

## **Risk Management Policy**

Tata Realty and Infrastructure Limited ('TRIL' or 'the Company') identified a need for an efficient and effective Risk Management process within the company along with necessary documentation and enabled the company to adopt it for managing its risks on an ongoing basis. The process established a common understanding, language and methodology for identifying, assessing, responding, monitoring and reporting risks.

Our Risk Management approach is aligned to ISO 31000 framework.

The management periodically assess the impact of changes in external and internal environment on the pertinence of the risk management charter.

Evaluating the organization's external context may include:

- The social and cultural, political, legal, regulatory, financial, technological, economic, natural and
- Competitive environment, whether international, national, regional or local;
- Key drivers and trends having impact on the objectives of the organization; and
- Relationships with, and perceptions and values of, external stakeholders.

Evaluating the organization's internal context may include:

- governance, organizational structure, roles and accountabilities;
- policies, objectives, and the strategies that are in place to achieve them;
- capabilities, understood in terms of resources and knowledge (e.g. capital, time, people, processes, systems and technologies);
- information systems, information flows and decision making processes (both formal and informal);
- relationships with, and perceptions and values of, internal stakeholders;
- the organization's culture;
- standards, guidelines and models adopted by the organization; and
- The form and extent of contractual relationships.

The Company's Risk Management policy embeds the process into its systems and culture taking into account the external and internal environment. It aims to ensure that the key stakeholders are aware of the risks to which the company is exposed and also plan and monitor the mitigation plans against such risks. The policy provides the Risk Management Committee (RMC) and the Company management with the assurance that key risks are being properly identified and effectively managed.

**The Company is committed to implement a robust Risk Management process to:**

- improve its ability to prevent or timely detect risk event,
- identify, discuss, escalate and provide suggestions to deal with critical risk issues;
- standardize risk management principles and language across the company;
- improve sharing of risk information
- provide flexibility for managing upside and downside scenarios

**Risk Management Objectives & Risk Management Philosophy**

The objective of Risk Management is to help management make informed decisions, which will:

- Provide a sound basis for good corporate governance;
- Avoid major surprises related to the overall risk and control environment;
- Protect & enhance shareholders' value
- Promote an innovative, risk aware culture in pursuit of opportunities to benefit the company
- Promote qualitative and consultative risk taking
- Risk Management framework ensures that information about risk derived from the risk management process is adequately reported and used as a basis for decision-making and accountability at all relevant organizational levels.

**Risk Management Charter**

The charter provides the overall framework for Risk Management process of the Company. The Risk Management processes, documentation required, are well defined in the Risk Management charter together with the risk monitoring and reporting mechanism. The roles and responsibilities of various stakeholders are clearly defined, communicated and understood. The charter is reviewed periodically by the RMC and Company management and changes made in accordance with the prevailing external and internal environment.

**Review of Risk Management program**

The combination of policies, processes and internal controls adequately addresses the various risks associated with our Company's businesses. The company regularly assesses the effectiveness of the Risk management policy laid down thus ensuring that the internal controls and processes are reviewed and updated on an ongoing basis as per the prevailing scenario.

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