

Policy on Appointment of Unitholder Nominee Director (“Policy”)

In accordance with SEBI circular bearing reference number SEBI/HO/DDHS-PoD-2/P/CIR/2023/154 dated September 11, 2023 (“**Circular**”), any unitholder holding 10% or more of the total outstanding units of the Nexus Select Trust on or after September 30, 2023, either individually or collectively shall be entitled to nominate one nominee director (“**Unitholder Nominee Director**”) on the board of the directors of the Manager (“**Board**”).

Eligible Unitholders

1. “**Eligible Unitholders**” shall refer to Unitholders holding 10% or more of the total outstanding Units of the REIT (or such other threshold as may be specified under applicable law from time to time), either individually or collectively.
2. Eligible Unitholders shall have the right but not the obligation to nominate any person for appointment as a Unitholder Nominee Director.
3. Eligible Unitholders shall be entitled to nominate only one Unitholder Nominee Director subject to the Unitholding of the Eligible Unitholder exceeding the specified threshold from time to time.
4. It is clarified that if the right to nominate one or more directors on the Board is available to any entity (or associate of such entity) in the capacity of shareholder of the Manager or lender to the Manager or the REIT (or its Holdco(s) or SPV(s)), then such entity in its capacity as Unitholder, shall not be entitled to nominate or participate in the nomination of a Unitholder Nominee Director.
5. If the Unitholding of more than one Unitholder is aggregated for the purpose of qualifying as an Eligible Unitholder to exercise the right to nominate a Unitholder Nominee Director, then such Unitholders shall not be eligible to participate in any other group of Eligible Unitholder(s).

Process for Nomination

1. The Manager shall intimate all Unitholders (“**Manager Intimation**”) on their email addresses registered with the Manager or the depositories within 10 (ten) days from the end of each financial year, requesting them to inform the Manager if any Eligible Unitholders wish to exercise their right to nominate a Unitholder Nominee Director.
2. Eligible Unitholders who wish to exercise this right shall be required to inform the Manager through a written notice within 10 (ten) day of receipt of the intimation from the Manager (“**Unitholder Intimation**”). The Eligible Unitholders shall be reckoned based on the Unitholding pattern of the REIT as on March 31 of the financial year.
3. The Eligible Unitholder shall be required to inform the Manager in writing in the Unitholder Intimation of their proposed candidate for the Unitholder Nominee Director along with such details as required under applicable law including the Circular and as specifically requested for by the Manager in the Manager Intimation:
 - (i) name of the candidate;
 - (ii) DIN of the candidate;
 - (iii) a brief profile of the candidate, including age, educational qualifications, professional qualifications, nationality, occupation, address, experience in the retail mall/ commercial real

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- (iv) estate sector and directorship in other entities, together with back-up documents;
 - (v) details of any outstanding criminal action, regulatory action or material civil litigation against the candidate;
 - (vi) details required under The Companies Act, 2013 to facilitate the Manager for filing of Form DIR- 12; and
 - (vi) confirmations in relation to eligibility of the candidate as set out in the Circular and as prescribed by the Manager hereunder.
4. If multiple unitholders are aggregating their unitholding for the purpose of the nomination right then the Unitholder Intimation shall also be required to specify up to two Unitholders as authorized representatives of the group of Eligible Unitholders. Any communication by such authorized representatives to the Manager for the purpose of such nomination right shall be deemed to be on behalf of and representative of the interests of the entire group of Eligible Unitholders.
 5. The Unitholder Intimation shall also be required to set out the names, demat account details and Unitholding of the Eligible Unitholder(s). The Unitholder Intimation shall also contain a specific acknowledgement from the Eligible Unitholders that their unitholding shall be maintained at least 10% of the total outstanding Units of the REIT, failing which they shall lose the right to have their Unitholder Nominee Director on the Board.
 6. If any unitholder acquires any units breaching the 10% unitholding threshold or any other threshold prescribed under applicable law during a particular financial year, then such Eligible Unitholder shall be entitled to exercise the nomination right only in the following financial year.
 7. At the end of each calendar month, the Manager will review whether the Eligible Unitholders who have nominated a Unitholder Nominee Director continue to hold unitholding of 10% or any other threshold specified under applicable law. If the Eligible Unitholder(s) do not hold the required number of units, the Manager shall inform the same to the Trustee, such unitholders and the Unitholder Nominee Director within 2 (two) working days from the 10th of every month – requiring the relevant Unitholder Nominee Director nominated by such Unitholder to resign/ step down from the Board.
 8. The Eligible Unitholders shall be required to act in the best interests of the REIT and the Unitholders as a whole and comply with the principles of stewardship as may be prescribed under the SEBI REIT Regulations. The Eligible Unitholders should have formulated and adopted a comprehensive policy on the discharge of their stewardship responsibilities, review and update the same periodically; a policy on voting; a policy on intervention in the REIT and its SPV(s); and a policy to manage issues of conflict of interest while fulfilling their stewardship responsibilities.

