

RISK MANAGEMENT POLICY

OF

ORKLA INDIA LIMITED¹



Version	Approved By	Date of Approval
1.0	Board of Directors	June 03, 2025

¹Formerly known as “Orkla India Private Limited” and “MTR Foods Private Limited”

1. INTRODUCTION

The Risk Management Policy (“Policy”) of Orkla India Limited (“the Company”) is formulated pursuant to Regulation 17(9) and Regulation 21(4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the provisions of Section 134(3), Section 149(8) read with Schedule IV, and Section 177(4)(vii) of the Companies Act, 2013.

The Company operates in an environment challenged by volatility, uncertainty, complexity and ambiguity. Effective risk management is integral to achieving our business objectives, protecting stakeholder interests, and enhancing decision-making.

The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objectives, this Policy establishes a structured and disciplined approach to Risk Management, in order to identify, pre-empt, mitigate and resolve risks to business.

2. METHODOLOGY

The Risk Management Committee (‘RMC’), constituted as per Regulation 21 of SEBI Listing Regulations, shall be guided by the Risk Management Committee Charter adopted by the Company and disclosed on the website of the Company. As per the SEBI Listing Regulations, the RMC shall co-ordinate its activities with the other committees, where there is any overlap with activities of such committees as per the framework laid down by the Board of Directors (“Board”).

Risk management process includes: Risk Identification, Risk Analysis, Risk Evaluation & Prioritization, Risk Treatment, Risk Monitoring & Review and Risk Recording & Reporting.

3. ROLES AND RESPONSIBILITIES

3.1 Risk Management Committee:

The Risk Management Committee is responsible for the following:

3.1.1 To formulate a detailed risk management policy which shall include:

- a. A framework for identification of internal and external risks specifically faced by the Company, in particular, including financial, operational, sectoral, sustainability, information, cyber security risks, or any other risk as may be determined by the Committee.
- b. Measures for risk mitigation including systems and processes for internal control of identified risks.
- c. Business continuity plan.

- 3.1.2 To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3.1.3 To monitor and oversee implementation of this Policy, including evaluating the adequacy of risk management systems;
- 3.1.4 To periodically review this Policy, including by considering the changing industry dynamics and evolving complexity;
- 3.1.5 To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- 3.1.6 The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- 3.1.7 To define the risk strategy, key areas of focus and risk appetite for the Company.
- 3.1.8 The RMC shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

3.2 Board of Directors:

The Board of Directors hold the ultimate responsibility for overseeing the Company's risk management framework.

The Board's responsibility include:

- Approve, implement and monitor implementation of this Policy.
- The Independent Directors shall help in bringing an independent judgment on the Board's deliberations, particularly on issues of strategy, performance, risk management, resource allocation, key appointments and standards of conduct;
- Ensuring that the Independent Directors are satisfied with the integrity of the Company's financial information and the robustness of internal financial controls and risk management systems.
- Provide strategic directions to the Audit Committee and Risk Management Committee on critical or emerging risks identified and its mitigation plan.
- Approve the Company's overall risk strategy, key areas of focus and risk appetite.
- Ensuring that significant risks are recognized, addressed, and that the Company is not exposed to undue or unmanaged risks.
- Overseeing the integration of risk management into board-level discussions, board reporting and annual reporting mechanisms
- Ensuring that appropriate systems of controls are in place to identify and manage risks, including cyber security risks.
- Offer periodic advice on risk appetite and risk tolerance.
- Define the role and responsibilities of the RMC and may delegate monitoring and reviewing of the risk management plan, including cyber security risk, to the RMC or any other designed function as deemed appropriate.

3.3 Risk Owner:

The risk owner is responsible for, and owns, the assigned risks impacting the Company. The responsibilities include management of key risks and identification of any emerging risks impacting the organization.

3.4 Audit Committee:

The Audit Committee assists the Board in carrying out its oversight responsibilities relating to the Company's

- (a) financial reporting process and disclosure of financial information in financial statements and other reporting practices,
- (b) internal control,
- (c) compliance with laws, regulations, and ethics
- (d) financial and risk management policies.

Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, *inter alia*, include, evaluation of Internal Financial Controls and Risk Management Systems. The Audit Committee in terms of Section 177 and rules made thereunder, in addition to its responsibilities under SEBI Listing Regulations, assists the Board in identifying risk, assessing the risk, recommend amendment to this Policy to respond to risks and thereafter frame policies to address risks so identified.

4. **REPORTING**

- 4.1 The RMC shall meet at least twice in a financial year.
- 4.2 Annual reporting to the Board of Directors on critical risks identified along with mitigation plans.

5. **AMENDMENTS**

The effectiveness of the risk management framework is ensured through periodic reviews of this Policy, at least once in two years. Given that a business's risk exposure can shift over time due to the changing industry dynamics, evolving complexity and continuously changing environment, the Risk Management Committee will update and review this Policy as needed,

In the event of any conflict between the Companies Act, 2013 or the SEBI Listing Regulations or any other statutory enactments ("Regulations") and the provisions of this Policy, the Regulations shall prevail over this Policy and the provisions in the Policy would be modified in due course to make it consistent with law. Any subsequent amendment/modification in the Regulations, in this regard, shall automatically apply to this Policy.
