

IDFC FIRST BANK LIMITED

CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

The Board of Directors of IDFC FIRST Bank bring with them, a wide range of significant professional expertise and rich experience across a wide spectrum of functional areas such as Accountancy, Agriculture and rural economy, Banking, Co-operation, Economics, Finance, Law, Small-scale industry, Information Technology, Payment & Settlement Systems, Human Resources, Risk Management, Business Management, and any other matter the special knowledge of, and practical experience in, which would be useful to the Bank. Considering the competitive business environment, extensive and deliberative discussion at the Board and Committee meetings by Directors, prolong devotion of time with management by Directors for discussing regulatory/ business requirements, enormous responsibility on the Directors under various regulations, etc.; the Directors are required to take far more complex decisions and the time devoted by them towards providing expertise to the Bank's business, there is a need to remunerate them appropriately.

The Board of Directors of IDFC FIRST Bank Limited had approved the to pay below sitting fees to Non-Executive Directors ("NEDs") in compliance with Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Amount of Sitting fees paid per Board Meeting	Amount of Sitting fees paid per Committee Meeting
₹ 1,00,000	₹ 75,000

In addition to the above, NEDs will be paid travelling expenses including airfare, hotel stay and car on rental basis for attending the meetings and such other expenses as are incurred by the Directors and allowed to be reimbursed as per the provisions of the Companies Act, 2013 and the Banking Regulation Act, 1949.

In accordance with the RBI circular on 'Corporate Governance in Banks' dated April 26, 2021, as may be amended from time to time, in addition to payment of sitting fees for attending Board and Committee meetings as may be approved by the Board from time to time, the Board, on the recommendation of the NRC, may provide for fixed remuneration to the Non-Executive Directors (excluding the Chairperson) commensurate to each individual director's responsibilities, time commitments, at such monetary value so as to attract qualified competent individuals. Further, in line with the said RBI circular, such remuneration shall not exceed ₹ 20 lakh per annum per director.

Pursuant to aforesaid RBI circular and based on the recommendation of the Board, the shareholders of the Bank at its 7th Annual General Meeting ("AGM") held on September 15, 2021, approved the payment of fixed remuneration to the Non-Executive Directors (except Chairperson of the Board) upto amount not exceeding ₹ 20 lakh per annum.

Based on the overall limit of fixed remuneration approved by shareholders of the Bank, the Nomination and Remuneration Committee may recommend to the Board of the Bank, each year, a fixed remuneration payable to NEDs (except Chairperson of the Board) within the overall limit for fixed remuneration as per RBI circular no. RBI/2021-22/24DOR.GOV.REC.8/29.67.001/2021-22 dated April 26, 2021 circular and as approved by the shareholders of the Bank at its 7th AGM.

The Chairperson of the Board shall be paid fixed remuneration and sitting fees in accordance with Banking Regulation and applicable RBI Circular and as approved by the Members of the Bank basis the recommendation and approval of Board/ NRC.