

## **OLA ELECTRIC MOBILITY LIMITED RISK MANAGEMENT POLICY**

### **1. INTRODUCTION**

The main objective of this Risk Management Policy (“**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. In order to achieve the key objective, the Policy establishes a structured and disciplined approach to Risk Management, including the development of the Risk Register, in order to guide decisions on risk evaluating & mitigation related issues. The Policy is in compliance with the Regulation 17(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and provisions of Companies Act, 2013, as amended which requires the Company to lay down procedures about risk assessment and risk minimization.

This Policy applies to every part of Ola Electric Mobility Limited (the “**Company**”) including its subsidiaries and respective business and functions.

### **2. OBJECTIVE AND SCOPE**

The Risk Management (RM) Policy's goal is to establish a formal risk management process within the Company to facilitate risk management activities. The management has formed this policy in order to periodically perform risk assessment exercises and to report key risks, the Company is exposed to, under several categories like strategic, financial, operational, regulatory, reputational, people and technology risks etc.

This document demonstrates the commitment of Executive Management within the Company towards the development, implementation, and maintenance of the risk management program to achieve the following

- (i) To achieve the strategic objective while ensuring appropriate management of risks
- (ii) To ensure protection of stakeholder values
- (iii) To provide a clear & strong basis, risk informed decision making at all levels of the organization.
- (iv) To strive towards strengthening the Risk Management System through continuous learning & improvement

### **3. DEFINITIONS:**

“**Company**” means Ola Electric Mobility Limited.

“**Risk**” means a probability or threat of damage, injury, liability, loss, or any other negative occurrence, primarily uncertainties that could impact the achievement of the company's strategic objectives, that may be caused by internal or external vulnerabilities; that may or may not be avoidable by 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 Assessment**” means the overall process of risk analysis and evaluation.

“Risk Register” means a tool for recording the Risks identified under various operations.

## **4. PHILOSOPHY AND APPROACH TO RISK MANAGEMENT**

Company’s risk management philosophy is to enable the achievement of the Company’s strategic objectives by identifying, analysing, assessing, mitigating, monitoring, preventing, and governing any risks or potential threat to these objectives. While the achievement of strategic objectives is a key driver, our values, culture and our obligation & commitment to employees, customers, investors, regulatory bodies, partners, and the community around us are the foundation on which our risk management philosophy is based. The systematic and proactive identification of risks and mitigation thereof shall enable effective or quick decision-making, enable business continuity, and shall improve the performance of the organization.

## **5. Risk Management**

### Principles of Risk Management

- (i) The Risk Management shall provide reasonable assurance in protection of business value from uncertainties and consequent losses.
- (ii) All concerned process owners of the Company shall be responsible for identifying & mitigating key Risks in their respective domain.
- (iii) The occurrence of Risk, progress of mitigation plan and its status will be monitored on a periodic basis.
- (iv) The business continuity plan should be developed and tested regularly to ensure continuity.
- (v) Empowering every employee to be a risk champion through training, transparent communication, clear accountability, and a culture of open risk reporting is crucial for a robust risk-aware organization.

## **6. Risk Management Procedures**

### **6.1. General**

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

### **6.2. Risk Identification**

The purpose of Risk identification is to identify internal and external risks specifically faced by the Company, 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 and identify all other events that can have an adverse impact on the achievement of the business objectives. Risk identification is an ongoing process that incorporates inputs from the internal stakeholders, external experts and industry trend analysis. All Risks identified are documented in the form of a Risk Register. Risk Register incorporates risk description, category, classification, mitigation plan, responsible function / department.

Given the dynamic nature of the electric vehicle and cell manufacturing industry, the company will pay particular attention to technology risks including obsolescence, disruption and cyber security.

### **6.3. 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:

- (i) Impact if the event occurs

(ii) 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.

#### **6.4. Risk Mitigation**

Risk owners should be responsible for implementing the mitigation strategies, and monitoring the effectiveness of the controls within their respective areas. 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:

- I. **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.
- II. **Risk transfer:** Mitigation by having another party to accept the Risk, either partial or total, typically by contract or by hedging / Insurance.
- III. **Risk reduction:** Employing methods/solutions that reduce the severity of the loss e.g. having adequate software in place to prevent data leak.
- IV. **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.

## **7. Enterprise Risk Management Rollout:**

Achieving strategic objectives by proactively managing the risks shall be the responsibility of the Company's Management at all levels. Risk management shall be embedded into day-to-day decision making of every function of the Company. People at different levels shall identify and manage the risks within their purview. Identification of risks and bubbling up to the right decision makers shall be actively encouraged and different forums shall be provided for such discussions.

Functions across Operations, Strategy and business enabling functions shall be included in the roll out of the risk management program. Processes put in place by the Company shall duly enable identification and assessment of top-down and bottom-up risks. The ERM function shall have access and visibility to various parts of the organization and data that is required to enable effective risk management. The ERM framework / manual will drive operationalization of the Risk management programme.

## **8. Risk Oversight:**

### **Board of Directors:**

The Board shall be responsible for framing, implementing, and monitoring the risk management plan for the Company. The Board shall adopt the Risk Management Policy and critically review the risk governance and monitoring mechanism.

The Board shall meet at least once in a year to review the top risks faced by the Company and the status of their mitigation plan.

**Risk Management Committee:**

The Risk management committee will meet as per the timelines mentioned in the risk management charter, to review the company's risk profile, mitigation efforts and emerging risks.

**9. Policy review:**

9.1. This Policy is framed based on the provisions of the Listing Regulations.

9.2. In case of any subsequent changes in the provisions of Listing Regulations or any other applicable law which make the provisions in the Policy inconsistent with the Listing Regulations or any other applicable law, the provisions of the Listing Regulations and such law shall prevail over the Policy and the provisions in the Policy shall be modified in due course to make it consistent with the law. Further in case of any significant changes in the business environment, the policy will be updated in response to such change.