

VOLTAS LIMITED

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

OBJECTIVES:

- Provide insights into the Company, to enable the Independent Directors understand the Company – its operations, business, industry and environment in which it functions and the regulatory environment applicable to it.
- Update the Directors on a continuing basis of any significant changes therein, to take well-informed and timely decisions.

FAMILIARIZATION AND ORIENTATION PROCESS:

- Senior Management Team conducts presentations periodically to familiarize the Directors with strategy, operations and functions of the Company. Such presentations provide an opportunity to Directors to interact with the Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. The presentations also familiarizes the Directors with their roles, rights and responsibilities.
- When a new Director is appointed, a presentation is made by the Management to explain the background of the Company as well as its several businesses including subsidiaries/joint ventures.
- Independent Directors when appointed are provided with copy of latest Annual Report, Code of Conduct, Code of Conduct for Prevention of Insider Trading/ Corporate Disclosure Practices. Annual Plan of Board/Committee meetings dates are also given in advance to enable them plan their schedules accordingly. Trend of financial performance, strengths and gaps in respective business are also shared.
- Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, etc., and obligations on disclosures required to be given to the Company is issued to the Independent Directors.
- Review of major overseas project/s including visits to project sites and Meetings with Clients/Main Contractors/Consultants are also organized for the Directors.

OTHER INITIATIVES TO UPDATE THE DIRECTORS ON A CONTINUING BASIS:

1. Various HR Metrics, including on new recruitments, attritions, training as well as monthly Safety Reports are shared with the Directors at Board Meetings including instances of Near Misses and fatality incidents, if any. Similarly, presentations on Risk Management including Top 10 Risks identified for the Company along with mitigations measures are made to the Directors, periodically. Changes in the Regulatory environment applicable to the Company and to the Industry in which it operates, progress made on business excellence under the Tata Business Excellence Model (TBEM) with areas of improvement are also shared.
2. Detailed Note highlighting the requirements of new Companies Act, 2013 and its implications to the Company/Directors was also shared and discussed at Board Meetings. Similarly, highlights of Union Budgets and its relevance/impact is also shared and discussed at Board Meetings.
3. Quarterly presentations on operations made to the Board include information on business performance, operations, market share, financial parameters, working capital management and cash flows, changes in senior management, major litigation, compliances and information on subsidiary/joint venture companies.
4. The Company's in-house magazine giving update on Company activities is also sent to the Directors.

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