

Nomination And Remuneration Committee Charter of Asia Pack Limited

A. PURPOSE

The primary function of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its governance and supervisory responsibilities relating to human resource management and compensation.

The Committee reviews and where required, approves the human resource policies, remuneration proposals, succession planning, evaluation of performances and development plans of Key Managerial Personnel, Senior Management and other employees of the Company. It also provides support in handling the nomination and remuneration proposals for the Board members including Independent Directors.

B. MEMBERSHIP AND ORGANIZATION

1. **Composition** - The Nomination and Remuneration Committee shall consist of at least three non-executive directors as members out of which not less than one-half shall be independent directors. The appointment and removal of the members of the Committee shall be as per the provisions of Companies Act, 2013 and the Rules made thereunder.
2. **Chair** - At the time of appointment of the members of the Committee, the Board shall also appoint a Chairman/Chairperson who will be an independent Director.

C. MEETINGS OF THE COMMITTEE

1. **Meetings** - The meetings of the Committee shall be held as and when required and as statutorily required under the provisions of Companies Act, 2013 and Rules made thereunder and as per the applicable law, if any, for the time being.

The Chair shall preside over all Committee meetings. However, the Chairman/Chairperson of the company (whether executive or non-executive) may be appointed as a member of the Committee but shall not chair such Committee.

The Chairman of the Committee could be present at the AGM, to answer the shareholder queries. However, it would be up to the Chairman to decide who should answer the queries.

2. **Secretary and Minutes** - The Company Secretary shall act as the secretary for Committee meetings. Minutes of the meetings shall be recorded and maintained by the Company Secretary and shall be presented to the Committee for approval at its subsequent meeting.
3. **Quorum** - The quorum for the Committee meeting shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

D. ACCOUNTABILITIES AND RESPONSIBILITIES

The Committee shall have the accountabilities and responsibilities set out below as well as any other matters that are specifically delegated to the Committee by the Board. In addition to these accountabilities and responsibilities, the Committee shall perform the duties required of Nomination and Remuneration Committee by applicable statute's, requirements of the stock exchanges on which the securities are listed and all other applicable laws.

1. Board of Directors :

a. Board Nomination -

The Nomination and Remuneration Committee shall identify suitable candidates as members of the Board in accordance with defined criteria as laid down before the Committee. The Committee shall establish a transparent board nomination process and recommend for Board approval appropriate criteria for the selection and removal of Board and Board committee members.

In making an assessment on suitability of the candidate, the Committee will formulate criteria for determining the educational qualifications, positive attributes and independence of Directors.

The Committee is also responsible for devising a policy on Board diversity based on diversity of thought, experience, knowledge, perspective and gender in the Board. This policy shall be recommended by this Committee and approved by the Board.

b. Board Compensation -

The Nomination and Remuneration Committee recommends the compensation norms for members of the Board. In making such proposal the Committee considers and is bound by statutory requirements, longer interests of the Company and its shareholders and such other factors as it deems appropriate. It is to be ensured that no member is involved in deciding upon his/her own compensation.

c. Board Remuneration Policy -

The Committee shall recommend to the Board a policy, relating to the remuneration of the directors. While formulating such policy, the Committee shall ensure that—

(i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

d. Evaluation -

The Committee shall monitor and review Board Evaluation Framework, conduct an assessment of the performance of the Board, the Independent directors, each Board committee and the Chair of the Board against criteria as determined and approved by the Committee. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, on the basis of recommendations of the Committee (excluding the director being evaluated).

2. Key Managerial Personne/key executives and Senior Management

a. Senior Management Identification -

The Committee shall lay down the criteria for identification of the persons who may be appointed in senior management, taking into consideration qualifications, experience, positive attributes, skills and competencies and such other factors as it deems appropriate. The Committee shall recommend to the Board the appointment and removal of Senior Management persons of the Company.

b. Evaluation Process -

The Committee shall review and approve the evaluation of performance process/'s of Key Managerial Personnel of the Company.

c. Compensation -

The Committee shall review, monitor and, if advisable, approve and recommend for approval by the members of the Board, the compensation packages for Key Managerial Personnel and Senior Management. The compensation package recommendation shall be based on their performance evaluation conducted pursuant to this mandate, aligned with the longer interests of the Company and its shareholders as well as other factors and criteria, as may be determined by the Committee from time to time.

d. Remuneration Policy -

The Committee shall also recommend to the Board a policy relating to the remuneration for Key Managerial Personnel. While formulating such policy, the Committee shall ensure that –

(i) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(ii) remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

e. Employment Arrangements -

The Committee shall review, and, if advisable, approve and recommend for Board approval any arrangement with the Key Managerial Personnel relating to their selection, compensation, or such arrangements as deemed appropriate by the Committee.

f. Terminations and Severances -

The Committee shall also review terminations / replacements/ severance of employments of Key Managerial Personnel and Senior Management persons.

3. Human Resource Policies and Procedures for Other Employees-

The Committee is also responsible to formulate the criteria relating to remuneration of other employees of the Company and devise a policy on the same for recommendation to the Board. While formulating such policy, the Committee shall ensure that –

(i) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(ii) remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Long term incentives plan/equity eligibility and ESOP related matters including but not limited to formulation, evolution of ESOP Scheme including any modifications thereto, etc. shall be considered through the Committee.

4. Organization Design-

The Committee is responsible for designing the organization structure for the Company.

5. Training and Development-

The Committee is responsible to maintain a framework for talent/competency development strategy for the Company.

6. High Potential Management-

The Committee shall formulate a framework for high potential management for the Company in order to effectually manage the talent.

E. RESIDUAL

The Committee shall discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.

F. REPORTING TO THE BOARD

The Chair shall report to the Board on material matters arising at the Committee meetings and, where applicable, shall present the Committee's recommendations to the Board for its approval.