

STYRENIX PERFORMANCE MATERIALS LIMITED

BOARD EVALUATION

Policy and Processes

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BOARD EVALUATION POLICY

1. PURPOSE

The purpose of this Policy is to:

- 1.1 Provide the opportunity to review the Boards performance for the current year, and set focus areas for enhancement/ improvement going forward.
- 1.2 Set guidelines for the evaluation process of the Board (including Directors and Committees).

2. EVALUATION MECHANISM

2.1 Periodicity

There will be an annual evaluation of the performance of the Board (including Directors and Committees)

2.2 Board and its Committees

- Board and Committees will follow a self-assessment manner of evaluation. The Board and its Committees may have a group discussion regarding their performance based on their roles and responsibilities, as defined in their respective Charters.
- A suggested set of themes (as provided in templates) may be referred to, for guiding the discussions on Committee specific and Board specific evaluation.
- The Chairperson may recommend a Secretary for respective meetings to record minutes and outcomes. The Company Secretary may perform the role of the Secretary.
- The Board and its Committees may decide and suggest management action measures, based on the outcome of the performance evaluation process.

2.3 Individual/ Independent Directors Evaluation

The Independent Directors will be evaluated by the Board as a whole excluding the Director being evaluated. The Board may refer to a suggested set of questions/themes to guide their discussions. The Chairperson shall interact with each Independent Director and record

outcomes to provide feedback. The Independent Directors in their separate meeting will evaluate the performance of the Chairperson, Board and its Executive/ Non-Executive Directors.

2.4 Regular Feedback

In addition to the annual evaluation, Directors are encouraged to provide feedback on a regular basis on the conduct of Board meetings and other business, and the preparation for them, in order to assist in the continual improvement of the way the Board carries out its role.

3. CONFIDENTIALITY

The evaluation conducted is confidential and the responses are not required to be disclosed, until and unless mandated by law. The Company Secretary will be responsible for maintaining all outcome data pertaining to the evaluation process.

4. POLICY IMPLEMENTATION

- The Nomination and Remuneration Committee (N&RC) is responsible for reviewing and recommending this Evaluation Policy to the Board.
- The Board is responsible for approving and overseeing implementation of this Policy (with the support of the N&RC).

5. REVIEW OF THIS POLICY

This Policy will be reviewed and reassessed as and when required, and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