Eligibility and Qualifications of Unitholder Nominee Director

1. The Unitholder Nominee Director shall be a “fit and proper” based on the criteria specified under Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended.
2. The Unitholder Nominee Director shall not be a willful defaulter or fraudulent borrower, or a promoter or director or person in control of a company or entity categorized as such by any bank or financial institution in accordance with the guidelines prescribed by the Reserve Bank of India.
3. The Unitholder Nominee Director’s name should not appear under any list of disqualified directors issued by the Ministry of Corporate Affairs and is not debarred from acting as a director or member of management by any court, regulatory or supervisory authority.

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4. The Unitholder Nominee Director should not be debarred from accessing the capital markets by the SEBI or any other authority.
5. The Unitholder Nominee Director should not be or have been a promoter or director or person in control of any company or entity which has been debarred from accessing the capital markets by the SEBI or any other authority.
6. The Unitholder Nominee Director should have requisite experience (as may be prescribed by NRC/Board) in the commercial real estate sector/ in operating and managing retail malls.

Procedure for appointment

1. On receipt of the Unitholder Intimation from Eligible Unitholders, the Nomination and Remuneration Committee (“NRC”) or the Board will evaluate the eligibility and qualification of the nominee basis this Policy and will have a holistic review of the information submitted by the Eligible Unitholders in the Unitholders Intimation as well as requirements under applicable law and to confirm the same within the 10 (ten) days of receipt of the Unitholder Intimation or within such other time period as may be specified under applicable law from time to time.
2. Upon confirmation of the eligibility of the Unitholder Nominee Director, the Manager shall take the requisite steps to complete the appointment of the nominee on the Board within 30 (thirty) days from the date of such confirmation or such other time period as may be prescribed under applicable law.
3. The Manager shall ensure that the appointment of the Unitholder Nominee Director is in compliance with the requirements with respect to the composition of the board of directors under the SEBI REIT Regulations and other applicable laws.
4. In the event the nominee does not meet the eligibility criteria in accordance with this Policy and applicable law, the Manager will communicate the same to the Eligible Unitholders along with reasons within 10 (ten) days of receipt of the Unitholder Intimation or within such other time period as may be specified under applicable law. The Eligible Unitholder may submit an alternate nominee within 10 (ten) days or such other timelines as may be communicated by NRC/ Board (or such other time as specific under applicable law) from the date of receipt of communication of rejection.

Terms of appointment

1. The Unitholder Nominee Director will be a non-independent director.
2. The appointment of the Unitholder Nominee Director will be in compliance with Companies Act, 2013 and all other applicable law, including the SEBI REIT Regulations.

Tenure

A Unitholder Nominee Director shall continue to remain on the Board, subject to applicable law unless:

- (i) the nomination is withdrawn by Eligible Unitholder(s) or
- (ii) change in the Unitholder Nominee Director is requested by Eligible Unitholder(s); or
- (iii) the unitholding of Eligible Unitholder(s) falls below the required threshold consequent to which the Unitholder Nominee Director resign / step down from the Board as per the applicable law, regulations; or
- (iv) the Unitholder Nominee Director ceases to remain eligible to act as a Unitholder Nominee Director

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or is unable to serve or resign or is removed from the Board for any reason.

Conflict of Interest:

Unitholder Nominee Director shall not vote on any matter or transaction and recuse themselves from voting where either the (i) Unitholder Nominee Director or (ii) the associate of the Unitholder Nominee Director or (iii) the Eligible Unitholder(s) who nominated the Unitholder Nominee Director or (iv) the associate of the Eligible Unitholder(s) who nominated the Unitholder Nominee Director, is interested in or is a party to.

Withdrawal, Removal or Termination

1.	Withdrawal of nomination/ change in nomination by the Eligible Unitholder	<p>If an Eligible Unitholder or group of Eligible Unitholders propose to withdraw their nomination for the Unitholder Nominee Director that has been appointed on the Board, then such Eligible Unitholders or their authorised representatives shall be required to inform the Investor Relations Head and the Compliance Officer (“Withdrawal Notice”) of such withdrawal and the Unitholder Nominee Director will be required to tender his/ her resignation from the Board within 7 (seven) working days from the date of notice of the Eligible Unitholder or authorised representative or prior to the next scheduled meeting of the Board/ NRC, whichever is earlier.</p> <p>If the Eligible Unitholder or group of Eligible Unitholders propose to change a Unitholder Nominee Director who has been appointed on the Board, then such Eligible Unitholders or their authorised representatives shall inform the Manager of the proposed replacement candidate along with details of the replacement candidate as specified hereunder (please refer to Process for Nomination above). Such details will be provided along with the Withdrawal Notice.</p> <p>The NRC/ Board will evaluate the eligibility of the proposed nominee as provided for hereunder and will follow the process for appointment of such nominee in accordance with this Policy. The existing Unitholder Nominee Director will be required to step down/ resign simultaneous with the appointment of the new nominee.</p>
2.	Unitholding of Eligible Unitholders falling below 10% or any other threshold prescribed under applicable law	<p>The Eligible Unitholder should immediately, within 2 (two) working days of unitholding falling below 10% or any other threshold prescribed under applicable law inform the Compliance Officer at charu.patki@nexusmalls.com or in writing addressed to the “Compliance Officer” and delivered to Unit No. 501, B Wing, Embassy 247, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai, Maharashtra, 400083 of the same. The Unitholder Nominee Director shall be required to tender his/ her resignation within 2 (two) working days from the date of change.</p>

