ORAVEL STAYS LIMITED

ENTERPRISE RISK MANAGEMENT POLICY

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INTRODUCTION

The Company ('PRISM or 'The PRISM Group of Companies') has identified the need for an efficient and effective Enterprise Risk Management ('ERM') to enable identification, evaluation, monitoring, mitigation and minimization of key identifiable risks at an overall Company level.

The ERM Policy and underlined procedures are prescribed to enable The Company to adopt a defined process for managing its risk on an ongoing basis. An important purpose of this document is to implement a structured and comprehensive risk management system, which establishes a common understanding, language and methodology for identifying, assessing, treating, monitoring and reporting risks which provides management and the Board with the assurance that the key risks are being identified and managed. The Policy for risk management, including risk management plan and procedures for intimation of the board about risk assessment and minimization procedures has been approved by the Board on 21st September, 2021 with effect from 21 September, 2021 and amended on December 4, 2025p. This policy document is an integral part of ERM framework adopted by The Company. The policies underlined herein, define the mechanism by which The Company will identify, measure and monitor its significant risks.

1. Oversight And Management

1.1 Board of directors

The board of directors of the Company ("**Board**") is responsible for reviewing and ratifying the risk management structure, processes, plans and guidelines which are developed and maintained by the Risk Management Committee ("**Committee**") of the Company constituted by the Board in accordance with the SEBI (Listing Obligation and Disclosure Requirements), 2015 ("Listing Regulations"). The Committee may also refer specific issues to the Board for final consideration and direction.

1.2 Risk Management Committee

A Risk Management Committee shall be formulated for oversight, monitoring, implementation and management of the Company's risk management program and this Policy has been conferred upon the Committee. The role of the Committee, inter alia, includes the following:

(a) To periodically review the Policy as deemed necessary by the Committee and at least once every two years, including by considering the changing industry dynamics and evolving complexity;
(b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate the risks associated with the business of the Company and its subsidiaries;
(c) To monitor and oversee the implementation of the Policy, including evaluation of adequacy of risk management systems;
(d) To review the appointment, removal and terms of remuneration of the chief risk officer (if any);
(e) To keep the Board informed about the nature and content of the discussions, recommendations and actions to be taken by the Committee; and
(f) To coordinate with other committees of the Board in instances where there is any overlap of the activities of the Committee with such other committees of the Board.

The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, in each case, as approved by the Board.

1.0 OBJECTIVE AND SCOPE OF THE ERM POLICY

The prime objective of the ERM Policy and Framework is to ensure sustainable, viable and value creating business growth with stability and establish a structured and intelligent approach to risk management to address all material risks.

The specific objectives of the Risk Management Policy are:

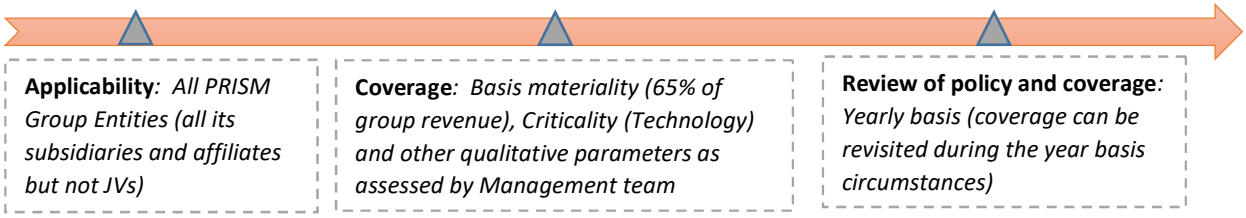
1. The policy is formed to **ensure protection of stakeholders' value** and **achieve strategic objectives**
2. To ensure that all the current and expected **material risk** exposures of the organization are identified, qualitatively and quantitatively evaluated, analyzed and appropriately managed
3. To embed a **culture** of risk management by establishing a framework for managing key risks for the organization
4. To provide a **structured framework** for management, to identify risks and enable risk mitigating actions

The policy is intended to ensure, that an effective risk management program is established and implemented within the organization and, to provide regular reports on the performance of that program, including any exceptions, to The Board of Directors, Audit Committee and the Executive Management.

