



**TEAMLEASE SERVICES LIMITED**

**Risk Management Policy**

<b>Version Control</b>					
<b>Version</b>	<b>Date</b>	<b>Author</b>	<b>Reviewer</b>	<b>Approver</b>	<b>Notes</b>
1.0	July 28, 2021	Alaka Chanda, Company Secretary and Compliance Officer	Ramani Dathi – Chief Financial Officer	Board of Directors	Annual Policy Review
2.0	May 17, 2023	Alaka Chanda, Company Secretary and Compliance Officer	Ramani Dathi – Chief Financial Officer	Board of Directors	Annual Policy Review
3.0	May 22, 2024	Secretarial Department	Alaka Chanda, Company Secretary and Compliance Officer	Board of Directors	To align with Amendments in SEBI LODR

**TeamLease Services Limited Restricted**

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**Amendments**

Chief Financial Officer and Company Secretary are severally authorized to amend any provisions of this Policy to give effect to any change/ amendment notified by Ministry of Corporate Affairs, Securities and Exchange Board of India or any other regulatory authority, from time to time. Such change(s)/ amended policy shall be placed before the Board of Directors for their approval.

In case any provision of this Policy is contrary to or inconsistent with the provisions of the Companies Act, 2013, SEBI Listing Regulations and/ or any other applicable law for time being in force, the latter shall prevail.

Words and expressions used in this Policy, shall have the same meaning as ascribed to them in SEBI Listing Regulations, SEBI Act, Companies Act, 2013, rules & regulations made thereunder and/ or any other law applicable to the Company for time being in force.



**Purpose:**

The purpose of the Risk Management Committee (“Committee”) of the Board of Directors (the “Board”) of TeamLease Services Limited (the “Company”) shall be to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks associated with the Company. The Committee has overall responsibility for monitoring and approving the risk management framework and associated practices of the Company.

Section 134(3) of the Companies Act, 2013 (the “Act”) requires the Board of Directors of a company, as part of the Board’s Report, to give ***a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.***

Additionally, Regulation 21 of the SEBI Listing Obligation and Disclosure Requirement (“LODR”) Regulations, 2015 necessitates the constitution of Risk Management Committee to the top 1000 Listed and Regulation 4(2)(f) of SEBI LODR Regulations, 2015 pertaining to the responsibility of the Board of Directors focuses on the Board maintaining appropriate systems of control, in particular, systems for risk management, it being one of the key functions of Board where responsibility is cast upon the Board to: - review and guide Risk Policy.

- ensure that appropriate systems of control are in place, in particular, systems for risk management
- ensure that, while rightly encouraging positive thinking, it does not result in over-optimism that either leads to significant risks not being recognized or exposes the company to excessive risk
- have ability to “step back” to assist executive management by challenging the assumptions underlying risk appetite

We at TeamLease Services Limited understand that controlling risks through a formal program is necessary for the well-being of our organization and everyone in it.

To this end, the Board of Directors of the Company have formed a Risk Management Committee to identify the risks impacting the Company’s business and to formulate and administer policies/strategies aimed at minimization and mitigation of risk as part of risk management.

Further, Internal Auditors have also been appointed to identify and assess key risks and formulate strategies for mitigation of risks identified in consultation with the process owners.



**Committee Composition:**

- The Board of Directors shall constitute a Risk Management Committee.
- The Risk Management Committee shall have minimum three members with majority of them being members of the Board of Directors, including at least one Independent Director.
- The Chairperson of the Risk Management Committee shall be a member of the Board of Directors and Senior Executives of the listed entity may be members of the Committee.

**Meetings and Quorum:**

The Risk Management Committee shall meet atleast twice in a year and the meetings must be conducted on a continuous basis and not more than two hundred and ten days shall elapse between any two consecutive meetings.

The quorum for a meeting of the Risk Management Committee shall be either two members or one third of the members of the committee, whichever is higher, including at least one member of the Board of Directors in attendance.

**Risk Categorisation:**

Risks can be broadly categorized into:

Risk Category	Description
Market Risks	<ul style="list-style-type: none"> <li>• Market Strategy , Organizational Growth- Market Penetration, Market share, loss of reputation</li> <li>• Disruptive Technologies</li> <li>• Economic condition of the market, Global recession and</li> </ul>
Strategic Risks	<ul style="list-style-type: none"> <li>• Environmental Issues</li> <li>• Uncertainty surrounding political leadership in Domestic and International markets</li> </ul>



	<ul style="list-style-type: none"> <li>• Consistent Revenue growth</li> <li>• Cost Optimization</li> </ul>
Operational Risks	<ul style="list-style-type: none"> <li>• Manpower retention</li> <li>• Disaster Management and Data security</li> <li>• Inefficient working capital management</li> <li>• Risks of commission or omission</li> </ul>
Compliance Risks	<ul style="list-style-type: none"> <li>• Ensure stricter adherence to laws/ rules/ regulations/ standards</li> <li>• Adherence to company Policies and Procedures (SOPs)</li> </ul>
Financial and Reporting Risk	<ul style="list-style-type: none"> <li>• Volatility in Currency, funding &amp; Credit risk</li> <li>• Maintaining high standards of Corporate Governance and public disclosures</li> </ul>

In adherence to the present regulatory mandates described herein above, the Risk Management Committee of the Board of Directors of the Company shall, through the Core Committee, formed for the purpose:

- Ensure an organization relevant and perpetual Risk Management framework for identifying, assessing, responding to, monitoring or controlling and reporting risks.
- Apply an organized, thorough approach to effectively anticipate and mitigate the probable or realistic risks that could endanger achievement of key objectives.
- Ensure systemic risk evaluation, categorization, and prioritization thereof to assign relative importance to identified risks to determine where appropriate management attention is required.
- Evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).



- Practice the highest level of control measures by installing mechanisms and tools, with involvement of all process-owners across the organization, to ensure that all applicable legal, regulatory, and business requirements are up-to-date and met.
- Develop alternative/ recommended courses of action for critical risks and control the probability of occurrence of the risk, keeping ready contingency plans for selected risks where the consequences of the risks are determined to be high.
- Review the activities, status, and results of the risk management process on a periodic and event-driven basis with appropriate levels of management and resolve issues i.e. gauging potential risk exposure and addressing the same with appropriate corrective action.
- Obtain, wherever required or desirable, the advice, opinion and assistance from outside legal, accounting, or other advisors, as necessary, to aid informed decision making.
- Co-ordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).

The role and responsibilities of the Risk Management Committee shall include such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time.

The policy shall also be uploaded on the website of the Company at <https://group.teamlease.com/investor/policies-and-guidelines/>

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