



INTERGLOBE AVIATION LIMITED
NOMINATION AND REMUNERATION POLICY



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INTRODUCTION

The Nomination and Remuneration Policy (“**Policy**”) of InterGlobe Aviation Limited (“**IndiGo**” or “**Company**”) has been formulated in accordance with the provisions of the Companies Act, 2013 (“**Act**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”). It also ensures that the provisions of this Policy are aligned with the Articles of Association of the Company.

The Company is committed to deal with all stakeholders with full transparency and fairness, ensuring adherence to all laws and regulations and achieving highest standards of corporate governance. The Company considers its human resources and talent as critically valuable assets.

This Policy lays down the criteria for determining the qualifications, positive attributes and independence for Directors and to provide guidelines for the appointment and remuneration of Directors, Key Managerial Personnel (KMPs) and Senior Management of the Company.

The Board of Directors of the Company has constituted the “Nomination and Remuneration Committee” (“**Committee**”) which is in compliance with the requirements of Section 178 of the Act and rules made thereunder as applicable and applicable provisions of the SEBI Listing Regulations.

About the Committee:

- The Committee shall consist of at least three non-executive Directors out of which not less than one-half shall be Independent Directors.
- The Chairperson of the Committee shall be an Independent Director.
- The Chairman of the Board shall not be the Chairman of the Committee; however, s/he can

be a member of the Committee.

- The quorum for a Committee meeting shall be either two members or one third of the members of the Committee, whichever is greater, including at least one Independent Director in attendance.
- The meeting of the Committee shall be held at such regular intervals as may be required. Pursuant to SEBI Listing Regulations, at least one meeting of the Committee shall be held in each financial year.
- The Head of Human Resources of the Company shall assist the Committee and shall attend all meetings of the Committee, as an invitee.
- The Company Secretary of the Company shall act as the Secretary to the Committee and shall attend all meetings.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

1. DEFINITIONS

For the purpose of the Policy, the following terms shall have the meanings assigned to them hereunder:

- i. **Act**” means the Companies Act, 2013 as may be applicable and rules framed thereunder, as amended from time to time.
- ii. **Articles**” shall mean the Articles of Association of the Company, as amended from time to time.
- iii. **Board**” means the Board of Directors of the Company.
- iv. **Committee**” means the Nomination and Remuneration Committee of the Company constituted or reconstituted by the Board of the Company in compliance with the

provisions of the Act and the SEBI Listing Regulations.

- v. **“Director”** means a member of the Board of the Company.
- vi. **‘Independent Director’** means a Director referred to in Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations, as amended from time to time.
- vii. **“IndiGo”** or the **“Company”** means InterGlobe Aviation Limited.
- viii. **“Key Managerial Personnel” / “KMP”** means:
 - a. Managing Director
 - b. Chief Executive Officer;
 - c. Whole Time Director;
 - d. Company Secretary;
 - e. Chief Financial Officer;
 - f. Such other officer not more than one level below the Directors, who is in whole-time employment, designated from time to time as key managerial personnel by the Board; and
 - g. Any other person as defined as key managerial personnel under the Act.
- ix. **“Policy”** shall mean InterGlobe Aviation Limited - Nomination and Remuneration Policy, as amended from time to time.
- x. **“SEBI Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- xi. **“Senior Management”** shall mean officers/personnel of the Company who are members of the core management team and shall comprise the Company Secretary, the Chief Financial Officer, all personnel one level below the Chief Executive Officer/ Managing

Director/ Whole Time Director (including the Chief Executive Officer in case he is not part of the Board) (as mentioned in Annexure A) and all personnel at the level of Senior Vice President and above.

xii. The “IGE Group” shall have the meaning given in the Articles.

xiii. The “RG Group” shall have the meaning given in the Articles.

Words and expressions not defined in this Policy here shall have the same meaning as defined under the Act and the SEBI Listing Regulations, as amended, from time to time.

2. ROLE AND RESPONSIBILITIES OF THE COMMITTEE

2.1 The Committee constituted by the Board under the provisions of the Act and the SEBI Listing Regulations shall have the following roles and responsibilities:

- (a) To formulate the criteria for determining qualifications, positive attributes and independence of a Director (refer Clause 3.1.1).
- (b) To recommend to the Board a policy, relating to the remuneration for the Directors, KMPs, Senior Management and other employees (refer Clause 5).
- (c) To define a policy and process for selection and appointment of Directors on the Board.
- (d) To identify persons who are qualified to become Directors and who may be appointed as KMPs and in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- (e) To recommend to the Board an appropriate, efficacious, market-facing remuneration structure relating to Directors, KMPs, Senior Management and other employees and to

review its implementation periodically.

