

## WHITEHALL COMMERCIAL COMPANY LTD

### INDEPENDENT DIRECTORS – TERMS, CONDITIONS AND CODE OF CONDUCT

#### 1. Appointment

- In accordance with the provisions of the Companies Act, 2013 and other applicable laws, rules and regulations.

#### 2. Board Committees

2.1 As advised by the Board of Directors ('Board'), during the tenure of office, the Independent Director may be required to serve on one or more Committees of the Board established by the Company. Upon his/ her appointment to any or more Committees, the Company will provide the Independent Director Appropriate Committee charter, which sets out the functions of that Committee

2.2 The Independent Director have to be nominated and appointed to serve on the following committees:

- i. **Finance and Audit Committee:** The Finance and Audit Committee oversees the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible; reviews with the management, external and internal auditors, the adequacy of internal control systems; reviews the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reports the matter to the Board so as to ensure integrity of the financial condition of the Company and accurate and timely disclosures.

#### 3. Professional Conduct

The Independent Director will strive to perform his/ her duties according to the highest standards of honesty, integrity, accountability, confidentiality and independence.

The Independent Director shall assume following duties and responsibilities:

- i. Duty of care and skill in the discharge of functions as a Director;
- ii. Duty not to be negligent and not to commit or let others commit tortuous act;
- iii. Duty not to exceed delegated powers entrusted by the Board or any Law applicable to the Company.
- iv. Duty to act in the best interests of the Stakeholders and Customers.

## **4. Functions, Responsibilities and Duties of Directors**

### **4.1 Functions**

**i. To review the Company's strategy, the annual financial plan and monitor the Company's performance:**

The primary role of the Directors on the Board is to exercise their business judgement to act in what they believe to be the best interests of the Company and its shareholders. It is the duty of the Board to ensure that the Management performs with competence and values to achieve the objectives of the Company. Generally, the Board meets once a quarter. The quarterly meeting of the Board includes updates on business, financial and business-enabler functions and discussions on such updates. The Finance and Audit Committee of the Board reviews the Company's financials and recommends the same to the Board for its acceptance. The Board monitors the Company's performance against its annual financial plan at its quarterly meetings as well as at the end of the Financial Year.

**ii. To advise and counsel the Management:**

The Board should be composed of individuals whose knowledge, background, experience and judgement are valuable to the Company. They should also be capable of providing advice to the executive officers of the Company. Members of the Board have full access to the Management (executive officers) and other employees as well as to the Company's records and documents. The Board may also seek legal or other expert advice from a source independent of the Management.

**iii. To monitor and manage potential conflicts of interest of the Management:**

The Finance and Audit Committee of the Board reviews and approves related party transactions, as required under the applicable laws and/ or Rules of the Stock Exchanges where the securities of the Company are listed or any government agencies applicable to the Company.

**iv. To oversee and ensure the integrity of financial information and legal compliance:**

The Finance and Audit Committee of the Board oversees the Company's accounting and financial reporting processes and the audit of the Company's financial statements and assists the Board in overseeing of-

- (1) The Integrity of the Company's financial statement,
- (2) The Company's compliance with legal and regulatory requirements,
- (3) The independent auditor's qualification, independence and performance, and (4) The Company's internal accounting and financial controls.

### **4.2 Responsibilities**

- i. The Independent Director has the same general responsibilities to the Company as any other Director.
- ii. The Independent Director shall provide Entrepreneurial Leadership, so that risks are assessed and managed well.
- iii. The Independent Director shall, along with the Board, set the Company's Strategic aims, and ensure that the necessary financial and human resources of the Company are in place.

- iv. The Independent Director shall set the Company's Values and standards and ensure that maximum wealth is generated for the stakeholders of the Company.
- v. In addition to these roles of a Director, the role of an Independent Director shall have the following key elements:
  - a. **Strategy:** Independent Director should constructively challenge and contribute to the development of the Strategy.
  - b. **Performance:** Independent Director should scrutinize the performance of the members of the Board and monitor the same.
  - c. **Risk:** Independent Director should analyse and manage the risks to the extent of their satisfaction regarding the same, and take such precaution as any man of prudence would.
  - d. **People:** The Asset of the Company shall be analysed and their needs should be fulfilled. It is essential for the Independent Director to look into such grievances and contribute towards solving the same.
  - e. **Stakeholders:** Independent Directors are to balance the conflicting interest of the stakeholders, including minority stakeholders. In the event of any conflict, they shall moderate and arbitrate in the interest of the Company.

#### 4.3 Duties

The Independent Director is requested to at all times:

- i. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- ii. strive to attend all meetings of the Board of Directors and of the Board committees of which the Independent Director is a member;
- iii. participate constructively and actively in the committees of the Board in which the Independent Director is chairpersons or members;
- iv. strive to attend the general meetings of the Company;
- v. where the Independent Director has concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- vi. keep himself/ herself well informed about the company and the external environment in which it operates;
- vii. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- viii. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- ix. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- x. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- xi. act within the authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- xii. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.