

# JSW PAINTS LIMITED (JSW PAINTS/COMPANY)

## RISK MANAGEMENT POLICY



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## **DOCUMENT CONTROL**

### **Document version:**

This Risk Management Policy document is version 1.00.

### **Issuing Authority and effective date**

This Policy has been approved by the Board of Directors of the Company on June 26, 2025, and shall be effective from the same date

### **Author and Responsible Official**

This policy document is to be maintained and updated by way of additions, deletions and modifications, only by the Company Secretary. Every time the policy document is edited, the version increases by one unit and the version is to be mentioned on every page.



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## 1. BACKGROUND

In an evolving and dynamic business environment, taking calculated risks is integral to value creation and long-term sustainability. Businesses are increasingly expected not only to generate returns for shareholders but also to operate as responsible corporate citizens, mindful of their impact on society and the environment. In this context, the role of the Board of Directors and management is critical. Acting in their fiduciary capacity, they are responsible for identifying uncertainties that could affect the achievement of the Company's strategic and operational objectives and for taking proactive measures to manage these risks.

This Risk Management Policy seeks to provide a comprehensive framework for identifying, evaluating, and managing risks in alignment with the Company's commitment to sustainable growth and compliance.

## 2. POLICY OBJECTIVES

The objective of this Risk Management Policy is to identify, assess, and minimize risks that may impact the Company's operations, objectives, and reputation, while enabling informed decision-making to support sustainable growth and value creation.

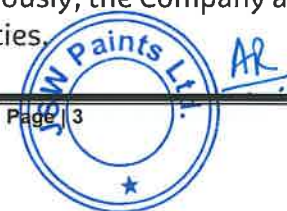
## 3. SCOPE OF THE POLICY

The Policy applies to all Directors, Officers, Employees and Contractors of JSW Paints.

## 4. RISK IDENTIFICATION AND MITIGATION FRAMEWORK

The Company recognizes that risk is an inherent and inevitable aspect of conducting business and is fully committed to managing risks in a proactive and efficient manner. It has instituted a disciplined and continuous process for assessing risks in both internal and external environments. This process also considers the cost of minimizing the impact of such risks and integrates risk mitigation strategies into the Company's overall strategic, business, and operational plans.

Through its risk management framework, the Company will endeavor to contain and minimize the adverse impact of uncertainties within the defined risk appetite, as approved by the Board of Directors from time to time. Simultaneously, the Company aims to leverage potential opportunities arising from such uncertainties.



To manage risks effectively, the Company will adopt a range of treatments, including eliminating or reducing the likelihood and/or impact of risks, transferring or sharing risks where feasible, or avoiding them altogether. In doing so, the Company deliberately weighs the cost and benefits of each treatment option against the associated business opportunities.

Although the constitution of a Risk Management Committee is not currently mandated for the Company, the Board of Directors, together with the management, assumes the responsibility for periodically reviewing potential risks and implementing appropriate mitigation measures. The Board will engage in regular deliberations in its meetings on key risk areas, including but not limited to financial, operational, sectoral, ESG-related, information security, and business continuity risks.

The Company follows a structured and systematic approach to risk management. This ensures that risk identification, assessment, and mitigation are seamlessly integrated into the Company's strategic planning and decision-making processes. Should it become appropriate and applicable in the future, the Company will constitute a formal Risk Management Committee to oversee these matters.

Board and management remain firmly committed to maintaining an effective risk management framework to safeguard the interests of the Company and its stakeholders.

## 5. REVIEW OF RISK MANAGEMENT POLICY

This policy shall be reviewed periodically to ensure its continued relevance and effectiveness in addressing the Company's risk management needs. The review will take into account changes in applicable legislation, evolving industry practices, emerging risks, and the dynamic nature of the business environment.



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