- (f) To specify the manner for effective evaluation of the performance of Board, its committees and individual Directors, to be carried out either by the Board or by the Committee or by an independent external agency and review its implementation and compliance (refer Clause6).
- (g) To recommend to the Board to formulate, modify or amend the detailed terms and conditions of the compensation schemes which shall include the provisions as specified under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and to ensure due implementation of the same.
- (h) To formulate the criteria for succession planning at Board level and for KMPs and Senior Management.
- (i) To oversee the familiarisation program for Directors.
- (j) To devise a policy on diversity & inclusion for the Board and to review the policy and performance of the Company on diversity and inclusion.

2.2 As required by section 178 of the Act, the Committee shall, while formulating the Policy ensure that-

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- remuneration to Directors, KMPs and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals.

- relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

3. APPOINTMENT

3.1 Appointment criteria and qualifications of Directors, KMPs and Senior Management

3.1.1 Directors:

Process to be followed for appointment of Directors

For making its recommendations to the Board, the Committee shall evaluate the potential candidate for appointment as a Director, on the basis of appropriate qualifications, competencies, skills and experience. The Committee shall also consider credentials, standing and integrity of the potential candidate. It is recognized that the Articles entitle the promoters, that is the IGE Group and the RG Group, to nominate their respective nominee Directors on the Board. The provisions of the Policy will not be in derogation of those rights in the Articles and this Policy will be applied harmoniously with those rights in the Articles.

In addition to the above, the candidature of an independent Director is also evaluated in terms of the criteria for determining independence as stipulated under the Act and the SEBI Listing Regulations. The Board may re-assess determination of independence when any new interests or relationships are disclosed by a Director. The Committee may engage a reputed external agency for shortlisting, assessing, conducting reference checks and recommending to the Committee suitable candidate(s) for consideration as Independent Director.

The Company shall not appoint a person or continue the directorship of any person as a non-executive Director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the

notice for such motion shall indicate the justification for appointing such a person.

The Company shall not appoint a person or continue the employment of any person as Managing Director or Whole Time Director who is below the age of twenty one (21) years or has attained the age of seventy (70) years, provided that the term of the person holding this position may be extended beyond the age of seventy (70) years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy (70) years.

3.1.2 KMPs and Senior Management

Process to be followed for appointment of KMP and Senior Management

- 3.1.2.1** A person to be appointed as KMP or at Senior Management should possess adequate qualifications, expertise and experience for the position he / she is considered for appointment. Further, the integrity, background, credentials and other relevant information of a candidate will be ascertained before any candidate is proposed to the Committee.

- 3.1.2.2** All relevant data and information of a candidate proposed for appointment as KMP or Senior Management shall be shared with the Committee. In the case of appointment of KMPs or Senior Management (other than the Managing Director, President and the CEO), the CEO and/or the Head of Human Resources will brief the Committee on the search process. In the case of appointment of the Managing Director / President/CEO, the Head of Human Resources shall facilitate the process for the search of the candidate in accordance with Clause 3.1.2.7. The Committee has the discretion to assess whether the qualifications, expertise and experience possessed by the candidate adequately match the requirements for the concerned position.

- 3.1.2.3** The remuneration offered to KMPs or Senior Management will be determined in terms of clause 5.2.
- 3.1.2.4** Any recommendation by the Committee to the Board will be through a resolution passed by the Committee either by circulation or at its meeting.
- 3.1.2.5** The Board may, based on the recommendation of the Committee, consider the appointment and remuneration of a person as KMP only at the meeting of the Board to comply with the requirements of the Act & SEBI Listing Regulations. The Board may, based on the recommendation of the Committee, consider the appointment of Senior Management (other than KMPs) by passing a resolution either by circulation or at its meeting.
- 3.1.2.6** Subsequent to the appointment of a KMP or Senior Management, the Committee shall be consulted before any material change, monetary or otherwise, is incorporated/amended in the terms of the original contract of appointment of a KMP or Senior Management. Further, the Committee shall recommend to the Board any subsequent material change in the remuneration, in whatever form, payable to a KMP or Senior Management,
- 3.1.2.7** **Specific Provisions for nomination for appointment of the Managing Director, the Chief Executive Officer and the President:** Under Article 17.4 of the Articles, the IGE Group is entitled to nominate the candidates for appointment as the Managing Director, the Chief Executive Officer and the President of the Company. The IGE Group will make the proposal to the Committee for any of these appointments referred to in this clause 3.1.2.7. To facilitate the process, the Head of Human Resources will provide and cause to be provided, the necessary support as may be required by the IGE Group including co-ordination for ascertaining the information required under clause 3.1.2.1. A nominee Director of the IGE Group will brief the Committee on the search process.

