



INFRA

**POLICY FOR EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS OF
WALTER INFRA MANAGER PRIVATE LIMITED**

1) PREAMBLE:

The Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder (the “**InvIT Regulations**”), read with Regulation 17(10) and Part D of Schedule II of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), prescribe that the board of directors (the “**Board**”) of Walter Infra Manager Private Limited (the “**Investment Manager**”), being the investment manager of the Nxt-Infra Trust (the “**Trust**”) shall conduct the evaluation of independent directors of the Investment Manager and shall formulate a criteria for evaluation of performance of independent directors and the board of directors

The Board shall believe in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior, in consonance with the Investment Manager’s Code of Conduct for Board and Senior Management Personnel.

The honesty, integrity and sound judgement and performance of the Directors and the senior management are key criteria for the success and for building a good reputation of the Trust. Each Director and executive in the senior management are expected to comply with the letter and spirit of this Policy for Evaluation of the Performance of the Board of Directors (“**Policy**”). Any actual or potential violation of the Code of Conduct for Board and Senior Management Personnel and this Policy by the Directors would be a matter of serious concern for the Investment Manager and the Trust.

Therefore, the Investment Manager has formulated this Policy to comply with various provisions under the InvIT Regulations, and SEBI Listing Regulations and also for the formal evaluation made by the Board of its own performance (self-appraisals) and that of its committees and independent directors as mentioned under Part D of Schedule II of the Listing Regulations.

2) DEFINITIONS

- i. “**Committee**” shall mean the Nomination and Remuneration Committee of the Board of Directors formed under the provisions of Regulation 19 of the Listing Regulations and the InvIT Regulations..
- ii. “**Director**” or “**Board**” means the Director or the Board, in relation to the Investment Manager, and deemed to include the collective body of the Board of the Investment Manager including the Chairman of the Investment Manager.
- iii. “**Independent Director**” shall mean an Independent Director as defined under Regulation 2(saa) of the InvIT Regulations.
- iv. “**InvIT Regulations**” means Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder.



- v. **“Listing Regulations”** means Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- vi. **“Policy”** shall mean this Policy for Evaluation of performance of Board of Directors of the Investment Manager.

Words and expressions used and not defined in this Policy shall have the meaning ascribed to them in the InvIT Regulations, the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992, as amended.

3) POLICY

The object of this Policy is to formulate the procedures and prescribe the criteria to evaluate the performance of the entire Board including the Independent Directors. Further, to adopt best practices to manage the affairs of the Trust in a seamless manner and ensure long term value creation for unitholders of the Trust (**“Unitholders”**) by achieving good corporate governance.

4) VARIOUS KINDS OF PERFORMANCE EVALUATIONS

- a. **Appraisal System:** Appraisal of each Director of the Investment Manager shall be based on the criteria as mentioned herein below.

- b. **Criteria for Evaluation**

The Board shall take into consideration various criteria and sub-criteria for the process of performance evaluation, including but not limited to job profile, performance management, risk management, core governance and compliance, corporate culture and moral values, management of conflicts of interest, maintaining high levels of integrity and ethics and the in-general knowledge and skills.

In addition to above evaluation-based raking, the Committee (after taking into consideration the inputs from the Finance and Investment Committee) has laid down the principles for evaluation of performance of non-independent Directors, independent directors, Chairman and the Board:

- a) Attendance and contribution at Board and Committee meetings.
- b) His / her stature, appropriate mix of expertise, skills, behaviour, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company’s value and standards.
- c) His / her knowledge of finance, accounts, legal, investment, marketing, foreign exchange / hedging, internal controls, risk management, assessment and mitigation, business operations, processes and corporate governance.
- d) His / her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.



- e) Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
- f) Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
- g) Recognize the role which he / she is expected to play, internal board relationships to make decisions objectively and collectively in the best interest of the Investment Manager and Trust to achieve organizational successes and harmonizing the Board.
- h) His / her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
- i) Quality of decision making on source of raw material / procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc., as may be applicable.
- j) His / her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
- k) His / her contribution to enhance overall brand image of the Investment Manager and the Trust.

5) EVALUATION OF THE PERFORMANCE

The Committee after taking into consideration the inputs from the Finance and Investment Committee, shall evaluate the performance of each Director as per the Nomination and Remuneration Policy of the Investment Manager and based on their functions as mentioned in the Code of Conduct of the Directors and Senior Management Personnel and the criteria for the evaluation of the performance as prescribed in this Policy.

Evaluation of Independent Director shall be carried on by the entire Board which shall include –

- (a) performance of the Directors; and
- (b) fulfilment of the independence criteria as specified in the InvIT Regulations and the Listing Regulations as to their independence from the management. The Directors who are subject to evaluation shall not be allowed to participate.

Based on the performance evaluation of each and every Director and the Chairman of the Investment Manager, the Committee after taking into consideration the inputs from the Finance and Investment Committee, shall provide the ratings based on each criteria and sub-criteria.

6) EFFECTIVENESS OF THE BOARD

Based on the ratings given by the Committee (after taking into consideration the inputs from the Finance and Investment Committee) to each Director, the overall effectiveness of the Board shall be measured and accordingly the Board shall decide the appointments, re-appointments and



removal of the non-performing Directors of the Investment Manager.

7) SEPARATE MEETING FOR EVALUATION OF PERFORMANCE OF BOARD MEMBERS

Evaluation of the non-independent Directors shall be carried out by entire Board except the non-independent Director being evaluated. The meeting for the purpose of evaluation of performance of Board members shall be held at least once in a year and the Investment Manager shall disclose the criteria laid down by the Committee (after taking into consideration the inputs from the Finance and Investment Committee) for performance evaluation on the web site of the Trust for the reference and also in the annual report of the Trust and the Investment Manager, as may be applicable.

8) CONFLICT WITH APPLICABLE LAW

The Policy shall not contradict with the provisions of any Applicable Law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.

9) AMENDMENT

- (i). Any amendment or variation to this Policy shall be undertaken in compliance with the InvIT Regulations and other applicable law.
- (ii). Notwithstanding the above, this Policy will stand amended to the extent of any change in applicable law, including any amendment to the InvIT Regulations and the SEBI Listing Regulations, without any action from the Investment Manager or approval of the unitholders of the Trust.

Approved by the board of directors of Walter Infra Manager Private Limited (Investment Manager) on behalf of Nxt-Infra Trust on December 27, 2023.

Certified True Copy

Sd/-
Authorised Signatory

Name: Rakshit Jain
Designation: Director & CEO

