NOMINATION AND REMUNERATION POLICY
Axis Max Life Insurance Limited

1. PREAMBLE

1.1 Axis Max Life Insurance Limited ("**Company**") has a Nomination and Remuneration Committee ("**Committee**") which shall at all times comprise 3 (Three) or more non- executive Directors, of which at least half shall be Independent Directors, as required under Section 178 of the Companies Act, 2013 read along with the rules framed thereunder as amended from time to time ("**Companies Act**"). The Committee shall be chaired by an Independent Director.

1.2 This Nomination and Remuneration Policy ("**Policy**") has been prepared in compliance with Section 178 of the Companies Act read along with IRDAI (Corporate Governance for Insurers) Regulations, 2024 ("**Corporate Governance Regulations**"), the master circular on Corporate Governance for Insurers, 2024 ("Master Circular on CG") and amendments in the Master Circular on CG vide IRDAI circular (Ref: IRDAI/F&I/CIR/MISC/72/5/2026) dated 25.05.2026. Corporate Governance Regulations and Master Circular along with amendments thereof are jointly referred as the "**CG Regulations**".

1.3 The Board, in consultation with the Committee, has formulated and adopted this comprehensive Policy for the Non-Executive Directors to ensure compliance with the provisions of the Companies Act, 2013 and CG Regulations as amended.

1.4 The Committee, in consultation with the Risk Management Committee, shall make a coordinated effort to have an integrated approach to the formulation of this Policy.

1.5 The Committee shall review this Policy annually and/ or as may be required to ensure compliance with statutory and regulatory requirements, as prescribed under the provisions of the CG Regulations and the Companies Act.

2. DEFINITIONS

"**Board**" means Board of Directors of the Company;

''**Claw-back''** shall mean the contractual right of the Company to require a KMP to return whole or part of any previously paid, settled or vested Variable Compensation by the KMP under the circumstances stated in this Policy;

"**Control Function"** refers to Compliance, Risk, Audit, Actuarial and Secretarial;

"**Director**" means a director appointed to the Board of the Company;

"**Fixed Compensation**" shall mean and include the basic salary, house rent allowance, perquisites, other allowances, contributions and retirement benefits like provident fund, gratuity and superannuation and all other fixed items included in the Fixed Compensation component of such KMP;

"**Employee Stock Option Plan**" or "**ESOP Plan**" means the Max Financial Employee Stock Option Plan 2022, as amended from time to time; **Axis Max Life Insurance - Employee Stock Option Plan 2026,** as amended from time to time; and any other plan that the Company may adopt in future;

"**Employee Cash-linked Share Appreciation Rights Plan 2018**" means the Employee **Cash-linked Share Appreciation Rights** Plan 2018 adopted by the Company, as amended from time to time and any other plan that the Company may adopt in future;

"**Independent Director**" means a director so appointed in terms of the Companies Act;

"**IRDAI**" means the Insurance and Regulatory Development Authority of India;

"**Key Management Personnel**" or "**KMP**" means a member of the core management team of the Company as defined in the IRDAI (Registration of Indian Insurance Companies) Regulations, 2024 and the Companies Act, including:

i. Managing Directors ("**MD**"),
ii. Chief Executive Officer ("**CEO**"),
iii. Whole-time directors ("**WTD**"),
iv. Functional heads one level below the MD/CEO, including the Chief Financial Officer, Chief Investment Officer, Appointed Actuary, Chief Risk Officer, Chief Compliance Officer, General Counsel and/or Company Secretary, Chief Distribution Officer, Chief Marketing Officer, Head of Audit, Chief People Officer, Chief Operations Officer, {Chief Business Officer(s) and Head of Products provided their reporting is directly to MD/CEO};

"**Malus**" shall mean the right of the Company, by virtue of which the Company can forfeit/ cancel/ reduce, the whole or part of any unpaid or unvested Variable Compensation due to any KMP, basis any negative trend in the defined parameters and/or the relevant line of business in any year during the deferral vesting period as set out in this Policy;

"**Other Employees**" mean all full-time employees of the Company excluding KMPs;

"**Remuneration**" means any money or its equivalent/ benefit/ amenity/ perquisite given or passed to any KMP or Other Employees for services rendered by him/ her and includes perquisites as defined under the Income-tax Act, 1961. Remuneration structure shall include Fixed Compensation and Variable Compensation, if any;

"**Share Linked Instruments**" means (i) Employee Stock Option schemes (ESOP); (ii) employee stock purchase schemes (ESPS); and (iii) stock appreciation rights schemes (SARS).

