadership qualities, ability to exercise sound judgement, cultural and geographical background, personal accomplishments, time commitment, and understanding of the sector / industry in which the Company operates;
 - ii. Relevant expertise in areas such as marketing, finance, accounting, taxation, technology, legal, secretarial, and other disciplines relevant to the Company's current and future business operations; and
 - iii. such other factors that the Committee might consider relevant.
- e) While considering the appointment, the Committee shall also consider the principles of Policy on Board Diversity of the Company.
- f) While recommending the appointment or re-appointment of a Director, the Committee shall ensure that the individual is eligible and not disqualified under the Act or the SEBI Act or the Listing Regulations or other applicable laws.
- g) In the case of the appointment or re-appointment of an Independent Director, the Committee shall ensure that the individual satisfies the independence criteria prescribed under the Act, the Listing Regulations and other applicable laws.
- h) The reappointment of an Independent Director shall be based on the performance evaluation of such Director.

- i) For the purpose of identification of suitable candidates, the Committee may, if required, use the services of external agency (ies), if required.

Key Managerial Personnel and Senior Management

For the purpose of appointment of Key Managerial Personnel and Senior Management Personnel, the Committee shall, inter alia, evaluate the candidate's background, competencies, educational and professional qualifications, skills, leadership capabilities, ability to exercise sound judgment, record of achievements, and experience and expertise appropriate to the role.

REMUNERATION CRITERIA

Remuneration of Managing Directors, Other Executive Directors, Key Managerial Personnel and Senior Management Personnel

- a) The remuneration of the Managing Directors, other Executive Directors (if any), Key Managerial Personnel and Senior Management Personnel shall be determined and recommended by the Nomination and Remuneration Committee and approved by the Board.
- b) The remuneration of the Managing Directors and other Executive Directors shall also be subject to the approval of the shareholders and shall be within the limits and in accordance with the provisions of the Act and Listing Regulations.
- c) The remuneration, if any, payable to Executive Directors, Key Managerial Personnel, Senior Management Personnel and other employees may comprise:
- i. Fixed Pay, including basic salary, retiral benefits, house rent allowance and other allowances, payable in accordance with the Company's policies;
 - ii. Performance-linked Variable Pay, based on achievement of pre-determined key result areas (KRAs) and the overall performance of the Company; and
 - iii. Long-term Incentives, as may be determined by the Committee from time to time and approved by the Board, where applicable.
- d) Executive Directors shall not be entitled to receive sitting fees for attending meetings of the Board or its Committees.
- e) The remuneration of Key Managerial Personnel and Senior Management Personnel, including any revision thereto, shall be determined on a case-to-case basis in accordance with the recommendations of the Committee and the Human Resource policies of the Company, and shall ordinarily be reviewed annually or earlier, if warranted, having

regard to market practices, benchmarked with leading and peer corporations operating in India, the Company's performance, and the competitive context and strategy of the Company.

Remuneration to Non-Executive Directors:

- a) Non-Executive Directors shall be entitled to sitting fees for attending meetings of the Board & its Committees, the quantum of which shall be determined by the Board, within the limits prescribed under the Act.
- b) Non-Executive Directors may be paid profit linked annual commission, as determined by the Board, within the limits approved by the shareholders and in accordance with the provisions of the Act and the Listing Regulations.
- c) In addition to sitting fees and commission, the Company may pay to or reimburse any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This may include reasonable expenditure incurred for attending Board, Committees, General meetings, court convened meetings, meetings with shareholders, creditors, or management, site visits, induction and training programmes organized by the Company for Directors, and for obtaining professional advice in furtherance of his/her duties as a Director.
- d) The remuneration payable by the Company to Non-Executive Directors shall be subject to the conditions specified under the Act and the Listing Regulations.

Remuneration to other management employees

- a) The remuneration of other management employees shall be reviewed and revised, generally on an annual basis or when such revision is warranted by market conditions having regard to prevailing market practices, industry benchmarks, the Company's performance, peer comparisons, and the Company's competitive context and strategic objectives.
- b) The remuneration payable to such employees may comprise fixed pay, performance-linked variable pay, and such long-term incentives as may be determined in accordance with the Human Resource policies of the Company.
- c) The remuneration payable to such employees, and any revision thereof, shall be in accordance with the Human Resource policies of the Company.

Remuneration to non-management employees

- a) The remuneration of non-management employees shall be market-aligned and linked to individual performance and performance parameters of the Company.
- b) Where applicable, such remuneration is determined through a process of collective bargaining with recognized union(s) or employee representatives, or through individual negotiations, and shall be reflected in long-term settlements, agreements or employment contracts, as the case may be.
- c) In determining such remuneration, due regard shall be given to prevailing market conditions, the competitive position and overall performance of the Company, availability of requisite skills, inflationary trends and cost of living considerations, and the impact of cost escalation and productivity improvements on the present and future competitiveness of the Company.

DISCLOSURE

This Policy shall be hosted on the website of the Company for accessibility to its stakeholders and a reference to, or web-link of, this Policy may be disclosed in reports, as required by law from time to time.

INTERPRETATION OR MODIFICATION

The Board shall have authority to amend or modify this Policy to align with any amendments made to the Listing Regulations or such other circulars, or regulations issued by the SEBI, the Stock Exchange(s) or any other authority, or as and when deemed fit by the Board.

In the event of any inconsistency between this Policy and any statutory provisions, the relevant provisions of the applicable law shall prevail upon the provisions of this Policy.