

**CHARTER FOR THE
NOMINATION & REMUNERATION COMMITTEE**

Adopted by the Board of Directors of Sterlite Power Transmission Limited on July 25, 2016

Revised and approved by the Board on August 07, 2021

1. OBJECTIVE

- 1.1. The charter of Nomination and Remuneration Committee hereafter referred to as the Charter, of Sterlite Power Transmission Limited and its subsidiaries, hereafter referred to as the Company, details the broad scope of the Nomination and Remuneration Committee (“NRC”).

COMPOSITION

1. The NRC shall comprise of minimum three non-executive directors of whom not less than one-half shall be independent directors. It is clarified that all directors of the committee shall be non-executive directors.
2. The Board shall nominate the Chairperson of NRC who shall be an independent director.
3. Chairperson of the Company shall not Chair the NRC.
4. The Company Secretary shall act as the secretary to the Committee.

MEETINGS AND QUORUM

1. The Committee shall meet at least twice a year. Additional meetings may happen as the Committee deems it appropriate and advisable.
2. The quorum shall be two members or one third of the Committee strength; whichever is higher and at least one Independent Director shall be present to form a valid quorum.
3. The Chairperson of the NRC must be present at the annual general meeting of the Company, to answer the shareholders’ queries. However, it would be up to the Chairperson to decide as to who shall answer the queries.

2. Definitions

- 2.1. **Act** means the Companies Act, 2013 and the rules and regulations made thereunder.
- 2.2. **Directors** means a director appointed to the Board of Sterlite Power Transmission Limited.
- 2.3. **Key Managerial Personnel (the “KMP”)** shall mean “Key Managerial Personnel” as defined in Section 2(51) of the Companies Act, 2013.
- 2.4. **SEBI Listing Regulations** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.5. **Senior Management** includes Key Managerial Personnel and means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Charter but defined in the Act or any rules framed under the Act, the SEBI Listing Regulations and Rules framed thereunder shall have the meanings assigned to them in these regulations.

3. Scope

- 3.1. The broad scope of NRC is three-fold, Nominating Functions, Remuneration Functions and Governance and Evaluation Functions.
- 3.2. The NRC must also undertake any other activity in this regard or carrying out any functions as may be specified by the Board or as may be required by the Companies Act, 2013, the rules thereunder,

or the SEBI Listing Regulations each as amended or by any other regulatory authority, from time to time;

3.3. Nominating Functions

- 3.3.1. Review and recommend the structure, size and composition of the Board and its Committees.
- 3.3.2. Formulate and recommend to the Board the criteria for determining qualifications, positive attributes and independence of a Director.
- 3.3.3. Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities, required for an appointment.
- 3.3.4. To devise a policy on diversity of board of directors.
- 3.3.5. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- 3.3.6. Review and recommend to the Board appointment of Directors and Senior Management, including evaluation of incumbent directors for potential re-nomination. Further, to recommend to the Board their removal, as may be necessary.
- 3.3.7. To determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 3.3.8. Review succession planning for Senior Management.

3.4. Remuneration Functions

- 3.4.1. Recommend to the Board a policy relating to remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees of the Company (refer "Remuneration Policy") and periodically review the same.
- 3.4.2. The NRC, while formulating the above policy, should ensure that:
 - 3.4.2.1. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - 3.4.2.2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 3.4.2.3. remuneration to directors, key managerial personnel and senior management 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;
- 3.4.3. Determine and recommend to the Board the remuneration payable to the Directors of the Company and the Senior Management and Key Managerial Personnel of the Company.
- 3.4.4. Review the annual compensation strategy and budget covering all employees of the Company including Senior Management.
- 3.4.5. Review deployment of key Human Resources strategies and tools specifically in the area of talent management, employee engagement & development and succession planning.

3.5. Governance and Evaluation Function

- 3.5.1. To formulate a criteria for evaluation of performance of independent directors and the board of directors.
- 3.5.2. To establish and oversee, the process of annual evaluation, including self-evaluation, of the Board, its Committees and Directors.

- 3.5.3. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance
- 3.5.4. To bi-annually review the performance of the executive director/s.
- 3.5.5. To annually review its own performance and present the results to the Board.

3.6. Charter Review

3.6.1.

- 3.6.2. The charter will be subject to review by the Board from time to time.

3.7. Minutes & Reporting

- 3.7.1 The Committee will report to the Board with respect to the recommendations that the Committee deems appropriate from time to time.
- 3.7.2 The Company Secretary shall maintain minutes of the meetings of the Committee, which shall be placed before the Board quarterly.