For the sake of clarity, all share linked benefits where the ultimate payout is in the form of cash such as cash- linked stock appreciation rights (CSAR) stocks, etc., shall be also be treated as Share Linked Instruments; and

"**Variable Compensation**" shall mean incentives, bonus, etc. in the form of cash and/ or Share Linked Instruments.

3. GUIDING PRINCIPLES/ OBJECTIVES

The objective of this Policy is to provide an overall framework for the Remuneration of the Directors, KMPs and Other Employees of the Company, as covered under the provisions of the Companies Act and CG Regulations.

In this regard, this Policy seeks to ensure that:

(a) there is effective governance of Remuneration by active oversight by the Board and the Committee;

(b) there is effective alignment of Remuneration to prudent risk-taking and that the

Remuneration does not induce excessive or inappropriate risk-taking that could be detrimental to the interests of the policyholders and/ or business of the Company;

(c) the level and composition of Remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs and Other Employees having the quality required to run the Company successfully. Further, the Directors shall not be placed in a position of actual or perceived conflicts of interests in respect of remuneration decisions of the Company;

(d) the interests of KMPs are aligned with the business strategy, risk tolerance and adjusted for risk parameters (as mentioned in clause 10.1.2), objectives, values, corporate culture and long term interests of the Company;

(e) relationship of Remuneration to performance is clear, meeting appropriate performance benchmarks and consistent with the "pay-for-performance" principle; and

(f) remuneration involves a balance between Fixed Compensation and Variable Compensation to appropriately reflect the value and responsibility of the role performed and to influence appropriate behavior and action in achieving the short and long-term performance objectives, appropriate to the working of the Company and its goals.

4. ROLE OF THE COMMITTEE AND THE BOARD

4.1 Committee

(a) The role of the Committee shall be to ensure compliance with the relevant provisions of the Companies Act and CG Regulations and various other obligations mentioned in the charter of the Committee as approved by the Board from time to time.

(b) The Committee should recognize any actual or potential conflicts inherent in recommendations from Company's management dealing with Remuneration and ensure that recommendations from Company's management are supplemented with any advice from any external advisors, if required. The Committee shall also ensure that the Directors shall not be placed in a position of actual or perceived conflicts of interest concerning remuneration decisions.

4.2 Board

(a) The Board shall oversee the effective implementation of this Policy, which does not induce excessive or inappropriate risk-taking, is in line with corporate culture, objectives, strategies, identified risk appetite and long-term interest of the Company, and gives due regard to the interests of its policyholders and other stakeholders.

(b) The Board shall ensure that the decision-making process identifies and manages conflicts of interests while structuring, implementing and reviewing this Policy.

5. APPOINTMENT AND REMOVAL OF DIRECTORS AND KMPs

5.1 Any appointment, reappointment, termination of a MD/ CEO/ WTD (by whatever name called) or any amendment thereto will be done and will have effect only after prior approval of IRDAI, subject to the compliance with the provisions of the CG Regulations.

5.2 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person being appointed as a Director or a KMP and recommend his/ her appointment to the

Board.

5.3 A Director or KMP should possess adequate qualifications, expertise and experience for the position he/ she is considered for appointment as a Director or a KMP. The Committee has the discretion to decide whether the qualifications, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.

5.4 The Committee shall ensure that a requisite framework exists for appointment and qualification requirements for human resources and which ensures that the incentive structure does not encourage imprudent behavior or any excessive or inappropriate risk- taking behavior.

5.5 The Board and the Committee shall ensure that KMPs shall not simultaneously hold more than one position in the Company that could lead to conflict or potential conflict of interest such as 'business and Control Function' or 'two Control Functions'.

