HDFC PENSION FUND MANAGEMENT LIMITED
(Formerly known as 'HDFC Pension Management Company Limited')

Remuneration Policy

Version 2.0

Owner Department: Secretarial and Human Resource

Version History

SR. NO.	TYPE	VERSION	VERSION DATE	REMARKS
1	Remuneration Policy	Version 1.0	Approved by Nomination & Remuneration Committee	Adopted as per provisions of the Companies Act, 2013
2	Remuneration Policy	Version 2.0	Approved by Nomination & Remuneration Committee on August 27, 2026	Operational Changes in policy

Document History

ACTION	NAME	DEPARTMENT	VERSION
Created by	Nagesh Pai	Company Secretary & Compliance Officer	Version 1.0
Amended by	Ganesh Ithape and Hetal Nandu	Company Secretary & Compliance Officer; and Chief Human Resource Officer	Version 2.0

Table of Contents

PART A

1) Introduction

In pursuance of the policy of HDFC Pension Fund Management Limited ("HDFC Pension"/ "Company"/ "HPFM") to attract, motivate and retain manpower in a competitive market, and in terms of the provisions of the Companies Act, 2013 ("the Act"), this policy on remuneration of Directors, Key Managerial Personnel and other employees has been put in place.

2) Reference

Section 178 of the Companies Act, 2013 read with the relevant rules.

3) Applicability

This Policy shall be applicable to Directors, Key Managerial Personnel and other employees of HPFM and shall be implemented with effect from April 1, 2014.

4) Objective of the Policy

The purpose of this policy is to put in place a framework for remuneration of Directors, Key Managerial Personnel and other employees.

This policy is guided by the set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, which *inter alia* include principles pertaining to determining the qualifications, positive attributes, integrity and independence of Director etc.

5) Related Policies

This Policy shall be read along with the Corporate Governance Policy ('CG Policy') of the Company. As per the CG Policy, the Nomination and Remuneration Committee ("NRC") has been entrusted with the duty to determine and make recommendations with respect to all forms of compensation to be granted to Directors and Senior Management employees of the Company.

6) Reward Policies

a) Attract and retain: Remuneration packages shall be designed to attract high-calibre executives in a competitive global market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

b) <u>Motivate and reward:</u> Remuneration shall be designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.

c) <u>Non-monetary benefits:</u> The Executives will be entitled to customary non-monetary benefits such as company cars and company health care, telephone etc. In addition thereto in individual cases company housing and other benefits may also be offered.

7) Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board has been set up to deal with matters related to remuneration of employees of the Company. In framing this policy, the Committee shall be governed by the terms of reference as approved by the Board from time to time as well as the relevant provisions of the Companies Act, 2013.

PART B

8) Non Executive Independent Directors – Remuneration

The remuneration of Non Executive Independent Directors may comprise of the following:

a) The Non- Executive Independent Directors may receive remuneration by way of sitting fees for attending each meetings of Board or Committee thereof provided that the amount of such fees as approved by the Board within the limitsas may be prescribed under the Companies Act, 2013 from time to time

   Non-Executive Directors shall be entitled to reimbursement of their expenses for participation in the Board & other meetings, official visits and participation in various forums on behalf of the Company.

b) Commission (based on Net Profits of the Company) may be paid within the monetary limits as approved by the Board of Directors / Shareholders, as may be applicable.

   Commission may be paid in addition to the sitting fees considering that the Company has benefited from the expertise, advice and inputs provided by the Independent Directors. The Independent directors devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time. That part, the Board shall have regard to the overall amount of work put in by the Independent Director over the period, in discharging responsibilities relating to the Company / their directorship.

c) An Independent Director shall not be entitled to any stock option of the Company, as per the provisions of the Companies Act, 2013.

d) Such other means of compensation as may be specified under the Companies Act, 2013 / or any other applicable law.

Required approvals (including that of Shareholders' and PFRDA, if any), as and to the extent applicable, shall be obtained for any such payments.

PART C

9) Executive Remuneration

Compensation / Remuneration for Executives (including the Chief Executive Officer, Executive Directors, Key Managerial Personnel and other Executives and Employees) is to be evaluated annually against performance and a benchmark of companies in Private Pension Fund Management Sector, Life Insurance Sector or overall BFSI sector, which in size and complexity are similar to HDFC Pension. The remuneration structure shall *inter-alia* hinge on the following:

a) Compensation for each individual is benchmarked every year through compensation benchmarking reports to ensure that their compensation is at par or above the industry median.

b) Variable Pay for Performance – Individuals may be rewarded with annual periodic bonus linked to performance over and above the fixed compensation.

c) Incentives – Individuals especially in Sales may be rewarded with incentives linked to performance over and above the fixed compensation. An individual would either receive incentive or annual variable pay/bonus based on their role.

d) Long Term Incentive Scheme (Cash/ESOPs) - Individuals are eligible for grants as per the Cash LTIP/ESOP scheme, as applicable from time to time, in the Company / holding company which has been designed to reward performance & drive long term retention of critical talent.

e) Learning & Development - The Company may invest in providing the best of learning and development opportunities for each individual to enable them to enhance their skills and knowledge.

The remuneration and other terms of the key managerial personnel / other employees shall also be subject to terms and conditions as specified in their respective letter of appointment/ subsequent communications.

10) Amendments and Review

This policy is subject to review by the Nomination and Remuneration Committee annually or earlier, if necessary or required.

The Compliance Officer / Chief Human Resource Officer shall review the existing procedures and recommend for changes in procedures based on the Company's experience, industry practices or developments in applicable laws and regulations.

11) Disclosure

This Policy shall be placed on the website of the Company, if any. The salient features of the Policy and any changes thereto, along with the web address of the policy, shall be disclosed in Annual Report by the Company, as required under the Act.

x-------------x--------------x