

POLICY ON SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT

Route Mobile Limited

POLICY EFFECTIVE FROM _____

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1. Introduction

The Securities and Exchange Board of India (“SEBI”), vide its Notification dated September 2, 2015, has issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”). The LODR come into force from December 1, 2015. As per Regulation 17 (4) of the LODR (as amended from time to time), the Board of Directors (“Board”) of Route Mobile Limited (“Company”) is required to frame a policy on succession planning for the Board and senior management. The Board based on the recommendation of the Nomination and Remuneration Committee (“Committee”) may amend this Policy from time to time with respect to matters covered under this Policy or otherwise. The Board of the Company, at its meeting held on January 11, 2019, approved this policy pertaining to succession planning for the Board and senior management of the Company.

2. Purpose

Succession planning is an essential component to the survival and growth of any business. Succession planning is a tool for an organization to ensure its continued effective performance through leadership continuity. A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with talents. The Company recognizes the importance of the process to Succession Planning to provide for continuity in the smooth functioning of the organization. There are certain positions in the Company that are key to its current and future growth. It is, therefore, important that these positions are assigned to duly skilled and best possible incumbents. It is critical to fill up such positions well in time to avoid any leadership gap. The Company has therefore put in place a Policy on Succession Planning for the Board and senior management (“Policy”).

The objectives of the succession planning programme shall, inter-alia, include:

1. To identify and nominate suitable candidates for the Board’s approval to fill the vacancies which arises in the Board of the Route Mobile from time to time.
2. To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.
3. To identify the key job incumbents in Senior Managerial positions and recommend whether the concerned individual: (i) be granted an extension in term/service or (ii) be replaced with an identified internal or external candidate or recruit other suitable candidate(s).
4. To ensure the systematic and long-term development of individuals in the senior management level to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence.

3. Applicability of the Policy

The Policy shall be applicable for succession planning of the following personnel:

1. Managing Director and Group Chief Executive Officer and the rest of the Board;
2. Senior Management of the Company as defined in Regulation 16(d) of the LODR;
3. Any other positions within the Company at the discretion of the Managing Director & CEO in consultation with the Board.

4. Succession Plan for the Board and Senior Management

Planning and review: The Committee shall periodically review and determine if there is reason to believe that one or more Director slots/ senior management position shall become vacant within the next twelve months and accordingly report its finding to the Board.

1. Procedure

- a. If the Committee anticipates that a Director slot/senior management position shall become vacant within the next twelve months (whether by reason of an announced intent to retire or otherwise), or if such position suddenly becomes vacant (whether by death or otherwise), the Committee shall as soon as reasonably practicable recommend to the Board, sufficient number of candidates for selection.
- b. While identifying candidates for nomination as Director or senior management, the Committee may consult whatever sources it deems appropriate, including, but not limited to, referrals from existing Directors or senior management, recommendations from third-party search firms etc.
- c. The Committee shall have the authority to engage whatever advisors (including attorneys and search firms) it believe appropriate in its efforts to identify and evaluation potential candidates.
- d. The Committee shall also periodically review the list of high performer employees within the Company that may be potential candidates for elevation to the position of senior management position.

2. Assessment of candidates

The Committee shall make an initial assessment of potential candidates for the vacancy. It shall select from such pool, candidates for an initial interview by one or more members of the Committee. When the Committee identifies individuals that it believes meet the criteria mentioned in the Nomination and Remuneration Policy of the Company, it shall recommend them to the Board for selection.

3. Emergency Succession

If a Director slot/senior management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein

5. Compensation Plan for Key Management Personnel (“KMPs”) and Other Senior Management Team Members

1. The compensation structure of KMPs and senior management team members shall consist of fixed salary components (including variable dearness allowances), according to the policy approved by the Company and at par with the industrial standards, to be approved by the Committee.
2. The compensation structure shall be devised in a manner that will help the Company to attract and retain top talents to run the Company efficiently with a long term perspective.
3. The compensation structure may also include stock options targeting employee participation in ownership of the Company and to ensure the retention of potential talents for the future growth and diversity of the Company.

6. Policy Review

Where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over this Policy and procedures until such time as this Policy is changed to conform to the law, rule, regulation or standard.

7. Amendments

The Company may amend the Policy as and when it deems necessary either pursuant to any change in law or otherwise. The Company shall be free to devise and implement any supplementary or other policies and guidelines in respect hereof for better implementation of this Policy.

8. Review and Monitoring

The Committee shall review and monitor from time to time the implementation of this Policy to ensure its effectiveness and may also recommend changes, if any, to the Board for ensuring effective succession planning.

9. Dissemination of the Policy

The approved Policy shall be uploaded under a separate section on the website of the Company at www.rotemobile.com