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3.	Unitholding of Eligible Unitholders falling below 10% or any other threshold prescribed under applicable law due to fresh issuance of units by the REIT	In the event that the individual or collective unitholding of the Eligible Unitholders who have nominated a Unitholder Nominee Director falls below 10% of the total outstanding units of the REIT on account of any fresh issuance of Units by the REIT, then, the Eligible Unitholder should immediately, within 2 (two) working days of the date of allotment of fresh units of the REIT inform the Compliance Officer of the same. The Unitholder Nominee Director shall tender his/ her resignation within 2 (two) working days from the date of such allotment
4.	Review of Unitholding of Eligible Unitholding by the Manager	The Manager shall within 10 (ten) days from the end of each calendar month, review whether the Eligible Unitholders who have exercised the board nomination right, continue to have/ hold the requisite number of Units. If upon such review, it is found that the Eligible Unitholders do not have/ hold the required number of Units, the Manager shall inform the Trustee, the relevant Unitholder and the Unitholder Nominee Director of the same. The Unitholder Nominee Director shall be required to immediately and no later than 2 (two) working days of such intimation, be required to tender his/ her resignation.
5.	Death/ permanent disability of Unitholder Nominee Director	In case of death or permanent disability of a Unitholder Nominee Director, the nominating Eligible Unitholder may propose another individual as a replacement candidate as described in S. No. 1 of this table. The same shall be as per the applicable laws, regulations.
6.	Resignation of the Unitholder Nominee Director	In the event that the Unitholder Nominee Director wishes to resign/ step down for any reason, the Unitholder Nominee Director may submit his/ her resignation to the Board. The nominating Eligible Unitholder may propose another individual as a replacement candidate as described in S. No.1 of this table.
7.	Removal by Board	Notwithstanding anything to the contrary set out herein, the Board/ NRC) shall have the power to remove the Unitholder Nominee Director for reasons to be recorded in writing, including if the Unitholder Nominee Director ceases to meet the requisite eligibility criteria or other requirements, including as provided under this Policy or the Circular, and inform the same to the Eligible Unitholders and the Unitholder Nominee Director.

Remuneration

The Unitholder Nominee Director may receive Remuneration, sitting fees, compensation, commission from the Company or the Trust, subject to approval of Board and requirements of Applicable Law including the Nomination and Remuneration Policy of the Trust.

Further, the Manager may pay or reimburse to the Director such expenditure, as may have been incurred by them while performing their role as Unitholder Nominee Directors. This could include reimbursement of expenditure incurred by them for accommodation, travel and any out-of-pocket expenses for attending Board/Committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organised by the Manager for Directors) in the furtherance of

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their duties as Unitholder Nominee Directors.

The Unitholder Nominee Director shall not be eligible to participate in any share-based payment schemes.

Role of Nomination and Remuneration Committee

The eligibility of a Unitholder Nominee Director shall be evaluated in accordance with this Policy and the Circular and other applicable laws within 10 (ten) days of receipt of the Unitholder Intimation.

EVALUATION

Evaluation of the Unitholder Nominee Director will be in accordance with any criteria set out under the Companies Act, 2013 and the REIT Regulations or any criteria prescribed by the Board/ NRC from time to time.

MISCELLANEOUS

1. Any material interest that the Unitholder Nominee Directors may have in any transaction or arrangement that the Manager has entered into should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record their interest appropriately and Manager's records are updated. A general notice that they are interested in any contract with a particular person, firm or Manager is acceptable.
2. All information acquired by the Unitholder Nominee Directors, during their course of their tenure as directors is confidential to the Manager and should not be released, either during their tenure or following termination (by whatever means) to any third parties without the prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, they shall surrender any documents and other materials made available to them by the Manager.
3. Their attention is also drawn to the requirements under the applicable regulations and the Manager's Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of the Manager. Consequently, they should avoid making any statements or performing any transactions that might risk a breach of these requirements without the prior clearance from the Chairman.
4. The Unitholder Nominee Directors shall not be an employee of the Manager and this Policy shall not constitute a contract of employment.
5. The Unitholder Nominee Directors shall not serve as independent director of more than seven listed entities, if they serve as the whole-time director in any listed entity, they shall not serve as an independent director in not more than three listed entities.

For any further information, please contact. Charu Patki, Compliance Officer, email: investor.relations@nexusmall.com and corp.secretarial@nexusmall.com

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