6. TERM AND TENURE

6.1 MD/ WTD/ CEO:

(a) The Company shall appoint or reappoint any individual as its MD/ WTD for a term not exceeding five years at a time. Notwithstanding anything and subject to the statutory approvals required from time to time, an individual shall not hold the post of an MD & CEO or WTD for a continuous period of more than 15 (Fifteen) years. Thereafter, the individual shall be eligible for reappointment as MD & CEO or WTD, if considered necessary and desirable by the Board, after a cooling off period of at least 1 (One) year, subject to meeting other applicable conditions. However, if the MD & CEO or WTD is appointed by a promoter/ major shareholder of the Company, then such individual shall not hold the said posts for a continuous period of more than 12 (Twelve) years, except with the permission of IRDAI to hold the said posts for a continuous period up to 15 (Fifteen) years.

(b) A promoter/ shareholder cannot hold a whole-time position in the Company. However, this condition is not applicable in case an employee becomes a shareholder by virtue of shares received through ESOPs/ Public Offering during the course of employment.

(c) The terms related to appointment and age of MD/ CEO/ WTD shall be subject to compliance with the provisions of the Master Circular.

6.2 Independent Director:

(a) An Independent Director shall hold office for a term up to 5 (Five) consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

(b) No Independent Director shall hold office for more than 2 (Two) consecutive terms, beyond a period of 10 (Ten) years, but such Independent Director shall be eligible for reappointment, after expiry of at least 3 (Three) years from date of ceasing to be an Independent Director.

(c) The terms related to appointment and age of Independent Directors shall be subject to compliance with the provisions of the CG Regulations.

7. EVALUATION

The Committee shall carry out an evaluation of the performance of every Director at a yearly interval, in accordance with Section 178 of the Companies Act and present a report thereon to the Board.

8. REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act or under any other applicable law, the Committee may recommend to the Board for reasons recorded in writing, the removal of a Director or KMP subject to the provisions and compliance with such applicable law.

9. RETIREMENT

The Director or KMPs shall retire as per the retirement policy of the Company to the extent it is not in conflict with the CG Regulations.

10. PROVISIONS RELATING TO REMUNERATION

10.1 Remuneration of KMPs

10.1.1 Applicable Laws, Regulations and Required Approvals

(a) The Remuneration of MD/CEO/WTD will be determined by the Committee and recommended to the Board for approval. Any change in the Remuneration of MD/CEO/WTD would require prior approval of IRDAI.

(b) The payment of remuneration of MD/CEO/WTD shall be certified by Chief Compliance Officer, certifying that the payment of Variable Compensation along with the number of units and the corresponding unit price of Share Linked Instruments of non-cash component is in line with the IRDAI's approval. The certification shall be submitted to IRDAI within 30 days of each payment of remuneration.

(c) Any modification in Remuneration of the MD/CEO/WTDs shall not be done before the expiry of 1 (One) year from the date of earlier IRDAI approval.

(d) Any form of Variable Compensation shall be paid/granted to any KMP only once during the financial year.

(e) The cost of Remuneration paid to KMPs shall be borne by the Company only.

(f) The Committee/ Board shall always maintain a fine balance between reasonableness and fairness, while making Remuneration-related decisions including Malus and Claw-back.

(g) The Remuneration to be paid to KMPs shall be as per the applicable provisions of the Companies Act read with the Insurance Act, 1938 ("**Insurance Act**") and rules, regulations and circulars issued thereunder including the CG Regulations

(h) Where the annual Remuneration of KMPs individually exceeds INR 4,00,00,000/- (Indian Rupees Four Crores only), such excess shall be borne by the shareholders of the Company and debited to the profit and loss account.

(i) For MD/CEO/WTD, Fixed Compensation and maximum Variable Compensation shall be submitted to IRDAI for its approval, at the beginning of the financial year/ performance

year.

(j) Payment of actual Variable Compensation shall be decided and approved by the Board of the Company, as per the actual performance of MD/CEO/WTD (and in line with the approval given by IRDAI), after the end of the financial year/ performance year.

10.1.2 Risk and Reward

(a) Remuneration of KMPs shall be linked to performance parameters such that:
- Remuneration is aligned to policyholder outcomes,
- Remuneration is adjusted for all types of risks;
- Remuneration outcomes are symmetrical with risk outcomes;
- Remuneration payouts are sensitive to the time horizon of the risk; and
- mix of cash and equity are consistent with risk alignment.

