

## NOMINATION & REMUNERATION POLICY

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### 1. PREAMBLE

TVS Infrastructure Investment Manager Private Limited (“**Investment Manager**”) has been appointed as the investment manager of TVS Infrastructure Trust (“**Trust**”), an infrastructure investment trust registered with the Securities and Exchange Board of India (“**SEBI**”) in accordance with the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended (“**InvIT Regulations**”). Accordingly, the board of directors of the Investment Manager (the “**Board**”), has adopted the following policy and procedures (the “**Policy**”) as recommended by the nomination and remuneration committee of the Investment Manager (the “**Nomination and Remuneration Committee**” or “**NRC**”) to provide a framework for nomination and remuneration of members of the Board, key managerial personnel, and other employees of the Investment Manager (i.e. officers and personnel of the Investment Manager who are members of its core management team, excluding the Board, comprising of all members of 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 compliance officer and chief financial officer (“**Senior Management Personnel**”).

This Policy is guided by the principles and objectives as enumerated in Regulation 26G of the InvIT Regulations and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”), to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Investment Manager and the Trust.

This Policy reflects the remuneration philosophy and principles of the Investment Manager and the Trust, and considers the pay and employment conditions with peers / competitive market to ensure that pay structures are appropriately aligned.

### 2. INDEPENDENT DIRECTORS

#### 1) Criteria for Selection/ Appointment

- a) The independent directors (“**Independent Directors**”) shall be of high integrity with relevant expertise and experience so as to have a diverse Investment Manager’s board with directors having expertise in the fields of infrastructure, marketing, finance, taxation, law, governance and general management.
- b) In case of appointment of Independent Directors, the Nomination and Remuneration Committee of the Investment Manager’s board shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Investment Manager ensuring that such Independent Directors satisfy the criteria as set out under Regulation 2(1)(saa) of the InvIT Regulations, so as to enable the Investment Manager’s board to discharge its functions and duties effectively.
- c) The NRC shall ensure that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 or other provisions of the Companies Act, 2013 and fulfil all the requirements for appointment under the Companies Act, 2013.
- d) The NRC shall consider the following attributes/ criteria for recommendation of candidature for appointment as an independent director: (i) diversity of the Investment Manager’s board; (ii) integrity, personal, professional or business standing; (iii) qualification, expertise and experience; and (iv) other positive attributes of the candidate.

**2) Remuneration Of Independent Directors**

- a) Independent Directors will be paid remuneration by way of sitting fees and commission or other compensation. The remuneration / commission / compensation to the Independent Directors will be determined by the NRC and recommended to the Board for its approval.
- b) The commission to be paid annually will be restricted to a fixed sum, as determined by the NRC.
- c) The payment of the commission to the Independent Directors will be placed before the Board every year for its consideration and approval. The sitting fee payable to the Independent Directors for attending the Board and committee meetings will be fixed, subject to the statutory ceiling. The fee will be reviewed periodically.
- d) Keeping with evolving trends in industries and considering the time and efforts spent by specific Independent Directors, the practice of paying differential commission will be considered by the Board.
- e) Independent Directors are entitled to be paid all travelling and other expenses they incur for attending to the Investment Manager's and Trust's affairs, including attending meetings of the Investment Manager.
- f) The remuneration payable by the Investment Manager to Independent Directors shall be subject to the conditions specified in the SEBI Listing Regulations and Companies Act, 2013.

**3. MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER/ NON-INDEPENDENT DIRECTOR****1) Criteria for Selection/ Appointment**

For the purpose of selection of the managing director /chief executive officer/ non-independent director, the NRC shall identify a person of integrity who possesses relevant expertise, professional ethics, experience and leadership qualities required for the position.

**2) Remuneration**

- a) The compensation paid to the Non-Independent Directors (including managing director) will be within the scale approved by the shareholders of the Investment Manager.
- b) The elements of compensation of the non-independent director include the elements as described in paragraph below.
- c) The NRC will determine the annual variable pay compensation in the form of annual incentive and annual increment for the non-independent director based on the Investment Manager's, Trust's and individual's performance as against the pre-agreed objectives for the year.
- d) The remuneration payable by the Investment Manager to the non-independent directors shall be subject to the conditions specified in the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.
- e) During the tenure of the non-independent directors, if the Investment Manager has no profits or have inadequate profits, then such non-independent directors shall be entitled to minimum remuneration, as prescribed under applicable law.

**4. TO KEY MANAGERIAL PERSONNEL / SENIOR MANAGEMENT PERSONNEL**

**1) Criteria for Selection/ Appointment**

A person should possess adequate skills, qualification, expertise and experience for the position he/ she is considered for appointment, as per the Investment Manager's requirements and applicable laws.

**2) Remuneration**

- a) The Investment Manager's total compensation for Key Managerial Personnel if any, / other employees will consist of:
  - fixed compensation
  - variable compensation in the form of annual incentive
  - benefits (include any income received from associates due to deputation or other appointment)
  - work related facilities and perquisites.
- b) Fixed compensation will be determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. Fixed compensation may include basic salary, housing allowance, leave travel allowance and a cash allowance.
- c) The annual incentive (variable pay) of executives will be linked directly to the performance of the Trust, the IM and the performance of the individual himself.
- d) Employees will also be eligible for work related facilities and perquisites as may be determined through human resources policies issued from time to time based on the grade of the employee.
- e) A formal annual performance management process will be applicable to all employees, including senior executives.
  - Overall compensation shall be subject to periodic reviews which takes into account data from compensation surveys conducted by specialist firms, as well as factors such as affordability based on the Investment Manager's performance and the economic environment.
  - Employees may be eligible for severance payments in accordance with the termination clause in their employment agreement subject to applicable regulatory requirements.

**5. COMMITTEE MEMBERS INTEREST**

- a) A member of the NRC is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/her performance is being evaluated.
- b) The NRC may invite such executives, as it considers appropriate, to be present at the meetings of the NRC.

**6. ADOPTION, CHANGES AND DISCLOSURE OF INFORMATION**

- a) This Policy and any changes thereof will be approved by the Board based on the recommendation(s) of the NRC, if any or by as and when the Board itself deems fit.
- b) This Policy may be reviewed at such intervals as the Board or NRC may deem necessary.
- c) Such disclosures of this Policy as may be required under the InvIT Regulations and SEBI Listing Regulations may be made.

**7. DISSEMINATION OF POLICY**

This Policy shall be posted on the website of the Trust and the details of this Policy, including the

evaluation criteria, shall be mentioned in the annual report of the Investment Manager and the Trust, as applicable.

#### **8. Conflict with Applicable Law**

The Policy shall not contradict with the provisions of any Applicable Law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.

#### **9. Review of this Policy**

This Policy shall be reviewed at least once in every two years.

#### **10. Amendment**

- (i). Any amendment or variation to this Policy shall be undertaken in compliance with the InvIT Regulations and other applicable law.
- (ii). Notwithstanding the above, this Policy will stand amended to the extent of any change in applicable law, including any amendment to the InvIT Regulations and the SEBI Listing Regulations, without any action from the Investment Manager or approval of the unitholders of the Trust.

Adopted by the board of directors of TVS Infrastructure Investment Private Limited on behalf of the InvIT on January 27, 2025.

Certified True Copy

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Authorised Signatory

Name: **Yogesh Bhargav**

Designation: **Company Secretary**