



ADITYA BIRLA FASHION AND RETAIL LIMITED

CHARTER & TERMS OF REFERENCE : RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE*

Updated as on February 4, 2022

**Updated as on August 4, 2023*

ADITYA BIRLA FASHION AND RETAIL LIMITED

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CHARTER

I. OBJECTIVES:

The objectives of the Risk Management and Sustainability Committee (*"the Committee"*) of the Board of Directors (*"the Board"*) of Aditya Birla Fashion and Retail Limited (*"the Company"*) is 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 and matters stated in the terms of reference of the Committee.

The role, responsibilities and powers of the Committee shall include matters set out in this charter and such other items as may be prescribed by applicable laws as amended or by the Board in compliance with applicable law, from time to time.

II. COMMITTEE MEMBERSHIP AND ORGANIZATION:

The Committee shall be appointed by and will serve at the discretion of the Board. The Committee shall consist of three (3) or more members with majority of them being members of the Board of Directors, including at least one Independent Director. The members of the Committee shall meet as provided under applicable laws from time to time.

The members of the Committee will be appointed by the Board.

III. MEETINGS AND QUORUM:

The Committee shall meet at least twice in a year, in such a manner that on a continuous basis not more than 180 days shall elapse between any two consecutive meetings. The quorum for Committee meeting shall either be two members or one third of the members of the Committee, whichever is higher, with at least one member of the Board of Directors in attendance. The Managing Director shall be a permanent invitee to the meetings of the Committee.

TERMS OF REFERENCE

In terms of the applicable provisions of the Companies Act, 2013 and Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, the scope, functions, and terms of reference of the Committee *inter alia* include the following:

- (a) Periodically reviewing the risk management policy, at least once in two years, in line with the business requirements and SEBI Listing Regulation;
- (b) Assisting the Board with regard to the identification, evaluation and mitigation of operational, strategic and external risks;
- (c) Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (d) Monitoring and reviewing the risk management plan of the Company;
- (e) Reviewing risks related to cyber security and evaluating the treatment including initiating mitigation actions;
- (f) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (g) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems and
- (h) Appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (i) 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.