(b) In accordance with the guidance from the Authority, for FY 2026-27, the minimum parameters that will be considered by Committee and Board for assessing the performance of all KMPs for payment of Variable Compensation and for purpose of disclosure are as below:

(i) Overall financial soundness and improvements thereof namely:

1) 'Assets under management' to 'Total premium' ratio,
2) 'Renewal premium' to 'New business premium' ratio,
3) Proportion of "total number of policies issued" during the year to "total number of policies exited from the books (pre-mature exits + exits due to death + exits due to maturities" during the year,
4) 'Expense of management' to 'Gross direct premium' ratio.

(ii) Products' performance and improvements thereof;

(iii) Claim responsiveness and improvements thereof;

(iv) Grievance redressal and improvements thereof;

(v) Implementation of Indian Accounting Standards;

(vi) Removal of dark patterns in company's own interaction with the public and ensuring the same for company's distributors.

The above 6 parameters shall have total weight of 50% in the performance assessment matrix of MD/CEO/WTDs/KMPs, out of which parameter (v) and (vi) shall have weight of 10% each. The weight of other 4 parameters to be decided by the Board.

For the balance weightage of 50% for performance assessment, the NRC / Board may adopt additional parameters in line with the business plan of the Company.

The weightage for each of the additional parameters to be configured suitably for MD/CEO/WTD and other KMPs depending on their respective roles. These parameters along with the corresponding measurement criteria for FY 2026-27 are mentioned in the Annexure 2 & 3. The above parameters shall also serve as a basis for revision of the Fixed Compensation.

10.2 Pay Mix

The total Remuneration paid to KMPs shall have a fixed component and a variable component linked to individual and organizational performance. A proper balance between fixed and variable components will be ensured by the Committee/ Board and in accordance with the CG Regulations.

(a) The amount of Fixed Compensation shall be reasonable, taking into account the Company's overall business performance and industry remuneration scales, in accordance with the CG Regulations.

(b) Variable Compensation shall be at least 50% (Fifty percent) of the Fixed Compensation for the corresponding period and shall not exceed 300% (Three Hundred percent) of the Fixed Compensation. In cases where Variable Compensation is up to 200% (Two Hundred percent) of the Fixed Compensation, a minimum of 50% (Fifty percent) of the Variable Compensation shall be via Share Linked Instruments. The same limit would be 70% (Seventy percent) in case the Variable Compensation is above 200% (Two Hundred percent) of the Fixed Compensation. A minimum of 50% (Fifty percent) of the total Variable Compensation must invariably be under deferral arrangements and the deferral period shall be a minimum of three years.

(c) The first such vesting of the Variable Compensation shall accrue after 1 (One) year from the commencement of the deferral period. Vesting shall be no faster than on a pro rata basis and shall not take place more frequently than on a yearly basis to ensure a proper assessment of risks before the application of ex-post adjustments.

(d) Deferment of cash component of Variable Compensation: Where Variable Compensation is a mix of cash and Share Linked Instruments and such cash component of Variable Compensation is more than Rs. 25 lakhs (Rupees Twenty Five Lakhs), payment of such cash component/ performance bonus is allowed as follows:

i. Payment of the *first* Twenty Five Lakhs (Rs.25 lakhs) without any deferment and
ii. Payment of the balance cash component of Variable Compensation above Rs. 25 lakhs as given below:

a) 50% without deferment
b) balance 50% to be deferred over the deferral period, subject to a minimum period of 3 years on a pro rata basis and shall not take place more frequently than on a yearly basis

(e) Any future grant (by whatever name called) that is given, if construed as Variable Compensation, should have a proper balance of pay mix, in line with this clause 10.2.

(f) The payment of the Variable Compensation shall be determined using performance based measure of individual, unit or Company's performance. The amount payable towards such Variable Compensation would be dependent on the Company's overall results as captured in the Company's measures of success outcomes and the parameters defined in clause 10.1.2. In case there is deterioration in the same, the total amount payable towards Variable Compensation will contract in accordance with adjustment of these parameters and may even be reduced to zero.

10.3 Stock Options

(a) The Committee/ Board may consider granting Share Linked Instruments. Issue of Share Linked Instruments shall be governed by the provisions of this Policy, CG Regulations, the Companies Act, the Companies (Share Capital and Debenture) Rules, 2014 as amended, Securities and Exchange Board of India (Share Based Employee Benefits and

Sweat Equity) Regulations, 2021 as amended from time to time. For the purposes of benefit calculation, the fair value of the equity shares certified by a Category 1 merchant banker registered with the Securities and Exchange Board ("**SEBI**") of India shall be considered. KMPs shall not be issued/ granted any sweat equity shares.

