

SUCCESSION PLANNING FRAMEWORK

The Company has a robust succession planning framework in place for the Board and top critical positions including its Senior Management. The Board of Directors, HR and Nomination Committee and Apex Talent Council are entrusted with overseeing and monitoring talent management and succession planning initiatives at the Company in the following institutionalised manner:

- a) **Board:** A robust process is followed for Board rejuvenation and succession which is a hallmark of a forward-thinking and progressive Board. The Board deliberates on various factors including current tenure of board members, outcome of performance evaluation, skill matrix including skill-gaps, board diversity, statutory requirements etc. offering an additional opportunity for the Board to assess its competencies and capabilities. The Chairman works closely with the Nomination & Remuneration Committee to put in place a multi-year succession plan. This helps identify prospective board members who possess the skills and experience required in the context of the Company's business and ensures a smooth transition in key board positions.
- b) **Top critical positions including Senior Management:** Apex Talent Council anchors the whole process and carries out detailed evaluation of each position including various criteria of identification of successors, their readiness/ development plan (which could be in the form of job rotation, exposure, coaching, mentorship, development and engagement etc). The HR and Nomination Committee of the Company then devotes its considerable time for review of succession planning framework on half-yearly basis. The Committee reviews the detailed plan including specific listing of critical jobs, successors identified and readiness timeline/ contingency plan for each position. This framework now includes a larger set of critical jobs, a proposed formalised mentoring and development framework as well as a roadmap for strengthening governance on talent actions/ readiness/ risk etc (from bi-annual to quarterly). The framework involves skilling for the top leadership as well to foster successor readiness more effectively. The Board also reviews the succession planning framework for top critical positions including Senior Management.

For critical positions, the Company also follows the global best practice wherein the identified successor shadows the current incumbent for a reasonable period to allow smooth and orderly succession.
