AEQUS LIMITED*

Risk Management Policy

Contents

Formerly known as Aequs Private Limited

Objective

This Risk Management Policy ("Policy") has been approved and adopted by the Board of Aequs Limited ("Company") on May 08, 2025. The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business of the Company and to attempt to develop risk policies and strategies to ensure timely evaluation, reporting and monitoring of key business risks. In order to achieve the key objective, the Policy establishes a structured and disciplined approach to Risk Management in order to guide decisions on risk evaluating & mitigation related issues. The Policy is in compliance with the Regulations 17(9) and 21 and read with the Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations") and the applicable provisions of Companies Act, 2013, as amended ("Companies Act") which requires the Company to lay down procedures about risk assessment and risk minimization.

Applicability of the Policy

This Policy applies to every part of the Company's business and functions.

Definitions

"**Board**" means the Board of Directors of the Company.

"**Company**" means Aequs Limited.

"**Risk**" means a probability or threat of damage, injury, liability, loss, or any other negative occurrence that may be caused by internal or external vulnerabilities; that may or may not be avoidable by a pre-emptive action.

"**Risk Management**" is the process of systematically identifying, quantifying, and managing all Risks and opportunities that can affect achievement of a corporation's strategic and financial goals.

"**Risk Management Committee"** means the Committee formed by the Board in accordance with the Regulation 21 of the SEBI Listing Regulations.

"**Risk Assessment**" means the overall process of risk analysis and evaluation.

Constitution, Membership and Composition:

The Risk Management Committee ("Committee") shall have minimum three members with majority of them being members of the board of directors, including at least one independent director.

Chairperson:
The Chairperson of the Committee shall be a member of the board of directors and any senior executives of the Company may be members of the Committee.

Membership:
The Members of the Committee shall be appointed by the Board.

Secretary:
The Company Secretary of the Company shall act as the Secretary to the Committee.

Procedure and Quorum:

Time and frequency of meetings:

The Committee shall meet at least twice in a year (or such other minimum number of times as may be prescribed by law as in force from time to time) to discharge its roles and responsibilities. The meetings of the Committee shall be conducted in such a manner that on a continuous basis not more than 210 (Two Hundred and Ten) days (or such other number of days as may be prescribed by law from time to time) shall elapse between any two consecutive meetings. Members who are not physically present, may attend through video conference/ other audiovisual means.

Notice and Agenda of meeting:

A detailed agenda, together with supporting notes and documents, should be circulated prior to each meeting to the members of the Committee and other invitees, except such information or documents on items of business which are in the nature of Unpublished Price Sensitive Information can be tabled at the meeting.

Quorum for meetings:

The quorum for Committee meeting 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.

Onward Reporting:

The draft Minutes of each meeting of the Committee shall be circulated within the statutory time period as stated in the Secretarial Standards as issued by the Institute of Company Secretaries of India read along with the Act or SEBI Listing Regulations or any other applicable laws, rules or regulations as applicable from time to time. A copy of the signed minutes, certified by the Company Secretary, shall be circulated within the timelines as stated under the Secretarial Standards, to all the Members as on the date of the Meeting and appointed thereafter, except to those Members who have waived their right to receive the same either in writing or such waiver is recorded in the Minutes.

Roles and Responsibilities:

The role of the committee shall, *inter alia,* include the following:

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 monito 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; and

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.

7. 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.

Risk Management

Principles of Risk Management

The Risk Management shall provide reasonable assurance in protection of business value from uncertainties and consequent losses.

All concerned process owners of the company shall be responsible for identifying & mitigating key Risks in their respective domain.

The occurrence of Risk, progress of mitigation plan and its status will be monitored on periodic basis.

Risk Management Procedures

General

Risk management process includes four activities: Framework for Risk Identification, Risk Assessment, Measures for Risk Mitigation and Monitoring & Reporting.

Framework for Risk Identification

The purpose of framework of Risk identification is to identify the events that can have an adverse impact on the achievement of the business objectives. All Risks identified are documented and shall include internal and external risks including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cybersecurity risks or any other risks as may be determined. Risk documentation shall include risk description, category, classification, mitigation plan, responsible function / department.

Risk Assessment

Assessment involves quantification of the impact of Risks to determine potential severity and probability of occurrence. Each identified Risk is assessed on two factors which determine the Risk exposure:

A. Impact if the event occurs

B. Likelihood of event occurrence

Risk Categories: It is necessary that Risks are assessed after taking into account the existing controls, so as to ascertain the current level of Risk. Based on the above assessments, each of the Risks can

be categorized as – low, medium and high.

Measures for Risk Mitigation
The following framework shall be used for implementation of Risk Mitigation:

All identified Risks should be mitigated using any of the following Risk mitigation plan:

a. Risk avoidance: By not performing an activity that could carry Risk. Avoidance may seem the answer to all Risks but avoiding Risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

b. Risk transfer: Mitigation by having another party to accept the Risk, either partial or total, typically by contract or by hedging / Insurance.

c. Risk reduction: Employing methods/solutions that reduce the severity of the loss.

d. Risk retention: Accepting the loss when it occurs. Risk retention is a viable strategy for small Risks where the cost of insuring against the Risk would be greater than the total losses sustained. All Risks that are not avoided or transferred are retained by default.

e. Develop systems and processes for internal control of identified risks.

f. Business continuity plan

Monitoring and reviewing Risks
The Company shall record the framework and processes for effective identification, monitoring, mitigation of the Risks. The Audit Committee shall be responsible for the evaluation of internal financial controls and Risk Management systems.

Risk Management Committee to review the Risks at least once a year and add any new material Risk identified to the existing list considering changing industry dynamics and evolving complexity. These will be taken up with respective functional head for its mitigation. The Risk Management Committee shall ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company. The Risk Management Committee shall monitor and oversee implementation of the Policy, including evaluating the adequacy of Risk Management systems periodically review the Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity. The Risk Management Committee shall also keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken in relation to the Risks.

Existing process of Risk Assessment of identified Risks and its mitigation plan will be appraised by the Risk Management Committee to Board on an annual basis including recommendations made by the Committee and actions taken on it.

The Risk Management 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. Further, the Committee shall review appointment, removal and terms of remuneration of Chief Risk Officer, if any.

Disclosures

The policy shall be uploaded on the website of the Company - www.aequs.com.

Amendment

Any change in the Policy shall be approved by the board of directors ("Board") of the Company. The Board shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. The Audit Committee and the Board will periodically review the Policy and the procedures set out thereunder.

In case of any modification / amendment / re-enactment of any existing acts, rules, regulations, guidelines etc. or an enactment of any new act, rules, regulations, guidelines, etc., which are inconsistent with this Policy, then such modified / amended / re-enacted provision or new provisions shall prevail over the Policy.

Reference

Regulation 17(9) & 21 of the SEBI Listing Regulations

Version History

Sr. No	Version	Approved by	Effective Date	Amendment Summary
1	1.0	Board of Directors at its meeting held on May 08, 2025	From the date of listing of the shares on the stock exchange	-