sify

RISK MANAGEMENT POLICY

OF

SIFY INFINIT SPACES LIMITED

(effective from 22nd October 2024)

1. INTRODUCTION

Risk is inherent in all administrative and business activities. Risks are such events or the conditions that has a harmful or negative impact on the organizational goal or its business objectives. The exposure to the consequences of uncertainty constitutes a risk. Every member of the Organisation continuously manages risk. The systematic approaches to managing risk have evolved and are now regarded as good management practice. The objective of this policy is to manage the risks involved in all spheres of the activities of the Company to maximize opportunities and minimize the adversity.

Effective risk management requires:

- A strategic focus,
- Forward thinking and active approaches to management,
- Balance between the cost of managing risk and the anticipated benefits, and
- Contingency planning in the event that mission critical threats are realised.

The Board of Directors ("Board") of M/s. Sify Infinit Spaces Limited ("SISL/ the Company") has voluntarily adopted this Policy to comply with these requirements.

2. SCOPE

This Policy Standard sets out the detailed requirements and minimum levels of achievement necessary to implement the risk management elements of the business. This policy facilitates management of risks associated with our activities and minimize the impact of undesired and unexpected events.

Taking and managing appropriate levels of risk is an integral part of all our business activities. Risk Management, performed rigorously and comprehensively, creates stability, indirectly contributes to profit and is a key element of reputation management.

3. DEFINITIONS

Risk
The chance of something happening that will have an impact on the achievement of the Organisation's objectives. Risk is measured in terms of consequences and likelihood

Risk Assessment
The systematic process of identifying and analysing risks, which shall cover Risk Identification and Categorization, Risk Description and Risk Estimation.

Risk Management
Risk Management is the process of systematically identifying, quantifying, and managing all risks and opportunities that can affect achievement of a corporation's strategic and financial goals.

Risk Management Process
The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risk.

4. APPROACH

Risk Management is integral to the Company's strategy and to the achievement of the Company's long-term goals. Our success as an organization depends on our ability to identify and leverage the opportunities created by our business and the markets, we operate in. In doing this the Company takes an embedded approach to Risk Management which puts risk and opportunity assessment at the core of the Board's agenda.

The Company defines risks as actions or events that have the potential to impact our ability to achieve our objectives. The Company identifies and mitigates downside risks such as loss of money, reputation or talent as well as upside risks such as failure to deliver strategy, if it does not strengthen brand

equities or grow in growing channels. The Company's Risk Management approach is embedded in the normal course of business.

5. STRUCTURAL ELEMENTS

➢ GOVERNANCE, ORGANIZATIONAL STRUCTURE AND DELEGATION OF AUTHORITY

Organizational structure is designed to respond to all the key risks that we face in the short, medium and longer term and reflects all relevant external requirements in relation to good corporate governance.

➢ VISION, STRATEGY AND OBJECTIVES

Our Corporate Mission & Purpose frame our objectives and strategy setting – our Compass.

➢ CODE OF BUSINESS PRINCIPLES, CODE POLICIES AND STANDARDS

Our Code of Business Principles sets out the standards of behaviour that we expect all employees to adhere. Day to day responsibility for ensuring these principles are applied throughout the Company, rests with senior management across functions. Our Code is supported by our Code Policies. Each policy identifies the key 'must dos' and 'must not dos' that every stakeholder must adhere to (in so far as they are relevant). These policies are broad ranging in their nature including such areas as employee health and safety, product safety and quality, the environment, ethical research, use of certain ingredients in our products, accounting and reporting, share dealing and corporate disclosure, protecting the company and consumer information, and safeguarding our assets.

• Risk and Control Frameworks
• Performance management and operational processes execution
• Compliance and assurance activities.

6. IMPERATIVE

All managers and above must implement Principles of Risk Management as follows:

- Accountability: Identify and manage the risks that relate to their role;
- Risk Appetite: Determine the level of risk, after the implementation of controls, that they are prepared to accept such that there is no significant threat to achieving their objectives; and
- Risk Mitigation: Put adequate controls in place, and ensure that they are operational, in order to deliver their objectives.

All Business & Functional Heads must ensure that the risk management activities, as outlined in Company's Risk and Control Frameworks, are being undertaken in their areas of responsibility.

All leadership teams must complete an annual holistic risk discussion during which:
• Key business risks for which they are responsible are identified;
• How those risks are being managed is reviewed; and
• Any gaps in their desired risk appetite are identified.

For those risks where significant gaps have been identified, leadership teams must perform regular reviews and ensure risks are mitigated as desired. All project leaders of transformational projects must, together with their teams, identify the key risks associated with their project achieving its objectives. Risk mitigation plans must be prepared and progress reviewed with the project steering group.

7. RISK OVERSIGHT

Board of Directors:
The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company. The Board shall on recommendation of the Risk Management Committee adopt the Risk Management Policy and critically review the risk governance and monitoring mechanism.

The Board shall meet at least once in a year to review the top risks faced by the Company and the status of their mitigation plan.

Audit Committee:
The Audit Committee shall meet at least once in a year to oversee the risk management and internal control arrangements and shall also evaluate internal financial controls and risk management systems of the Company.

Risk Management Committee:
Risk Management Committee shall assist the Board in framing policy, guiding implementation, monitoring, and reviewing the effectiveness of Risk Management Policy and practices. The Committee shall act as a forum to discuss and manage key strategic and business risks.

8. BUSINESS CONTINUITY PLAN

Business Continuity Plans (BCP) are required to be defined for High Impact & High Velocity risk, to enable rapid response to address the consequence of such risks when they materialize. Business Continuity Planning shall be embedded in the Internal Controls and Crisis Management framework for products, systems and processes etc.

9. REVIEW OF THE POLICY

The Board of Directors shall be empowered to amend, modify, interpret these Rules and such Rules shall be effective from such date that the Board may notify in this behalf.