6. REPORTING AND DISCLOSURE

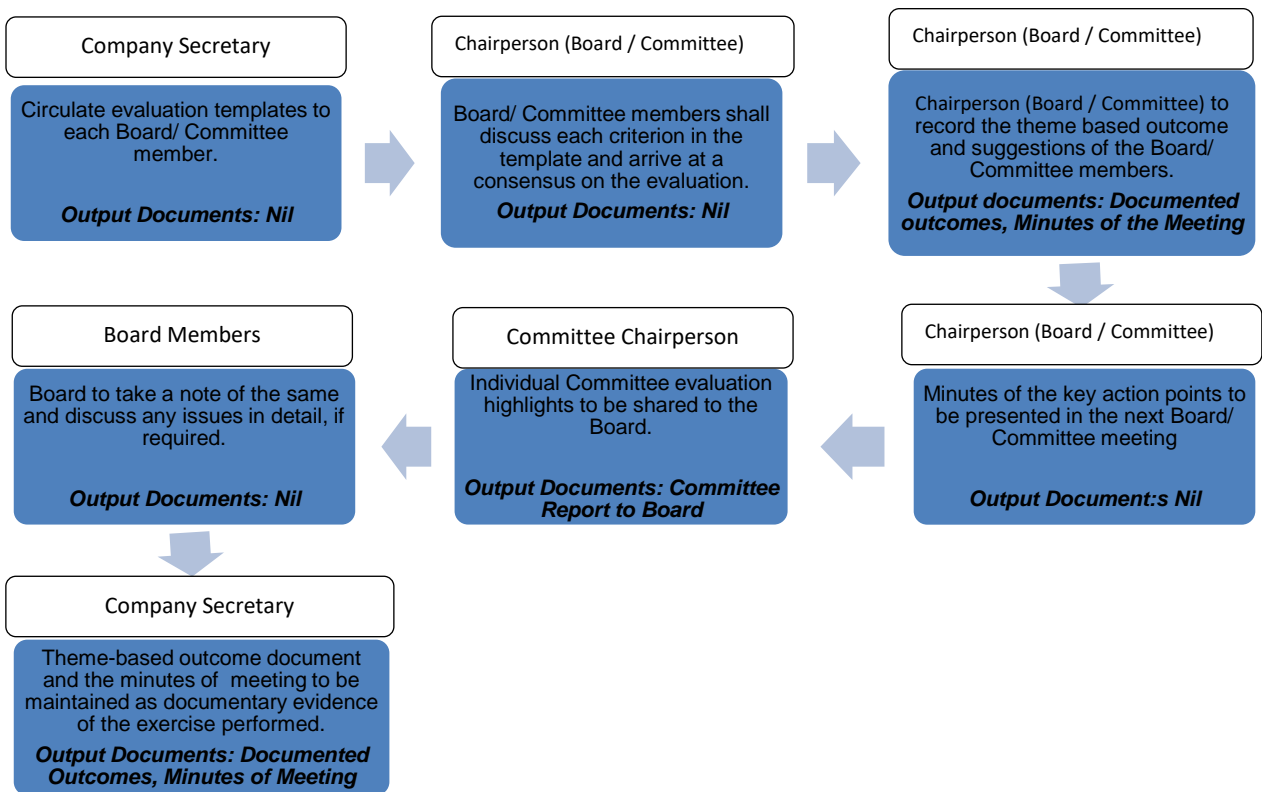
Disclosure indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and Individual Directors shall be included in the Board report. All disclosures on the Board Evaluation Process will be

reviewed by the N&RC.

7. APPLICABILITY TO SUBSIDIARIES / ASSOCIATES / JV COMPANIES

This Policy may be adopted by Subsidiaries / Associates and JVs subject to suitable modifications.

BOARD / COMMITTEE EVALUATION PROCESS



Process Responsibility



Process Narrative

Evaluation outcomes should revolve around areas of “good performance”, “improvement” and “matters of focus for the next year”.

AUDIT COMMITTEE EVALUATION TEMPLATE

Themes	
1. Composition of the Committee	
1.1	Does the Committee comprise of members who are financially literate and possess relevant business expertise?
2. Financial Reporting	
2.1	Does the Committee review the significant financial reporting controls and matters with regards to the Company's financial statements?
2.2	Does the Committee review changes (if any) to the accounting policy and its applicability?
3. Internal Financial Controls and Risk Management Systems	
3.1	Does the Committee have effective oversight and assurance on the Company's internal financial controls?
3.2	Does the Committee review the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks?
3.3	Does the Committee receive and review reports and information with reference to 3.1 and 3.2 above?
3.4	Does the Committee review and approve the statements included in the annual report in relation to the process for managing risk and the Board's review of the adequacy of that process?
3.5	Does the Committee have effective oversight on the Company's risk mitigation measures and their adequacy?
3.6	Does the Committee have oversight on the risks the risks that threaten the existence of the business?
4. Internal Audit Process	
4.1	Does the Committee review and approve the appointment or termination of the internal auditors?
4.2	Does the Committee review and assess the annual internal audit work plan?
4.3	Does the Committee receive a report on the results of the internal auditor's work on a periodic basis, and monitor the Management's responsiveness to the internal auditor's findings and recommendations?
4.4	Does the Committee meet with the internal auditors at least once a year without the presence of the Management?
5. External Audit Process	
5.1	Does the Committee make recommendations to the Board on the appointment, reappointment and removal of the external auditors?
5.2	Does the Committee annually assess the qualifications, skills and resources, effectiveness and independence of the external auditor?
5.3	Does the Committee review conflicts with regards to non-audit services (if any) and take appropriate action?
5.4	At the start of each annual audit cycle, does the Committee consider the auditor's overall work plan and scope of their engagement?
5.5	Does the Committee discuss with the external auditor major issues that arose during the course of the audit; review key accounting and audit judgements; review levels of errors identified during the audit; obtaining explanations as to why certain errors might remain unadjusted?

