



MOTHERSON SUMI SYSTEMS LIMITED

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RISK MANAGEMENT POLICY

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1. Scope and Purpose

- 1.1 Motherson Sumi Systems Limited (“the Company”) believes that effective Risk Management process is a key to sustained operations for achieving strategic objectives, keep prepared for adverse situations or unplanned circumstances in the lifecycle of business activities for protecting stakeholders’ value and improving governance processes.
- 1.2 The Risk Management Policy lays down the framework for identification of current and future material risk exposures of the Company and formulate policies and procedures for their mitigation to the possible extent in order to protect the brand value through strategic control and operational policies.

2. Framework

In order for effective Risk Management, the Company to undertake the following:

- 2.1 Developing a continue process of identification and modification of risks and/or elements of risks, which may effect to the Company in short, medium and long period on the following aspects:
 - (a) Operating Risks
 - (b) Financial & Account Risks
 - (c) Strategic Risk
 - (d) Regulatory Risk
 - (e) IT & Information Security Risk
- 2.2 Delineating Business Continuity Processes and Disaster Management Plans, for unforeseen exigencies and keeping the organization constituents, prepared to appropriately and adequately deal with such circumstances, under eventuality of such happenings.
- 2.3 Striving towards strengthening the Risk Management System through continuous learning and development.
- 2.4 Allocating adequate resources to mitigate and manage risks and minimize their adverse impact on outcomes.
- 2.5 Optimizing risk situations to manage adverse exposure on deliverables and bring them in line with acceptable risk appetite of the Company.
- 2.6 Communicating this policy to the required stakeholders through suitable means

and periodically reviewing its relevance in a continuously changing business environment.

3. Management

- 3.1 The Board of Directors of the Company has constituted a Risk Management Committee, to *inter-alia*, assist the Board with regard to the identification, evaluation and mitigation of strategic, operational, external environment and cyber security risks and in fulfilling its corporate governance oversight responsibilities. The Committee shall have overall responsibility to assist the Board of Directors for ensuring the governance of Risk Management Policy and/or perform all duties as may be required under applicable laws/regulations for the effective management of the identified Risks of the Company, including risk disclosure statements in any public documents or disclosures. The Risk Management Committee shall monitor compliance with the Risk Management Policy.
- 3.2 The Risk Management Committee shall apprise the Board on the deliberations of the Committee, recommend mitigation measures for any foreseen risks to the Company and assist the Board of Director to discharge its functions under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or other statutory enactments (“the Regulations”).
- 3.3 The Risk Management Committee shall meet at least once in a year.

4. Review and Disclosure

- 4.1 This policy will be reviewed and amended, as and when, required by the Board and/or under applicable laws. The Policy shall also be disclosed on the website of the Company, i.e., ‘www.motherson.com’.

5. Limitation

- 5.1 In the event of any conflict between the Regulations with the provisions of this Policy, the Regulations shall prevail. Further, any subsequent amendment / modification in the Regulations, in this regard, shall automatically apply to this Policy.

6. Disclaimer

- 6.1 The Management is not an expert in assessment of risk factors, risk mitigation measures and management's perception of risks.