3.1.2.8 A whole-time KMP or Senior Management of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP or Senior Management can be appointed as a Director in any company, with the permission of the Board.

3.2 Term / Tenure

3.2.1 Managing Director / Whole Time Director

The Company shall not appoint or re-appoint any person as its Managing Director / Whole Time Director for a term exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

3.2.2 Independent Director

Subject to the provisions of the Act and SEBI Listing Regulations, an Independent Director shall hold office for a term as may be decided by the Board of the Company and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall again be eligible for appointment after expiry of three years from ceasing to be an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it shall be ensured that number of boards of directors of listed companies on which such Director serves as Independent Director is restricted to seven and in case such person is serving as a Whole Time Director of a listed company, the number of directorships shall be restricted to three or such other number as may be prescribed under the Act / SEBI Listing Regulations.

4. RETIREMENT / REMOVAL

4.1 Retirement

The Directors, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policies of the Company. The Board shall have the discretion to retain any Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, in the best interest of the Company, following the compliance with applicable laws.

The Company shall inform the Committee and the Board about the retirement of a Director, KMP or Senior Management and of any material consequences thereof.

4.2 Removal

4.2.1 Directors

Due to reasons for any disqualification mentioned in the Act or under any other applicable rules and regulations thereunder, the Committee will be consulted before any motion for removal of a Director and informed of any material consequences thereof with reasons to be recorded in writing for the removal.

4.2.2 KMP and Senior Management

The Committee shall be consulted before the removal of a KMP or Senior Management and be informed of any material consequences thereof. The Committee may recommend to the Board the removal of a KMP or Senior Management, with reasons to be recorded in writing for any such removal, subject to compliance with the provisions of the Act, applicable rules and regulations.

If any settlement terms, monetary or otherwise which are different from the terms

originally included in the appointment contract/ agreement, are offered to the KMP or Senior management, the CEO shall discuss with the Committee about the terms and conditions governing the removal of a KMP or a Senior management. If it is the removal of the CEO, such discussion with the Committee shall be held by the Head of Human Resources.

4.3 Resignation

The Committee shall be informed immediately upon receipt by the Company of a resignation by a Director, KMP or Senior Management. The Board will also be informed of such developments in a timely manner.

Any terms and conditions governing the resignation, i.e., any settlement terms, monetary or otherwise which are different from the terms originally included in the appointment contract, shall be discussed with the Committee in the same manner as provided in clause 4.2.2.

The Committee may at its discretion conduct an exit interview with the departing individual or depute one or more of its members to do so.

5. GUIDELINES RELATING TO REMUNERATION

The Committee provides strategic oversight for the design and implementation of the remuneration and compensation policy of the Company. The Policy represents the overarching approach of the Company to the remuneration of Directors, KMPs, Senior Management and other employees. Through the compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce towards optimal individual effort as well as effective teamwork at all levels. The Company follows a compensation mix of fixed pay, benefits and performance-based variable pay.

The remuneration policy of the Company is aimed at rewarding the performance, based on review of achievements on a regular basis and is in consonance with the best industry practice. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs within the Company and relevant markets for talent.

The remuneration to be paid to Non-Executive Director(s), Whole Time Director(s) and Managing Director shall be as per provisions of Act and SEBI Listing Regulations, as amended from time to time.

5.1 Remuneration to Directors:

- The Committee will recommend to the Board for its approval any remuneration, which includes any sitting fees, compensation and commission to be paid to Directors as detailed in clause 5.1.2.
- The remuneration to be paid to the Managing Director/Whole-time Director(s) shall be in accordance with the provisions of the Act and the rules made thereunder.
- Increments to the existing remuneration structure may be recommended by the Committee to the Board, subject to the applicable limits under the Act or the limits approved by the Shareholders.

