

ENTERPRISE RISK MANAGEMENT POLICY



- ✦ Risk is inherent in the business of HMEL and its subsidiaries (HMEL Group). The identification and management of Risk is central to achieving HMEL's Corporate objectives.
- ✦ Risk will manifest itself in many forms and has the potential to impact various aspects of HMEL Group such as Community, Environment, Finance, Health & Safety, Security, Human Resource, Commercial, Operations, Projects, Regulatory, Reputation and Strategies etc. and thereby, the achievement of its Corporate objectives.
- ✦ By understanding and managing Risk, HMEL Group will provide greater certainty and confidence to its shareholders, employees, customers, suppliers, government agencies and the communities in which it operates.

Objectives of this Policy

- ✦ To establish a Risk Management Framework for risk management process and to ensure implementation of the same in HMEL Group within the risk appetite.
- ✦ To ensure effective management of Risks starting from department level upto an Enterprise wide basis through identifying, assessing, mitigating, monitoring, evaluating and reporting of all risks to ensure protection of shareholders' value and other stakeholders' interest.
- ✦ To continually strive towards strengthening the Risk Management System through continuous improvement and learning.

The following shall form the guiding principles of Enterprise Risk Management (ERM):

1. Risk Management will be an integral part of the decision making process in HMEL Group thereby safeguarding the interests of the company and its employees.
2. Continuous Risk identification, assessment, evaluation, mitigation, monitoring and reporting shall form the foundation of effective implementation of Enterprise Risk Management in HMEL Group. The risk management activities undertaken in areas such as Health and Safety, Security, Environment, Procurement, Sales and Marketing, Operations, Project, Tax, Treasury, Legal, IT, Human Resource etc. are fully part of the process.
3. The Risk Management Committee (RMC) headed by the MD & CEO will own and oversee the implementation and continuous maintenance of an effective Enterprise Risk Management system and report to the Board / Audit Committee periodically.
4. The Chief Risk Officer shall update the Risk Register and apprise the RMC on a quarterly basis.
5. The RMC will keep the ERM Procedure and the risk appetite updated and make changes to these from time to time, as may be required.


Prabh Das
MD & CEO


A.S. Basu
COO


Harak Banthia
CFO