Themes	
6. Vigil Mechanism	
6.1	Does the Committee review the arrangements by which employees and Directors may raise concerns in confidence about possible improprieties in matters of financial reporting, financial control or related matters?
7. Meetings	
7.1	Is the number of Committee meetings appropriate for the Committee to perform its duties effectively?
7.2	Are Committee meetings well attended?
7.3	Do Committee meetings allow sufficient time for discussions and questions?
7.4	Is the meeting agenda and related background information circulated in a timely manner to enable full and proper consideration to be given to the issues?
7.5	Is sufficient time allowed between Committee meetings and Board meetings to allow any work arising to be carried out and reported to the Board as appropriate?
8. Quality of Relationship with Board and Management	
8.1	Is there good coordination and cohesiveness in the working of the Committee and Management?
Any matters on which the Committee should focus its attention in the next year:	
1.	_____
2.	_____
3.	_____

NOMINATION AND REMUNERATION COMMITTEE EVALUATION TEMPLATE

Themes	
1.	Composition of the Committee
1.1	Does the Committee comprise of persons equipped with a sufficient breadth of knowledge and experience to enable it to perform its duties effectively?
2.	Terms of Reference
2.1	Has the Committee overseen the process of appointment of new directors in line with existing policies?
2.2	Has the Committee devoted sufficient time on establishing an appropriate process for the consideration of Directors' remuneration?
2.3	Has the Committee reviewed and devoted sufficient time on considering remuneration policy for top executives?
2.4	Has the Committee provided oversight on the following policies and their implementation: <ul style="list-style-type: none"> ● Recruitment ● Board Diversity ● Remuneration ● Evaluation ● Independent Director Familiarization and Continuing Education?
3.	Meetings
3.1	Is the number of Committee meetings appropriate for the Committee to perform its duties effectively?
3.2	Are Committee meetings well attended?
3.3	Do Committee meetings allow sufficient time for discussions and questions?
3.4	Is the meeting agenda and related background information circulated in a timely manner to enable full and proper consideration to be given to the issues?
3.5	Is sufficient time allowed between Committee meetings and Board meetings to allow any work arising to be carried out and reported to the Board as appropriate?
4	Quality of Relationship with Board and Management
4.1	Is there good coordination and cohesiveness in the working of the Committee and Management?
Any matters on which the Committee should focus its attention in the next year:	
1.	_____
2.	_____
3.	_____

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE EVALUATION TEMPLATE

Themes	
1	Composition of the Committee
1.1	Does the Committee comprise of persons equipped with a sufficient breadth of knowledge and experience to enable it to perform its duties effectively?
2	Terms of Reference
2.1	Does the Committee review the Corporate Social Responsibility Policy, strategy and goals?
2.2	Has the Committee devoted sufficient time on review of establishment and implementation of the CSR framework?
2.3	Are Committee members continuously updated of current and emerging issues and trends in the field of Corporate Social Responsibility, including a discussion on the potential impact thereon on the Company?
2.4	Does the Committee review the annual CSR report?
3	Meetings
3.1	Is the number of Committee meetings appropriate for the Committee to perform its duties effectively?
3.2	Are Committee meetings well attended?
3.3	Do Committee meetings allow sufficient time for discussions and questions?
3.4	Is the meeting agenda and related background information circulated in a timely manner to enable full and proper consideration to be given to the issues?
3.5	Is sufficient time allowed between Committee meetings and Board meetings to allow any work arising to be carried out and reported to the Board as appropriate?
4.	Quality of Relationship with Board and Management
4.1	Is there good coordination and cohesiveness in the working of the Committee and Management?
Any matters on which the Committee should focus its attention in the next year:	
1.	_____
2.	_____
3.	_____

