

UNITED SPIRITS LIMITED**CHARTER OF RISK MANAGEMENT COMMITTEE**

**(As approved by the board of directors at their meeting held on 4th November 2020
amended w.e.f. 21st May, 2021)**

A. PURPOSE

To assist the Board to foresee, identify, evaluate and mitigate the operational and external environment risks. The Committee has overall responsibility for monitoring and approving the risk management framework and associated practices of the Company and for reviewing and approving risk disclosure statements in any public documents or disclosure. The following areas in risk shall be reviewed by the Committee periodically.

B. TERMS OF REFERENCE/ROLE AND RESPONSIBILITIES

- (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 listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), 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.
- (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) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (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.



The Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

The Committee shall perform such other functions as may be required under the relevant provisions of the Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015, any other applicable laws and various circulars issued by the regulatory authorities thereof, as amended from time to time.

C. COMPOSITION

1. The Committee Members are appointed by the Board in compliance with legal and regulatory requirements. The Chairman of the Committee shall be appointed by the Board from time to time. Members may include senior executives of the Company as may be decided by the Board.
2. The Committee shall have minimum three members with majority of them being members of the board of directors, including at least one independent .
3. Company Secretary shall be Secretary of the Committee.
4. Other executives of the Company may at the invitation of the Chairman of the committee, attend and speak at meetings of the committee; other may be called upon or shall be able to speak by prior arrangements with the Chairman of the Committee.

D. MEETINGS AND QUORUM

- 1) The Committee shall meet at least twice a year
- 2) The meetings of the Committee shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings
- 3) The quorum for any meeting shall be either two members or one third of the members of the committee whichever is greater including atleast one member of the board of directors in attendance
- 4) In the absence of the Committee Chairman, the remaining members present shall elect one of the members to chair the meeting bearing in mind legal and regulatory requirements.

E. POWERS

The Risk Management Committee 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.

F. REVIEW AND AMENDMENTS

The committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. This charter can be amended by the Board of Directors, from time to time.