

Remuneration Policy

1.

Preamble

This Remuneration Policy establishes the framework for the compensation of the Board of Directors and other employees of the Company.

The Policy is aligned with the principles and objectives outlined in Section 178 (4) of the Companies Act, 2013, ensuring the reasonableness and sufficiency of remuneration to attract, retain, and motivate competent resources. It further ensures a clear relationship between remuneration and performance, balancing short- and long-term rewards for the Company's performance.

This Policy reflects the remuneration philosophy and principles of Premier Energy and Infrastructure Limited, taking into account competitive market pay structures to ensure that compensation remains appropriately aligned with industry standards.

2. Remuneration of Non-Executive Directors

2.1 Non-Executive Directors (NEDs) shall receive remuneration in the form as specified by the board of directors of the company.

2.2 The fees payable to NEDs for attending Board and Committee meetings will be decided as specified by the board of directors. The fee will be periodically reviewed and aligned with practices of comparable leading companies.

3. Remuneration of Other Employees

The total compensation for employees, excluding Non-Executive Directors, consists of:

- Fixed compensation
- Variable compensation in the form of annual incentives
- Benefits
- Work-related facilities and perquisites

3.1 Fixed compensation is determined based on the size and scope of the job, as reflected by the level or grade, market trends, and the skills, experience, and performance of the employee. Fixed compensation includes Basic Salary, Housing Allowance, Leave Travel Allowance, and a Cash Allowance.

3.2 Annual Incentives (variable pay) for executives are directly linked to the performance of the Business Unit and the Company, in accordance with the Company's Employees Incentive Scheme.

3.3 Benefits provided to employees are determined by their grade and seniority and may include:

- **Health-Related Benefits:**

- Health (hospitalization) insurance
- Accident and Life insurance
- **Retirement-Related Benefits:**
 - Contributions to a Superannuation Fund (in addition to statutory benefits such as Provident Fund and Gratuity)

3.4 Employees are also eligible for work-related facilities and perquisites, as specified in the HR policies issued from time to time, based on the employee's grade.

3.5 A formal annual performance management process applies to all employees, including senior executives. Annual adjustments to fixed and variable compensation are directly linked to the individual performance ratings.

3.6 Compensation will undergo periodic reviews, incorporating data from compensation surveys conducted by specialized firms, as well as factors such as the Company's performance and the broader economic environment.

3.7 Employees may be eligible for Employee Stock Option Plans (ESOPs), as per any scheme approved by the Shareholders and in force. The ESOP scheme aims to reward employees for their contributions to the long-term growth and profitability of the Company, offering them a share in the value they help create.

3.8 Employees may be entitled to severance payments in accordance with the termination clauses outlined in their employment contracts, subject to applicable regulatory requirements.

4. Adoption, Changes, and Disclosure of Information

4.1 This Remuneration Policy and any subsequent changes are to be approved by the Board of Directors, following the recommendations of the Nomination and Remuneration Committee (NRC).

4.2 The Policy will be reviewed periodically as deemed necessary by the Board or the NRC.

4.3 Disclosures regarding this Remuneration Policy, as required by the Companies Act, 2013, will be made.