



BIOCON LIMITED
CHARTER DOCUMENT
OF
RISK MANAGEMENT COMMITTEE

TABLE OF CONTENTS

THE COMMITTEE..... 2

CONSTITUTION, MEMBERSHIP AND COMPOSITION..... 2

PROCEDURE AND QUORUM..... 3

ROLES AND RESPONSIBILITY 3

POWERS 5

REVIEW OF COMMITTEE CHARTER 5

REFERENCE 5

VERSION HISTORY..... 5

THE COMMITTEE

The Risk Management Committee (“Committee”) of the Board of Directors (“Board”) of Biocon Limited (“Company”) has been constituted in compliance with Regulation 21 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The primary objective of this Committee is to monitor and review the Risk management framework and to perform such other functions as may be defined and delegated by the Board of the Company and as may be mandated by applicable laws and regulations, as in force from time to time. The Committee shall assist the Board in timely identification, evaluation, assessment and mitigation of risks such as, financial, cyber security, operational, strategic, statutory & regulatory, sustainability, reputational, political, catastrophic and pandemic etc.) risks (“Risks”), that may be encountered by the Company.

The Committee will develop a Risk Management framework, for approval by the Board, and will have the overall responsibility for monitoring and effectively addressing the Risks.

CONSTITUTION, MEMBERSHIP AND COMPOSITION

The Board shall constitute a Risk Management Committee and shall define the role and responsibility of the Committee and may delegate the monitoring and reviewing of Risks and such other functions as it may deem fit.

The Committee shall have minimum three members with majority of them being members of the Board of Directors, including at least one independent director. Senior executives of the Company may be elected as the Members of the Committee.

- **Chairperson** - The Chairperson of the Committee shall be a Director of the Board as per Regulation 21 of SEBI Listing Regulations. In case the Chairperson is unable to attend the meeting, the Members present at such meeting may elect one Director amongst them to be the Chairperson for that meeting.
- **Membership** - The Members of the Committee shall be appointed by the Board on the recommendations of the Nomination and Remuneration Committee.
- **Invitees** - In addition to the Members of the Committee, any other Director/person may be invited to the meeting, as may be deemed fit by the Committee. Invitee Directors will not have any voting rights and may be entitled to sitting fees, if any, as mutually agreed upon by the members of the Board.
- **Secretary** - The Company Secretary shall act as 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 one hundred eighty (180) days (or such other number of days as may be prescribed by law from time to time) have elapsed between any two consecutive meetings of the Committee. Members who are not physically present may attend through audio-video / teleconference.
- **Quorum for meetings** – The quorum 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.
- **Sitting fees** – The Members of the Committee are eligible for sitting fees, if any, approved by the Board from time to time.
- **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 Companies Act, 2013 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 RESPONSIBILITY

The roles and responsibilities 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 monitor 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.
- (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) 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.
- (9) To identify and review the critical Risk exposures for the Company and assess Management's actions to mitigate the exposures in a timely manner.
- (10) To ensure that the Company is taking the appropriate measures to achieve prudent balance between Risk and reward in both ongoing and new business activities.
- (11) To periodically obtain assurance from the management that all known and emerging Risks have been identified and mitigated or managed.
- (12) To report to the Board about the nature and content of its discussions, and actions to be taken and make recommendations with respect to Risk management and minimization procedures, if any.
- (13) To undertake self-evaluation of its function and identify areas for improvement towards better governance.
- (14) To perform such functions or duties as may be prescribed under the Companies Act, 2013, SEBI Listing Regulations and any other applicable laws from time to time and discharge such other functions as may be specifically delegated to the Committee by the Board from time to time.

POWERS

The Committee shall have the power to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

REVIEW OF COMMITTEE CHARTER

The adequacy of this Charter shall be reviewed and reassessed by the Committee. at least once in a year, and appropriate recommendations shall be made to the Board to update the same based on the changes including those that may be brought about due to the regulatory framework amendments or otherwise.

In case of any ambiguity or need for clarification, the Company should refer applicable Secretarial Standards, provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Articles of Association of the Company and any other applicable laws. Further, in case there prevails any inconsistency between the provisions of this Charter and the prevailing law, the law shall prevail.

REFERENCE

As mandated by and including Regulation 21, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or any amendments thereof.

VERSION HISTORY

- Risk Management Committee was constituted on January 24, 2019, by the Board of Directors of the Company and its Charter was approved on January 24, 2019.
- Reviewed and approved –
 - i. Initial Version on May 14, 2020;
 - ii. Subsequently, updated the charter on October 14, 2021.