(b) The Company may issue ESOPs of its listed promoter company or ESOPs of Axis Max Life Insurance Limited to the KMPs.

(c) Till the time the Company is listed, the total number of ESOPs granted in a year shall not exceed 1% (One percent) of the paid-up capital of the Company. The total number of ESOPs issued, granted, vested or outstanding at any point in time shall not exceed 5% (Five percent) of the paid-up capital of the Company.

(d) In the case of ESOPs, approval shall be granted by IRDAI for MD/CEO/WTD on an amount basis, for the maximum value of ESOPs that can be granted by the Company.

(e) Preferably, Black-Scholes method shall be used as a valuation methodology for the grant of ESOPs. For unlisted entities, fair value of equity shares determined by Category-1 merchant banker registered with SEBI shall be considered for the purpose of benefit calculation and shall not be more than 3 months before the date of such allotment.

10.4 Philosophy on methodology to calculate the Variable Compensation for MD/CEO/WTD

Company's compensation philosophy is anchored in the principles of the 4Ps - Position, Person, Performance and Potential - ensuring that remuneration outcomes are equitable, market-aligned, and differentiated based on performance and potential of the employees. The framework is designed to attract and retain high-quality talent and leadership in an increasingly competitive talent landscape, while fostering sustained leadership accountability and long-term value creation.

The Company emphasizes strong performance differentiation, with Variable Compensation payouts (cash and non-cash compensation) linked directly to the assessment of MD & CEO's performance on goal sheet parameters' achievement. Parameters determine the overall MD & CEO performance outcomes, with higher outcomes linked to higher rewards, thus reinforcing a strong pay-for-performance culture.

The remuneration framework also strengthens long-term retention with Share Linked Instruments which are linked to the MD & CEO's performance, thereby promoting long-term shareholder value creation.

10.5 Methodology to calculate the cash and non-cash Variable Compensation for MD/CEO/WTD

10.5.1 Methodology to calculate the Cash Variable Compensation for MD/CEO/WTD

a. The MD & CEO goal sheet is approved by the Board and forms the basis for determining the overall performance.

b. The MD & CEO goal sheet comprises parameters categorized into:

i. IRDAI-mandated parameters (as per IRDAI guidelines); and
ii. Company's Measure of Success (MoS) Parameters (as approved by the Board).

c. Each parameter is assigned a defined target and weightage ensuring that IRDAI parameters account for at least such percentage of overall goal sheet as may be mandated by IRDAI from time to time.

d. Achievement against the targets for both the IRDAI-mandated parameters and the Company MoS Parameters is assessed to determine the weighted achievement % ("CEO Goal (G) Sheet Achievement %") and overall weighted score ("Overall G Score") for the MD & CEO, which forms the basis for the overall performance assessment.

e. The Overall G Score so determined is used to calculate the applicable Bonus % in accordance with the Board-approved Bonus % Grid (Annexure 1), which prescribes the corresponding bonus % for different G Score ranges.

f. The bonus multiplier % is calculated from the "CEO Goal Sheet Achievement % vs Bonus Multiplier Grid" (Annexure 1), approved by the Board.

g. The Bonus % calculated in (e) is multiplied with the bonus multiplier % calculated in (f) to compute cash Variable Compensation %.

h. Cash Variable Compensation % is multiplied by Total Fixed Compensation to calculate the cash based Variable Compensation amount.

10.5.2 **Methodology to Calculate the Non-Cash Variable Compensation for MD/CEO/WTD**

a. The methodology set out under Clause 10.5.1 is used to determine the Overall G Score under the goal sheet framework for the MD & CEO.

b. The Overall G Score so determined is used to calculate the applicable Share Linked Instruments % in accordance with the Board-approved Share Linked Instruments % Grid (Annexure 1)

c. The Share Linked Instruments grant amount (non-cash Variable Compensation) is calculated by multiplying the Share Linked Instruments grant % with Total Fixed Compensation.

10.5.3 Any change in the aforesaid methodology by the NRC/ Board in reference to the directions of IRDAI or to comply with any law or regulations or otherwise shall be deemed to be incorporated by reference and shall form a part of this policy.

