

## **CHARTER FOR THE RISK MANAGEMENT COMMITTEE OF PIPELINE INFRASTRUCTURE LIMITED**

### **I. OBJECTIVE**

The objective of the Risk Management Committee ("Committee") of the Board of Directors ("Board") of Pipeline Infrastructure Limited ("Company") is to assist the Board in:

- monitoring and overseeing implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
- ensuring that the Company conducts its activities in a responsible manner;
- implement and monitor the Environmental, Social and Governance framework; and
- fulfilling its oversight responsibilities in relation to health, safety, security and environmental function.

The Committee shall primarily undertake this function by reporting its findings and making appropriate recommendations to the Board.

The constitution, quorum, role, responsibilities and powers of the Committee shall be in accordance with the applicable provisions of the Companies Act, 2013 ("Act"), Regulation 621 of Chapter VA read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on Meetings of the Board of Directors ("SS-1") and any amendments thereto from time to time.

### **II. COMMITTEE CONSTITUTION**

- The Committee shall have minimum three members.
- The Committee may include both board and non-board members, provided majority of them are board members, including at least one independent director.
- The Chairperson of the Committee shall be a board member.
- The members and Chairperson of the Committee shall be appointed by the Board at its sole discretion.
- Members of Senior Management Team may be appointed as members of the Committee.

### **III. FREQUENCY OF MEETINGS AND QUORUM**

- The Committee shall meet at least twice in a year.
- The quorum for the Committee meeting shall be either two members or one third of the total members of the committee, whichever is higher, including at least one member of the board of directors in attendance.
- Not more than two hundred and ten days shall elapse between any two consecutive meetings.

### **IV. ROLES AND RESPONSIBILITIES**

Key roles and responsibilities of the Committee shall include the following:

**Risk Management:**

- (i) To formulate a detailed Risk Management Policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance 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; and
  - c. Business continuity plan.
- (ii) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
- (iii) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (iv) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (v) To approve and recommend to the Board the appointment, removal and terms of remuneration of the Chief Risk Officer/ Head - Risk and Compliance;
- (vi) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- (vii) 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; and
- (viii) To consider any other key issues/ matters as may be referred by the Board or as may be required under any other statutory provisions.

**Health, Safety & Security (“HSS”):**

- (i) The Committee shall review and ensure that the Health of all its employees and the contractors are monitored as per agreed process and schedule.
- (ii) The Committee shall review the occupational and public safety for the Company and its remit shall include:
  - i. receiving and reviewing regular reports on performance and key issues relating to safety including material regulatory investigations;
  - ii. periodic reviews of key issues relating to high potential incidents or near misses;
  - iii. review the control barriers implementation status of entity’s top HSS risks;
  - iv. in the event of any fatalities occurring in connection with or because of the entity’s activities, the Committee shall nominate high level investigation committee to identify the root causes to prevent the recurrence;
  - v. inform the Board and equity shareholders about fatalities and measures being taken;
  - vi. review the key performance indicators and other reporting measures adopted by the Company in relation to safety;
  - vii. ensure that all actions arising out of reports for serious incidents are appropriately implemented in a timely manner.
- (iii) The Committee shall review and ensure that the security aspects of the Company are handled in line with the agreed processes.
- (iv) The Committee shall review all forthcoming legislation and other requirements relating to health, safety & security matters which are likely to affect the Company and consider how the Company will comply with such legislation and other requirements.

### **Environmental, Social & Governance (“ESG”):**

- (i) The Committee shall review the impact of the Company’s operations on the environment and how it adapts the operations in the light of climate change.
- (ii) The Committee shall review the ESG Key Performance Indicators (“KPIs”) of the Company for each financial year and also review the strategic initiatives on a periodic basis.
- (iii) The Committee shall review all forthcoming legislation and other requirements relating to ESG matters which are likely to affect the Company and consider how the Company will comply with such legislation and other requirements.

The Committee shall provide a quarterly update to the Board on the functioning of the Committee.

### **V. HEALTH, SAFETY, SECURITY AND ENVIRONMENT AUDITS**

- Head HSSE will be responsible to carry out all external and internal audits related to HSSE.
- A report on all the Audits including Action plan with target dates to close the recommendations shall be presented to the Committee for review;
- An Audit Plan for the HSSE function for the entity shall be reviewed by the Committee.

### **VI. POWERS OF THE COMMITTEE**

The Committee shall have the following authorities as empowered by the Board:

- (i) To have access to adequate resources which are required to perform its duties;
- (ii) To have full and unrestricted access to any information pertaining to the Company which may be necessary to fulfil its role;
- (iii) To obtain independent professional advice from external sources as may be necessary;
- (iv) To engage such external professionals/consultants, advisors as may be required by the Committee to discharge its duties and responsibilities; and
- (v) To conduct or direct any investigation required to fulfil its responsibilities.

### **VII. INVITEES**

The Committee may invite other Directors/ officers of the Company to attend the meetings of the Committee as “Invitees” from time to time, as and when required.

Notwithstanding this invitation provision, any Director of the Company shall have the right to attend Committee meetings and have access to all documentation provided to the members of the Committee.

### **VIII. CIRCULAR RESOLUTION**

The decisions to be taken by the Committee may be taken by way of a Circular Resolution whenever it is not possible to have a meeting of the Committee, subject to compliance with the applicable provisions of the Act and SS-1.

### **IX. SECRETARY**

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

## **X. MINUTES**

The Company Secretary of the Company shall maintain the minutes of the meetings of the Committee.

Minutes of the Committee meetings shall be placed before the Board for noting and taking the same on record as per the requirement under the Act and SS-1.

## **XI. REVIEW**

An annual review of performance of the Committee shall be conducted by the Board in consultation with the Chairperson of the Committee.

The Board shall have the sole right to review this Charter periodically and make appropriate changes as and when necessary.

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