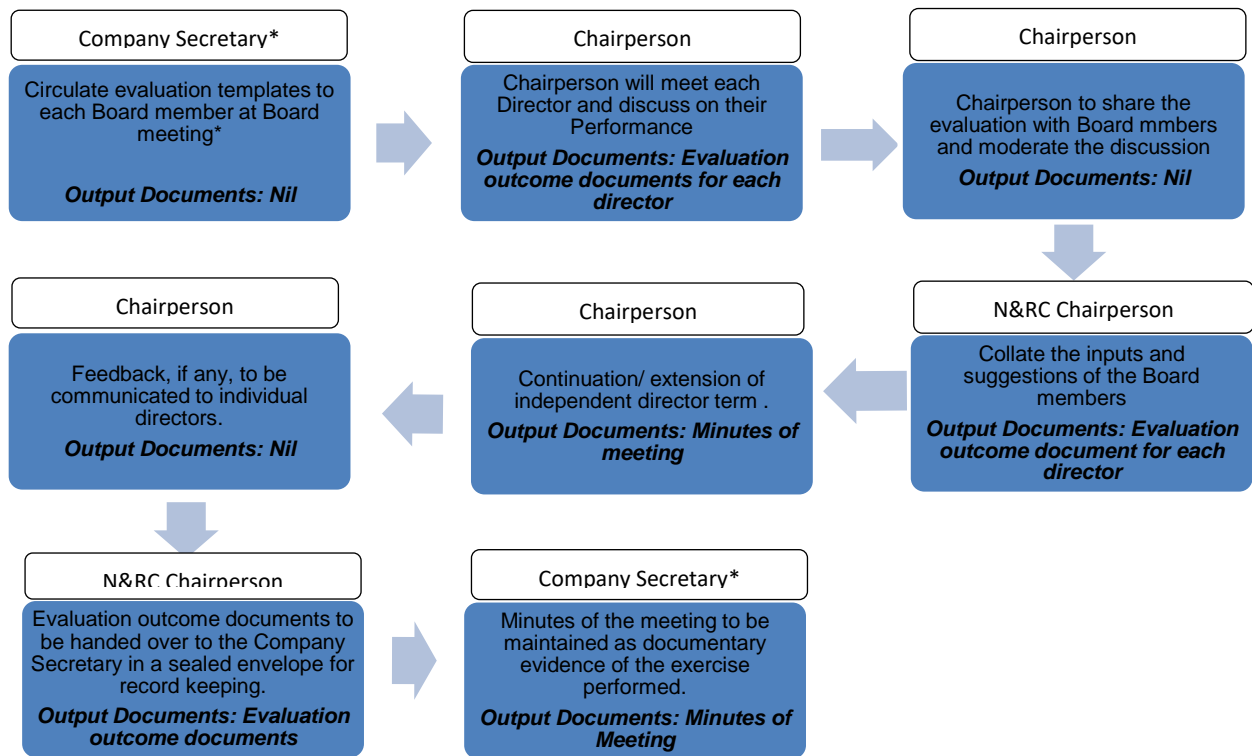
STAKEHOLDERS' RELATIONSHIP COMMITTEE EVALUATION TEMPLATE

Themes
1. Composition of the Committee
1.1 Does the Committee comprise of persons equipped with a sufficient breadth of knowledge and experience to enable to it to perform its duties effectively?
2. Terms of Reference
2.1 Does the Committee annually review its charter and recommend changes to the Board, if necessary?
2.2 Are all the stakeholder grievances addressed adequately and on time?
2.3 Has the Investor Grievances Redressal system been reviewed periodically and enhancements, if any been implemented?
2.4 Has the Committee reviewed the quality of investor services and suggested measures (if any) for improvement in Stakeholders relations?
2.5 Has the Committee devoted sufficient time on review of movements in securities holdings and ownership structures of the Company?
3. Meetings
3.1. Is the number of Committee meetings appropriate for the Committee to perform its duties effectively and to ensure the Company's success?
3.2. Are Committee meetings well attended?
3.3. Do Committee meetings allow sufficient time for discussions and questions?
3.4. Is the meeting agenda and related background information circulated in a timely manner to enable full and proper consideration to be given to the issues?
3.5. Is sufficient time allowed between Committee meetings and Board meetings to allow any work arising to be carried out and reported to the Board as appropriate?
4. Communication with shareholders
4.1. Does the Committee review the information placed in the Annual Report relating to their scope?
4.2. Does the Chairperson of the Committee attend the AGM and, where necessary, answer questions on matters within the scope of the Committee's responsibilities?
Any matters on which the Committee should focus its attention in the next year:
1. _____
2. _____
3. _____

