

TERMS OF REFERENCE OF HUMAN RESOURCE AND REMUNERATION COMMITTEE (HRRC) PACKAGES GROUP

1.0 Objectives

The Human Resources & Remuneration Committee (HRRC) is a standing committee *appointed by* the Board of Directors (BoD) *and* mandated to consider and make recommendations, to the BoD, on major human resources management policies, strategies and plans.

2.0 Composition

2.1 Members: The HRRC shall consist of at least three members. The Chief Executive Officer (CEO) will be included as a member of the HRRC.

2.2 Chairman HRRC: One of the directors from amongst the members of the HRRC will be appointed as Chairman by the BoD. The CEO shall not be appointed Chairman HRRC.

2.3 The Head of HR will act as Secretary to the Committee.

3.0 Tenure

3.1 The tenure of HRRC will be the same as the tenure of the Board of Directors.

3.2 The terms of reference of the HRRC will be reviewed at least once every three years.

4.0 Duties & Responsibilities:

The HRRC's recommendations will require approval of the BoD to be implemented unless the Board expressly delegates to it the authority to decide on specific matters itself.

The duties and responsibilities include:

4.1 Recommendation to the Board for consideration and approval a policy framework for determining remuneration of Directors (both Executive and Non-Executive Directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the Chief Executive Officer level.

4.2 Undertaking annually a formal process of evaluation of performance of the Board as a whole and its Committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the Directors' Report disclosing therein name and qualifications of such consultant and major terms of his/its appointment.

4.3 Recommending Human Resource Management Policies to the Board.

4.4. Recommending to the Board the selection, removal, evaluation, development, compensation (including retirement benefits) of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit.

- 4.5 Consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer.
- 4.6 Where human resource and remuneration consultants are appointed, they shall disclose to the Committee their credentials as to whether they have any other connection with the Company.
- 4.7 Considering and making recommendations to the Board in respect of the Board's Committees and the chairmanship of the Board Committees.
- 4.8 Keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary.
- 4.9 Overall organizational structure.
- 4.10 Organization morale, and periodically seek assessment of the same.
- 4.11 Succession planning for key positions, including that of the CEO.
- 4.12 The CEO being a member of the HRRC, and Head of HR attending as Secretary, shall not be a part of the proceedings of the HRRC where their compensation and performance are being discussed and evaluated.
- 4.13 Charter of demands and negotiated settlements with the CBA.

5.0 Rules

- 5.1 Quorum: The quorum will be three (3) members.
- 5.2 Frequency of meetings:
 - 5.2.1 The HRRC shall meet at least once in a financial year and may meet as often as required for a proper functioning of the Committee and/or proper review of and recommendations on HR affairs.
 - 5.2.2 The HRRC will also meet if requested by a member of the BoD or HRRC itself, or the CEO.
 - 5.2.3 When possible, the meetings shall be scheduled annually in advance.
- 5.3 Notice: The Notice of the meeting will be circulated by the Secretary HRRC one week prior to the date of the meeting.
- 5.4 Agenda: Agenda for the meeting will be developed by Management in consultation with Chairman HRRC.
- 5.5 Documents: To the extent possible, Secretary HRRC will provide a written note and other related documents for each item on the Agenda. Efforts will be made to provide this data to Members HRRC 7 days prior to the meeting.

- 5.6 Minutes: Minutes of the meetings will be prepared by the Secretary HRRC and circulated to the Members HRRC within 14 days of the HRRC meeting.
- 5.7 Attendance:
- 5.7.1 HRRC may invite any employee / independent expert to attend its meeting.
- 5.7.2 Secretary HRRC shall get the signature of each member attending the meeting on an attendance sheet and keep a record of the same.
- 5.8 Reports to the BoD:
- 5.8.1 HRRC shall present the minutes, including findings and recommendations, of the HRRC meeting to the BoD.
- 5.8.2 HRRC shall provide all and any related information required by the BoD.
- 5.9 Amendments: The BoD may, at any time, amend these regulations or revoke any powers granted by it to the HRRC.

6.0 **Records**

All documentation related to the holding, proceedings and recommendations of the HRRC shall be ensured by and stored with the Secretary HRRC.