

ALIGNMENT OF INTEREST POLICY

(Regulation 60A and Schedule XXII of the Non-Banking Finance Companies and Notified Entities Regulations, 2008)

1. PREAMBLE

- 1.1 Policy for alignment of Interest of Chief Executive Officer, Chief Investment Officer and Head of Investment Committee of JS Investments (“**JSIL**” or the “**Company**”) with Unit Holders of the Collective Investment Schemes managed by the Company (hereinafter referred to as the “**Alignment of Interest Policy**” or the “**Policy**”) is prepared in accordance with the requirements of Regulation 60A and Schedule XXII of the Non-Banking Finance Companies and Notified Entities Regulations, 2008. CEO, CIO and HIC are collectively referred to as the “**Key Employees**” for this Policy.
- 1.2 The Company's Board of Directors (BOD) shall be responsible for implementing the Alignment of Interest Policy.
- 1.3 Alignment of Interest Policy shall remain in the permanent custody of the following:
 - (a) Chief Executive Officer (“CEO”);
 - (b) Chief Investment Officer (“CIO”);
 - (c) Head of Investment Committee (“HIC”);
 - (d) Staff of Human Resource(s) Department; and
 - (e) Staff of Compliance Department.
- 1.4 In case any position given in this Policy becomes vacant, authorities associated with the relevant position shall automatically escalate to the next higher authority in line unless a temporary authority has been granted and authorized by the CEO of the Company in this respect.
- 1.5 The policy will remain in effect until it is reviewed or modified. The basic responsibility for maintaining and updating this Policy resides with the Head of Human Resources. Head of Human Resources shall initiate, the Human Resources and Remuneration Committee (“HRRC”) shall validate, and the BOD shall approve any modifications to this Policy.

2. ALIGNMENT OF INTEREST POLICY

- 2.1 Five percent of the Annual Performance Bonus Amount (net of tax) awarded to Key Employees shall be issued in the form of units of low-risk, medium risk and high-risk funds managed by the Company in the following proportion: Low Risk (1.5%), Medium Risk (2%), High Risk (1.5%) and will be marked in the system as pledged units.

- 2.2 The lock-in period for the Units of JSIL Schemes allocated to the Key Employees is a minimum **one-year / (12) months** from the date of allocation. During this lock-in period, redemption/ withdrawal/ transfer shall not be allowed. Key Employees are not allowed to pledge these Units in favor of a third party.
- 2.3 If a Key Employee resigns, any bonus units that were withheld will only be released upon completion of the lock-in period. However, if the employee was involved in fraudulent activities, gross negligence, deceptive conduct, or mis-selling, the withheld bonus units will not be released. It is important to note that in such cases, the employee will be subject to further investigation and potential consequences.
- 2.4 If any fraud, gross negligence, mis selling or deceptive conduct is proved against the Key Employee in accordance with the requirements of any statutory law and/or any approved policy and procedure of the Company, the withheld bonus units of the concerned employee will be forfeited.
- 2.5 The Human Resources Department will maintain a complete record of all activities under this Policy for ten (10) years for audit and compliance purposes.
- 2.6 The Human Resources Department will be responsible for uploading this Policy along with the summary of any exemption to this Policy, as approved by the Board, on the Company's website.
- 2.7 The Finance Department will be responsible for disclosing this Policy along with a summary of any exemption to this Policy in the Company's Annual Report.
- 2.8 The provisions of this policy shall be applicable for CY 2023 and onwards.