ENDURANCE TECHNOLOGIES LIMITED
CIN:L34102MH1999PLC123296

RISK MANAGEMENT POLICY*

BACKGROUND

In an environment of uncertainty and frequent changes, it is imperative for an organization to undertake risks and manage them effectively in order to sustain profitable growth with financial stability. Risk management is an integral part of the Company's management process. The Company's Internal Audit is already being conducted on a risk-based programme.

OBJECTIVE AND PURPOSE OF POLICY

'Risk' is defined as an event which causes an adverse impact on the business, its continuity and/ or reputation of the Company.

In line with the Company's objective towards increasing stakeholder value, this risk management policy (Policy) has been framed. This shall be the guiding document for identification, evaluation, assessment and prioritization of risks to which the Company is exposed to and shall also define a mechanism to mitigate the identified risks and monitoring thereof.

POLICY

This Policy lays down a framework of appropriate risk management and mitigation process commensurate with the scale and nature of business of the Company.

The Company will identify risks which it is subject to and are significant in nature to threaten its existence including business continuity. Examples of some of the identified risks are:
1. Operational risk;
2. Customer concentration risk;
3. Macro-economic risks including business cycles;
4. Event based risks – arising from events such as war, natural disaster, pandemic etc.
5. Non-compliance to statutory obligations;
6. Employee related risk (including IR, Skill, Talent availability /attrition, legal compliance);
7. Information Technology risk;
8. Original Equipment Manufacturer Product / Platform risk;
9. Foreign Exchange risk;
10. Environment, Health & Safety risk;
11. Strategic risks;
12. Intellectual Property Risk.

* Ver.7- (Revised by the Board of Directors at its meeting held on 10th August, 2023)

The Company will draw up a risk management framework outlining identified risks and the mitigation measures along with the responsibility for effective implementation and monitoring thereof.

This risk management framework will be reviewed annually by the Company's management for adequacy. The actions pertaining to mitigation measures would be monitored on an on-going basis.

The Board shall be responsible for framing the Policy based on recommendation of the Risk Management Committee. The Risk Management Committee of the Board will review and monitor the risk management framework which includes the business continuity related risks, and the Company's Management shall be responsible for implementation thereof.

ROLE OF THE BOARD

The Board will undertake following actions to ensure that the Company has an adequate risk management system given its nature of business and scale of operations:

1. Frame and adopt the Policy of the Company based on recommendation of the Risk Management Committee.

2. Periodically review the Policy in terms of the Company's objectives, performance, organization structure and industry trends.

3. Modify/amend the Policy on recommendation of the management or otherwise in accordance with changing business scenario in discussion with the Company management from time to time.

4. To ensure that the management evaluates key risks to which the Company is subject to in line with its growth strategy, continuously changing business environment and legislative requirement.

5. Review bi-annually a Risk Report comprising instances where key risks got triggered, as identified by the Management and reviewed by the Risk Management Committee.

6. Ensure that risk management framework is integrated into the Board's report.

REVIEW OF THE POLICY

The Policy shall be reviewed annually for its adequacy from the perspective of the changing business scenario or upon any changes required in the Policy on account of regulatory amendments. Any revision to the Policy will be reviewed by the Risk Management Committee for approval of the Board.

===== End of Policy =====