10.6 Treatment of deferred Variable Compensation in case of death, permanent disability, retirement, early retirement, etc.

(a) In event of death or permanent disability of a KMP prior to the deferral period, the deferred Variable Compensation shall be paid immediately to him/her (in case of permanent disability) or to the legal heirs or nominees of the grantee (in case of death), subject to the applicable laws and the ESOP Plan and in case of CSAR stocks the same shall vest immediately and be exercised as per clause 13 of Employee Cash- linked Stock Appreciation Rights Plan 2018 by such employee (or his/ her legal heirs or nominee, as the case may be).

(b) In the event of retirement or early retirement of KMP prior to the deferral period, the deferred Variable Compensation (except Share Linked Instruments) shall be paid as per deferral schedule and in case of CSAR stocks the same shall vest immediately and be exercised as per clause 12 of Employee Cash-linked Stock Appreciation Rights Plan 2018. The deferred ESOP units issued under Share Linked Instruments shall vest subject to the applicable laws and as per the applicable ESOP Plan.

In case of reappointment on retirement, the deferred Variable Compensation due at the time of retirement (i.e., prior to reappointment) shall be paid only in the respective years to which it is originally deferred.

(c) In the event of termination of employment contract owing to the directives of court/

tribunal/ other competent Authorities, or termination by the Company in case of fraud/criminal offences or proven misconduct, etc., including for cause (*as may be defined under the respective employment contracts*), the deferred Variable Compensation (including Share Linked Instruments), notice pay and any other payout which has been awarded but deferred, shall be forfeited.

(d) In the event of resignation of a KMP, any cash component of deferred Variable Compensation remaining unpaid on the date of resignation shall be paid as per the original deferral period. However, the unvested ESOP and CSAR stock units shall lapse.

(e) In the event of the occurrence of a merger/ takeover or any other similar corporate action or any action resulting in a change of control of the Company, the Company shall ensure that the interest of the employees remains unaffected. The Board on the recommendation of the Committee, may decide on the revised terms and conditions of the Remuneration granted to the KMPs, subject to obtaining requisite approvals under applicable laws.

(f) In the event of internal movement from a non-KMP role to a KMP role during a year, the deferral provisions of the cash Variable Compensation shall apply for that entire year.

10.7 Malus of deferred Variable Compensation

The provision of Malus as set out in this Policy or under the respective employment agreement executed by the Company with any of the KMPs shall be applicable to the Variable Compensation to be paid to such KMPs attributable to a given reference year wherein the incident has occurred.

Malus: The Committee may decide to apply Malus on a part, or the whole of the unvested/ unpaid portions of the deferred Variable Compensation.

Triggers to invoke Malus: The Malus provision will be invoked if a KMP engages in actions causing tangible or intangible harm to the performance of the Company and the same shall invite immediate and prompt action of the Board and the management. These actions are assumed to be with *malafide* intent. Bonafide error/s of judgment may not be treated as breaches under this Policy. Specific triggers for exercising Malus include the following:

a) Notable financial declines or risk escalations
b) Excessive or inappropriate risk-taking behavior
c) Poor compliance in respect of corporate governance and regulatory matters

The Committee, while evaluating financial performance will consider factors within and outside an employee's control, such as global market shifts, industry trends, legal changes, and unforeseen events like natural disasters or pandemics. The Committee and the Board shall review and based on facts and due assessment of what is directly attributable to the KMP's actions, the Committee and the Board may take appropriate measures for Malus of Variable Compensation. The Committee and Board's decision shall be final.

The Malus provisions can be applied for the entire deferral period.

In case of invoking Malus provisions, the same shall be informed to IRDAI within 10 days.

10.8 Claw-back of deferred Variable Compensation

The provisions of Claw-back as set out in this Policy or under the respective employment agreement executed by the Company with any of the KMPs shall be applicable to the Variable Compensation to be paid to such KMPs attributable to a given reference year wherein the

incident has occurred.

Claw-back: The Committee may decide to exercise its right to Claw-back previously paid or vested Variable Compensation on occurrence of the specified trigger event in the following manner:

a) Cash Variable Compensation – the employee shall return previously paid amount, net of taxes, to the Company; and

b) Share Linked Instruments – Claw-back would be applicable only to the vested but un-exercised options. However, in exceptional cases, the Committee may decide to extend the Claw-back clause to exercised options as well.

