

UNIVENTIS MEDICARE LIMITED

RISK MANAGEMENT POLICY

Approving Authority	Board of Directors of the Company
Date	16 th December, 2024

1. INTRODUCTION

Risk is an unavoidable component of today's fast-paced business environment. Therefore, risk management is a key aspect of the "Corporate Governance" which aims to improvise the governance practices across the activities of Univentis Medicare Limited (the "Company"). Risk Management Policy and processes will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. To reduce the negative impact of risks on business objectives, the Company has developed this Risk Management Policy.

2. OBJECTIVE OF POLICY

The Company is prone to inherent business risk. 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 objective, the policy establishes a structured and disciplined approach, in order to guide decisions on risk related issues.

This document is intended to formalize a Risk Management Policy, the objective of which shall be identification, evaluation, monitoring and minimization of identifiable risks.

3. DEFINITIONS

"**Act**" means the Companies Act, 2013, as amended from time to time and the rules made thereunder.

"**Board**" means Board of Directors of Univentis Medicare Limited.

"**Company**" means Univentis Medicare Limited.

"**Risk**" is defined as the chance of a future event or situation happening that will have an impact upon company's objective favorably or unfavorably. It is measured in terms of consequence and likelihood.

"**Risk Management**" encompasses risk assessment plus the evaluation of risks against established tolerances, their treatment and monitoring.

4. REGULATORY FRAMEWORK

Risk Management Policy is framed as per Section 134 (n) of the Company Act, 2013, which stated that Board of Directors' report must include a statement indicating development and implementation of a Risk Management Policy for the Company including identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

5. RISK APPETITE

A critical element of the Company's risk management framework is the risk appetite.

The key determinants of risk appetite are as follows:

- a. Expected business performance (return on capital);
- b. The capital needed to support risk taking;
- c. The culture of the organization;
- d. Management experience along with risk and control management skills;
- e. Longer term strategic priorities.

The Board and management monitor the risk appetite of the Company relative to the Company's actual results to ensure an appropriate level of risk tolerance throughout the Company.

6. RISK MANAGEMENT FRAMEWORK

The Company believes that risk should be managed and monitored on a continuous basis. As a result, the Company has designed a dynamic risk management framework to allow to manage risks effectively and efficiently, enabling both short term and long term strategic and business objectives to be met.

The Company's approach to risk management is summarized as below:

a) Identification of risks

To ensure key risks are identified, the Company:

- defines the risks in context of the Company's strategy;
- documents risk profiles, including a description of the material risks; and
- regularly reviews and updates the risk profile;
- Create a what-if scenario of uncertain events that can impact the planned results positively or negatively;

b) Assessment of risks

The Risk assessment methodology shall include:

- collection of information;
- identification of major risks;
- rating of each risk on the basis of;
 - Consequence
 - Exposure
 - Probability
- prioritization of risks;
- function-wise exercise on risk identification, risk rating, control;
- Function-wise setting the level of responsibility and accountability.

c) Measurement and control

Identified risks are then analyzed and the manner in which the risks are to be managed and controlled are then determined and agreed. The generally accepted options are:

- accepting the risk (where it is assessed the risk is acceptable and where avoiding the risk presents a greater risk through lost opportunity);
- managing the risk (through controls and procedures);
- avoiding the risk (through stopping the activity);
- transferring the risk (through outsourcing arrangements);
- Financing the risk (through insurance arrangements).

d) Continuous assessment

The Company's risk management framework requires continuing cycle of implementing, monitoring, reviewing and managing the risk management processes.

7. RISK PROFILE

The identification and effective management of risks is critical in achieving strategic and business objectives of the Company. The Company's activities give rise to a broad range of risks which are considered under the following key categories of risk:

Strategic Risks

- Lack of responsiveness to the changing economic or market conditions, including commodity prices and exchange rates, that impact the Company's operations;
- Ineffective or poor strategy developed;
- Ineffective execution of strategy.

Financial Risks

- Financial performance does not meet expectations;
- Capital is not effectively utilized or managed;
- Cash flow is inadequate to meet financial obligations;
- Financial results are incorrectly accounted for or disclosed; and
- Credit, market and/or tax risk is not understood or managed effectively.

Operational Risks

- Difficulties in commissioning and operating a particular business;
- Unexpected increase in the costs of the components required to run a business;
- Adverse market conditions;
- Failure to meet the expenditure on prospecting/ marketing particular business;
- Inadequate or failed internal processes, people and systems for running a particular business.

Investment Risks

- Failure to provide expected returns for defined objectives and risk such as underperforming to the stated objectives and/or benchmarks.

People's Risk

- Inability to attract and retain quality people;
- Inadequate succession planning;
- Inappropriate work culture & ethics;
- Inappropriate policy for woman safety at work place;
- Inadequate upgradation in terms of training and skills.

Legal and Regulatory Risks

- Legal / Commercial rights and obligations are not clearly defined or misunderstood; and
- Commercial interests not adequately protected by legal agreements.

Information Systems

- Temporary failure of Hardware/ Software/ Power.

Compliance Risks

- Non-conformance with or inability to comply with rules, regulations, prescribed practices, internal policies and procedures or ethical standards.

8. GOVERNANCE STRUCTURE

The Company's Risk Management Framework is supported by the Board of Directors and Management.

Board of Directors

The Board will undertake the following actions to ensure risk is managed appropriately:

- a. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company.
- b. Ensure that the appropriate systems for risk management are in place;
- c. Participate in major decisions affecting the organization's risk profile;
- d. Have an awareness of and continually monitor the management of strategic risks, financial risks, operational risks, investment risks, people's risk, legal and regulatory risks & compliance risks;
- e. Be satisfied that processes and controls are in place for managing less significant risks;
- f. Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- g. The Board is also responsible for monitoring overall compliance with laws and regulations.

Management

- a. Management is responsible for monitoring and whether appropriate processes and controls are in place to effectively and efficiently manage risk, so that the strategic and business objectives of the Company can be met;
- b. To assist the Board in discharging its responsibility in relation to risk management.

9. REVIEW OF THE POLICY

The Board will review this Policy from time to time to ensure it remains consistent with the Board's objectives and responsibilities.

10. AMENDMENT TO POLICY

Any subsequent notification, circular, guidelines or amendments in the Act or any other applicable statutory or regulatory law shall forthwith be implemented by the Company and consequent changes in this Policy shall be carried out with the approval of Board of Directors.