BOARD OF DIRECTORS EVALUATION TEMPLATE

Themes	
1.	Structure of the Board
1.1	Does the Board comprise of persons equipped with a sufficient breadth of knowledge, skills and experience?
2.	Roles and Responsibilities of the Board
2.1	Does the Board devote sufficient time on matters which are critical for the Company and its business/ operations?
2.2	Does the Board devote sufficient time on reviewing/monitoring: <ul style="list-style-type: none"> • Company’s Corporate Governance Culture/ Philosophies • Risk Management Framework and Business Risks • Internal Controls Environment • Company’s Code of Conduct and Vigil Mechanism • Legal and Regulatory Compliance Framework • Subsidiary Oversight • Succession Planning
2.3	Does the Board provide guidance/ support with regards to navigating through key business challenges?
3.	Board Meetings
3.1	Is the number of Board meetings appropriate for the Board to perform its duties effectively?
3.2	Is the Board meeting agenda appropriate for the Board to perform its duties effectively?
3.3	Is the time allotted for every meeting adequate to cover most of the agenda items?
3.4	Is the information provided for the meeting adequate, timely and presented in a way that facilitates productive discussion?
3.5	Does the Board devote sufficient time to review minutes of Committee meetings?
4.	Relationship with Management
4.1	Does the Board have access to Senior Management members to discuss perspectives/ seek insights?
4.2	Is there clarity between the Board and Management with respect to the roles played by each of them?
4.3	Are adequate opportunities availed by the Board and provided to new Directors to be exposed to the Company’s management, products and operations?
5.	Board Dynamics
5.1	Is there cohesiveness in the overall working of the Board which facilities open discussion?
5.2	Is there adequate dialogue between Directors on critical issues / issues of strategic importance?
5.3	Are conflicts / differences of opinion between Directors managed constructively?
6.	Efficacy of Communication with External Stakeholders
6.1	Does the Board oversee external communication with stakeholders?
Any matters on which the Board should focus its attention in the next year:	
1.	_____
2.	_____
3.	_____