Triggers to invoke Claw-back: The Claw-back provision will be invoked if a KMP engages in actions such as fraud, integrity breach, or severe policy violations and the same shall invite immediate and prompt action of the Board and the management. These actions are assumed to be with *malafide* intent. Bonafide error/s of judgment may not be treated as breaches under this Policy. Specific triggers for exercising Claw-back include the following:

a) Gross negligence, or willful misconduct or integrity breach

b) Fraud necessitating financial restatement, or materially inaccurate financial statements due to result of misconduct or fraud

c) Conviction involving moral turpitude

The Committee and the Board shall review the external factors and based on facts and due assessment of what is directly attributable to the KMP's actions, the Committee and the Board may take appropriate measures for Claw-back of Variable Compensation. The Committee and Board's decision shall be final.

The Claw-back provision can be applied for a period of 3 (Three) years after the payment of the Variable Compensation.

In case of invoking Claw-back provisions, the same shall be informed to IRDAI within 10 days.

10.9 Guaranteed Bonus

The Company shall not provide guaranteed bonus of any kind as part of the Remuneration plan of KMPs, except sign-on/ joining bonus if required. The sign-on/joining bonus may be granted only to new personnel and will be limited to the first year of employment. Such bonus will neither be considered as a part of Fixed Compensation nor as a part of Variable Compensation.

10.10 Severance Payments

Severance compensation shall not be granted other than accrued benefits like gratuity pension, etc. to KMPs except in cases where it is mandatory under any applicable provision of the statute. It is clarified that severance compensation does not include notice period compensation.

10.11 Remuneration to Other Employees

Remuneration to Other Employees will include elements of Fixed Compensation and Variable Compensation with the mix of elements varying with seniority and benchmarked externally. A

key unifying element shall be the funds available to support short and long term incentives each year. These are driven by the measures of success determined by the Board as part of the business planning cycle. The measures of success should be clearly defined and capable of objective measurement. The Board will, however, retain a measure of discretion to exercise judgment in determining final outcomes, for instance, where overall outcomes are the result of external events completely outside the management's control or generally in respect of factors not susceptible to direct incorporation into the measures of success.

10.12 Remuneration to non-executive Directors

Subject to the approval of the Board and shareholders in accordance with the statutory provisions of the Companies Act, CG Regulations, the non-executive Directors may be entitled for the remuneration which shall not exceed amounts as may be specified by IRDAI for each of such non-executive Director from time to time.

In the event, the Chairperson of the Company is a non-executive Director, the remuneration shall be decided by the Board of Directors and necessary amendments shall be carried out in this Policy to specify the details of the remuneration and incentives to be paid to him/ her. The remuneration of the chairperson shall be subject to prior approval by the Authority.

10.13 Stock Options to non-executive Directors

A non-executive Director shall not be entitled to any share-linked benefit of the Company. Further, no share-linked benefits shall be offered to non-executive Directors even by virtue of their position in any of the group entities.

10.14 Engagement for Professional Services

The Company may, in line with applicable provisions of Companies Act, read with Insurance Act and rules and regulations made there under, wherever applicable, engage any non–executive Director to provide professional services from time to time. Any such engagement for professional services shall be made if the Committee is of the opinion that such a Director possesses the requisite qualification for providing such services.

10.15 Sitting Fees and Reimbursement of expenses

In addition to the remuneration mentioned above, a non-executive Director may receive Remuneration by way of fees for attending meetings of Board or committees as may be decided by the Board. Provided, however, that the amount of such fees shall not exceed the maximum amount per meeting as may be prescribed in the Companies Act, Insurance Act or by the Central Government from time to time. The non-executive Directors shall, in addition to the sitting fees, be entitled to reimbursement of their expenses for participating in the Board and Committee meetings, as may be decided by the Board.

11. DISCLOSURE AND ACCOUNTING

The Company shall make both qualitative and quantitative disclosures as mentioned in the CG Regulations in the Company's notes to the accounts forming part of the annual report. The Company shall disclose the amount of remuneration paid to each Non- Executive/ Independent directors, in the Notes to the Accounts forming part of Annual Financial Statements. In case no remuneration is paid during a year, the same shall be specifically disclosed.

The additional information as required under the CG Regulations shall be provided to IRDAI, on an annual basis within the prescribed timeline in the form and manner as prescribed by IRDAI.

