



**ACC LIMITED**

**CHARTER OF**

**COMMODITY PRICE RISK COMMITTEE**  
**(a sub-committee to Risk Management Committee)**



## Charter of Commodity Price Risk Committee

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## Charter of Commodity Price Risk Committee

### 1. Objective

The Commodity Price Risk Committee ("Committee") is constituted as a subcommittee to Risk Management Committee ('RMC') of ACC Limited ('Company') with a primary objective to support the risk management committee to review the risks associated with commodity price exposures of the Company, while promoting the culture of risk awareness and high standards of culture and conduct.

The Committee reports to and is accountable to the RMC of the Company.

### 2. Composition of the Committee

- 2.1 The Committee shall have minimum three Members, of which at least half (50%) shall be Independent Directors.
- 2.2 The Members of the Committee shall elect a Chairman amongst themselves.

### 3. Secretary

The Company Secretary shall act as Secretary to the Committee Meetings.

### 4. Meetings and Quorum

- 4.1 The Committee shall meet periodically, but at least 2 times a year.
- 4.2 The quorum for Meetings of the Committee shall be either two Members or one-third of the Members of the Committee, whichever is higher, including at least one Independent Director.
- 4.3 The Committee may invite such of the executives, as it considers appropriate to be present at the Meetings of the Committee. On occasions considered necessary, the Committee may also meet without the presence of any executive of the Company.

### 5. Terms of Reference

SN	Terms of Reference	Frequency
1	To monitor commodity price exposures of the Company	H
2	To oversee procedures for identifying, assessing, monitoring and	A



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SN	Terms of Reference	Frequency
	mitigating commodity price risks	
3	To devise Commodity Price Risk Management (CPRM) Policy and to monitor implementation of the same	A
4	To review strategy for hedging in relation to volume, tenure and choice of the hedging instruments and to approve /ratify of any deviations in transactions vis-a-vis the CPRM Policy	A
5	To review MIS, documentation, outstanding positions including market to market of transactions and internal control mechanisms	H
6	To review internal audit reports in relation to the CPRM Policy	A
7	To review and amend the CPRM Policy, if market conditions dictate from time to time	A

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

### 6. Reporting

The Committee shall report on its activities and summarize any recommendations at subsequent RMC meeting.

This charter shall be displayed on the website of the Company.

### 7. Minutes

The Company Secretary will maintain minutes of meetings of the Committee, which will be submitted to the RMC in subsequent meeting, for noting.

### 8. Review of Committee Charter

The adequacy of this charter shall be reviewed and re-assessed by the Committee, as and when required and appropriate recommendations shall be made to the Board / the RMC to update the same, from time to time.

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