INDIVIDUAL DIRECTOR EVALUATION PROCESS



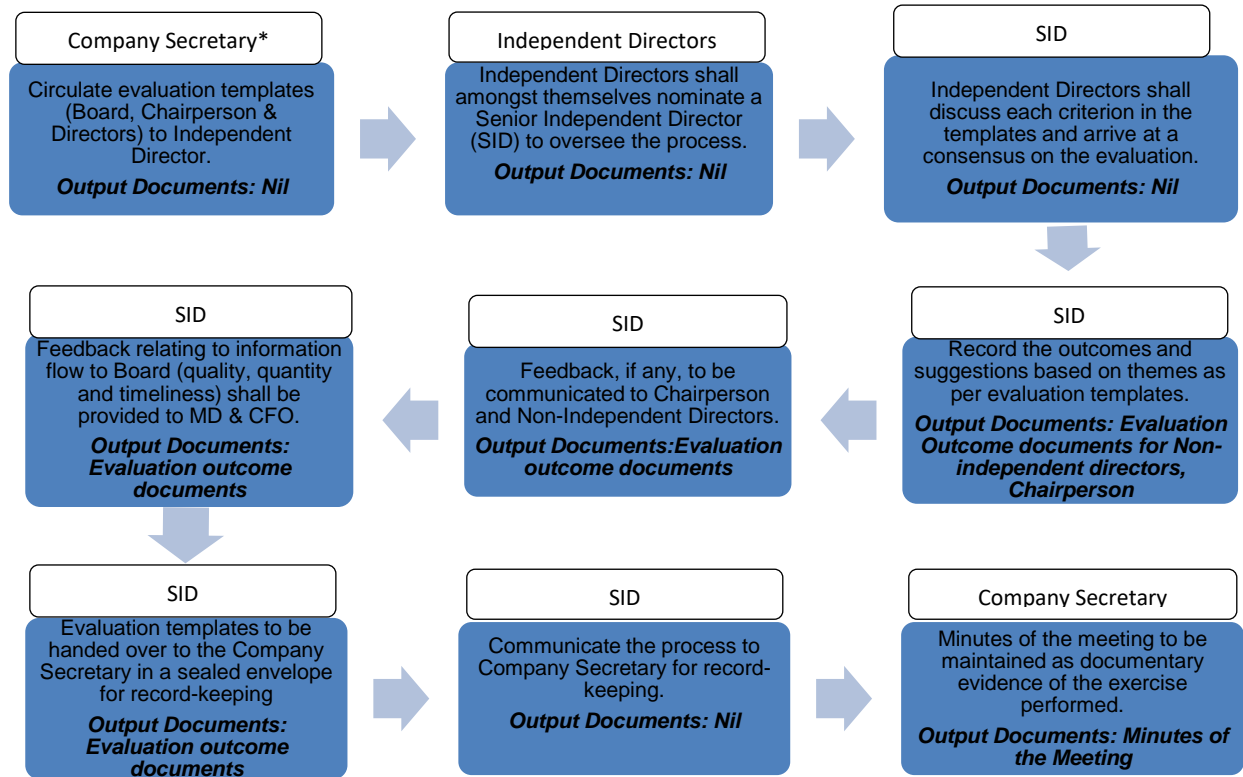
*Company Secretary will not form part of this agenda item in Board meeting



INDIVIDUAL DIRECTORS (INDEPENDENT / NON-EXECUTIVE / NON-INDEPENDENT) EVALUATION TEMPLATE

Themes	
1	Attendance and Participation at Meetings
1.1	Does the member attend Board and Committee meetings regularly?
1.2	Does the member devote adequate time for Board and Committee meetings?
1.3	Does the member participate in Board meetings attended?
2	Contribution at Meetings
2.1	Is the member able to leverage on his/her experience to provide the necessary insights / guidance on Board / Committee discussions?
2.2	Does the member make quality contributions to Board discussions?
2.3	Does the member anticipate new issues that management and Board should consider?
2.4	Does the member display candour in expressing views even when they are in divergence with the rest of the Board?
3	Guidance / Support to Management outside Board / Committee Meetings
2.1	Is the member available for consultation with Management between meetings?
2.2	Does the member leverage external network for the benefit of the Company?
2.3	Does the member provide valuable introductions to, or support with, business partners, government authorities etc.?
4	Others
4.1	Does the member bring a different and valuable perspective and experience to the Board?
4.2	Does the member take ownership of issues on behalf of the Board?
Key outcomes:	
1.	_____
2.	_____
3.	_____

SEPARATE MEETING OF INDEPENDENT DIRECTORS EVALUATION PROCESS



*Company Secretary shall not be part of the meeting



CHAIRPERSON EVALUATION TEMPLATE

The Independent Directors will review the Chairperson's performance based on the quality of leadership and fostering of an effective and conducive Board environment.

Some of the factors for consideration are provided below:

Themes
1. Providing direction on development of the Board agenda.
2. Providing direction to the Board on aspects that are critical/ of strategic significance to the Company.
3. Playing an effective role in guiding and motivating the MD/ CFO.
4. Creating a cohesive working environment at the Board level.
5. Leading other Board members towards consensus.
6. Raising sensitive issues and facilitating discussions on them.
7. Addressing development needs of the Board in a timely manner.
8. Focussing Boardroom dialogue on the right issues.
9. Taking ownership of an issue on behalf of the Board.
10. Providing support to Board and Board Committees.
Key outcomes: 1. _____ 2. _____ 3. _____