The accounting of the Remuneration shall be done in accordance with the applicable laws and the Company shall ensure disclosure compliances as specified in the Companies Act, CG Regulations and regulations/ guidelines issued by SEBI, as applicable.

12. DEVIATIONS FROM THIS POLICY

Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary, in the interests of the Company, will be made if there are specific reasons to do so in individual cases to the extent permitted under the applicable laws and CG Regulations.

13. OWNER OF THIS POLICY

This Policy is owned by the Committee and shall be administered by the Chief People Officer.

Annexure 1

Computation of cash Variable Compensation for MD & CEO using Board approved tables:

i. Board approved framework is used to calculate the applicable Bonus % based on the Overall G (Goals) Score as determined from the CEO Goal sheet.
ii. Further, the bonus multiplier % is calculated from the "CEO Goal Sheet Achievement" and the Bonus Multiplier Grid, as approved by the Board.
iii. The Cash Variable Compensation amount is calculated from the Total Fixed Pay using the Bonus % and the bonus multiplier % as defined in (i) and (ii) above

Computation of non-cash Variable Compensation for MD & CEO using Board approved tables:

The Board approved framework for Share Linked Instruments Grant % is used to calculate the applicable grant % based on the Overall G Score as determined from the CEO Goal sheet.

The grant % is subject to the maximum Share Linked Instrument grant as approved by the NRC, Board and IRDAI.

Annexure 2

The board approved parameters to be considered for the performance assessment of MD & CEO for FY26–27 are as follows:

i. Financial Soundness: AUM to total premium ratio, Renewal premium to New business premium ratio, Total number of policies issued to total number of policies exited ratio, EOM excl GST to GWP ratio, MCEV VNB, Return on Embedded Value, Shareholder Profits etc

ii. Product & Market Related Parameters: Performance of new policies-Individual Adj New Business Premium, Performance of new policies, Performance of Individual renewal premium, Display of product features & returns on company website, Display of board approved policies on company website, market share etc

iii. Claim Responsiveness: % Claims settled within TAT, % Claims remaining unsettled at year end, % Claims paid in full/part, Value proportion of claims settled etc.

iv. Grievance Redressal: Redressal TAT, Disclosure of open grievances on the website for period up to preceding month in a year

v. Any regulatory implementation including implementation of accounting standards

vi. Protecting Policyholder outcomes through removal of dark patterns, Net Promoter Score etc.

vii. People Management: Attrition control at organization level

viii. Additional Company's Measure of Success parameters as determined by the Board.

ix. Any other critical parameter deemed necessary by the insurer

The total weightage of IRDAI-mandated parameters, including any specific weightage prescribed for individual parameters, shall be adhered to in line with prevailing IRDAI guidelines. The weightage for other parameters along with targets for all parameters would be determined and governed by the Board.

Annexure 3

The broad approved parameters to be considered for the performance assessment of KMPs (excluding MD & CEO) for FY 2026-27 are as follows:

i. Financial Soundness: AUM to total premium ratio, Renewal premium to New business premium ratio, Total number of policies issued to total number of policies exited ratio, EOM excl GST to GWP ratio, MCEV VNB, Return on Embedded Value, Shareholder Profits etc

ii. Product & Market Related Parameters: Performance of new policies-Individual Adj New Business Premium, Performance of new policies, Performance of Individual renewal premium, Display of product features & returns on company website, Display of board approved policies on company website, market share etc

iii. Claim Responsiveness: % Claims settled within TAT, % Claims remaining unsettled at year end, % Claims paid in full/part, Value proportion of claims settled etc.

iv. Grievance Redressal: Redressal TAT, Disclosure of open grievances on the website for period up to preceding month in a year

v. Any regulatory implementation including implementation of accounting standards

vi. Protecting Policyholder outcomes through removal of dark patterns, Net Promoter Score etc.

vii. People Management: Attrition control at organization level

viii. Additional Company's Measure of Success parameters. as determined by the Board,

ix. Functional parameters for respective KMPs

x. Any other critical parameter deemed necessary by the insurer

The total weightage of IRDAI-mandated parameters, including any specific weightage prescribed for individual parameters, shall be adhered to in line with prevailing IRDAI guidelines. The weightage for other parameters along with targets for all parameters would be governed by the Board