

LIC HOUSING FINANCE LIMITED

REMUNERATION POLICY

Introduction

The Company had made this policy in order to align with the provisions under Regulation 19(4) and Schedule II, Part D of SEBI (Listing Obligations and Disclosure Requirements), 2015.

The Nomination & Remuneration Committee shall recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees as per sub-section (3) of Section 178 and based on the functions of the Board of Directors as indicated under Schedule IV (as per section 149) annexed to the Companies Act, 2013 and the Rules made thereunder.

Accordingly, the remuneration policy relating to the remuneration of directors, key managerial personnel and other employees is as below :

The Remuneration to Non Executive Independent Directors:

The Non Executive Independent Directors would be paid such amount of sitting fees as decided from time to time for every Board and Committee Meeting they attend. Apart from sitting fees no other remuneration / commission would be payable to them.

The Remuneration to Non Executive Promoter Directors:

The Non Executive Promoter Directors would not be paid any sitting fees for every Board and Committee Meeting they attend. The Promoter Directors are being paid salary and other benefits by LIC of India.

The Remuneration to Executive Promoter Director:

The Executive Promoter Director who is Managing Director & CEO would be paid remuneration as applicable to an Officer in the cadre of Executive Director of LIC of India. This apart, the Executive Promoter Director would be entitled for PLI as per criteria approved by the Nomination and Remuneration Committee of the Board.

As and when there is any revision in the pay scales of the Executive Promoter Director as per the charter decided by the LIC of India from time to time, then the same would be applicable to the Executive Promoter Director. Further, tenure and terms & conditions of appointment of Executive Promoter Director would be as decided by LIC of India from time to time.

The Remuneration to Key Managerial Personnel (other than MD&CEO) and other employees:

In the present set up of the Company key managerial personnel other than Managing Director & CEO are Company Secretary and Chief Financial Officer. Chief Financial Officer who is an officer on deputation from LIC of India is being paid remuneration as applicable to an Officer in the cadre of Senior Divisional Manager of LIC of India by the Company whose salary and other benefits are decided by LIC of India from time to time. Remuneration payable to Company Secretary and other employees would be as decided by the Board of the Company as per Service Terms, Conduct Rules etc. 1990 amended from time to time.