5.1.1 Remuneration to Managing Director/ Whole-time Director where there are no profits or the profits are inadequate:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/ Whole Time Director in accordance with the provisions of Schedule V of the Act. The Committee will review and recommend to the Board for approval, the remuneration that shall be paid to its Managing Director/ Whole Time Director. However, any such remuneration shall be paid only upon

approval by the shareholders of the Company in accordance with the provisions of Schedule V of the Act.

5.1.2 Remuneration to Non-Executive / Independent Directors

- Remuneration: The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and may be revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Act and the rules made thereunder.
- Sitting Fees: The Non-Executive Directors are paid sitting fees for attending each meeting of the Board and of Committee of the Board of which they are member.
- Stock options: The Independent Directors shall not be entitled to any stock options of the Company.
- The remuneration in the form of profit related commission to the Non-Executive Directors (including Independent Directors) may be paid with the approval of shareholders, subject to the applicable provisions of the Act and the SEBI Listing Regulations.
- Travel benefits may be offered to the Non-Executive Directors other than Independent Directors as may be approved by the shareholders subject to the applicable provisions of the Act and SEBI Listing Regulations.
- A member of the Committee is expected to recuse herself/himself during discussion of his or her own remuneration.

5.2 KMPs and Senior Management

The remuneration offered to KMPs or Senior Management is determined keeping in view the skillset, expertise, experience, seniority of the person, criticality of the position and relevant relativities within the Company, industry benchmarks both in India and international markets, prevailing remuneration level of comparable jobs, as well as relative performance and position of the Company in the aviation industry. The remuneration may be determined and evaluated on annual basis aligning with the business strategy. The remuneration structure may include salary, short term incentives, long term incentives including grant of stock options, severance

pay and other benefits. The performance of KMPs and Senior Management will be evaluated in the context of the Company's performance from business and compliance perspectives.

6. EVALUATION

The Committee shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Committee itself or by an independent external agency and it will review its implementation and compliance.

The Independent Directors shall review the performance of non-independent Directors and the Board as a whole and also review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

7. SUBSIDIARY COMPANY

Subsidiary company/ies of the Company shall also form Nomination and Remuneration Committee, as applicable under law and such policy should be harmonised with this Policy.

8. MISCELLANEOUS POWERS & REPORTING RESPONSIBILITIES OF THE COMMITTEE

The Committee, *inter-alia*, will have the following powers and responsibilities:

- (a) Authority to engage, retain and supervise independent consultants and other advisors (at the expense of the Company) and seek their advice on matters related to discharge of the Committee's duties and responsibilities, including, *inter-alia*, compensation analysis, identification of candidates for director and in senior management.
- (b) Power to seek any information or explanation from any employee or Director of the Company; to invite such executives, as it considers appropriate to be present at the meetings of the Committee; and have full access to any records, data or documents of the

Company necessary to carrying out the Committee's functions and duties.

- (c) To investigate any matter within the scope of the charter of the Committee or as referred to it by the Board.
- (d) To make regular reports to the Board on its agenda, planned and completed activity, and make requisite recommendations for follow up.

9. REVIEW AND AMENDMENTS TO THE POLICY

The Committee shall review and reassess the framework and the Policy, once in three years or unless special circumstances arise. Any changes/ amendment in the framework/ policy can be made only with the approval of the Board. Any deviation from this Policy may be made in an individual case if it is in the interest of the Company and if there are extraordinary circumstances and specific reasons are recorded.

The Board reserves the right to modify and/or amend the Policy at any time subject to the provisions of the SEBI Listing Regulations and the Act and Rules framed thereunder.

This Policy was approved by the Board with effect from April 29, 2016 and last amended on June 5, 2021.

Annexure A to the NRC Policy

List of Senior Management Personnel one level below the CEO:

- Company Secretary
- Chief Financial Officer
- Head – Operations (Chief Operating Officer)
- Head – Commercial (Chief Commercial Officer)
- Head- Human Resources
- Head- Aircraft Acquisition & Financing
- Head- Strategy & Revenue
- Head- Governance, Risk and Compliance
- Head- Legal (General Counsel)
- Head- Network Planning
- Head- Information Technology (Chief Information Officer)