- The policy forms part of PRISM's Internal Control, Risk Management and Governance arrangement
- The policy explains PRISM's approach to risk management
- The policy outlines the key aspects of the risk management process and identifies the reporting procedures
- The policy shall operate in conjunction with other business and operating/administrative practices

1.1 Scope and Extent of Application

The policy guidelines are devised in the context of the present business profile, future growth objectives and new business endeavors/services that may be necessary to achieve the goals and the emerging global standards and best practices amongst comparable organizations. This policy covers all the events within The Company and outside The Company which can impact The Company's business.



2.0 KEY COMPONENTS OF RISK MANAGEMENT FRAMWORK

The Enterprise Risk Management Framework (ERM Framework) refers to a set of components that provide the foundation for designing, implementing, monitoring, reviewing and continually improving risk management throughout The Company. The ERM framework for The Company has been developed keeping in mind the needs of internal and external stakeholders.

The framework will help in setting an environment in which risk management is consistently practiced across The Company and where management can take informed decisions to anticipate, prepare and appropriately respond to the risks.

The components of risk management are defined by The Company's business model and strategies, organizational structure, culture, risk category and dedicated resources. An effective risk management framework requires consistent environment and processes for governance culture, strategy & objective setting, performance, review-revision, information, communication & reporting of risk issues across the organization.

An effective Risk Management framework comprises of:

Risk Management Process	•Identification, assessment, and prioritization of risk followed by coordinated and economical application of resources to minimize, monitor, and control the probability and or impact of unfortunate events or to maximize the realization of opportunities.
Risk Management Organization Structure	•Risk management structure which primary comprises of - Team structure of the Risk Management Function; Roles & Responsibilities and Risk management activity calendar

2.1 The Risk Management Approach at PRISM

The Company has adopted a comprehensive Enterprise Risk Management approach to identify and manage risks at the overall entity level The risk management framework of the Company consists of the following key activities:

(a) Risk identification;
(b) Risk prioritization;
(c) Risk mitigation; and
(d) Risk monitoring and review.

The risk methodology adopted has the following aspects:

1) **Approach:** A **"Top-Down"** system / approach wherein country/functional management identifies key risks based on external and internal factors. In a top down process, information is drawn from available MIS, management's own business understanding and communication with external stakeholders (e.g. regulators) to come to a top down view of risks.

2) **Risk impact tagging:** Repository of all important risks categorized as Insignificant, Minor, Moderate, Major and Catastrophic based on the impact and likelihood ratings. The risks have been classified in discussions with Country Head/Business Unit and Functional Heads.

3) **ERM Register:** Prioritization list of key risks that are either high on a multiply product of probability and impact or high on impact (low on probability).

2.2 Risk Appetite

Risk appetite is the amount of risk that The Company is willing to pursue or retain in pursuit of its objectives keeping in mind:

i. Shareholder and investor preferences and expectations;
ii. Expected business performance (return on capital);
iii. The capital needed to support risk taking;
iv. The culture of the organization;
v. Management experience along with risk and control management skills;
vi. Longer term strategic priorities.

Risk appetite shall form an integral part of the risk management framework to demonstrate common understanding of the same, and to consistently measures risk across The Company.

3.0 DEFINITIONS AND KEY TERMS

- **Enterprise Risk Management (ERM):** ERM is an integrated approach to proactively manage risks, which affects the achievements of an organization's vision, mission and objectives. ERM is aimed at protecting and enhancing stakeholders' value by establishing a suitable balance between harnessing opportunities and containing risks.
- **Risks:** Risks are events or conditions that may occur, and whose occurrence, if it does take place, has an adverse impact on an organization's ability to maximize stakeholders' value and to achieve its business objectives.

Risk-category	Description (illustrative)
External macro – economic, social, political	Political, economic slowdown, pandemic, travel bans, change in policy
Strategic	Lack of responsiveness to external and internal changes, ineffective or poor strategy development, assessment, review and execution
Technology and cybersecurity	Cyber-attacks, data breaches
Customer and consumer	Customer safety issues, quality and service concerns
Third Party (partners, vendors, operators)	Stickiness, alignment with the organization
Human Resources	Recruitment, retention, succession planning, well-being, contractor management, fair employment practices, integrity
Financial	Adequacy of funds, accuracy of financial statements
Reputation and brand	Media risks – print, digital, social media risks, community and investor perception
Compliance/ Regulatory Risk	Non-compliance with laws and internal policies
Legal	Ambiguity or lack of governing legislations, inadequate contractual protections

- **Impact:** The degree of consequence to each segment/business of the organization should the event occur. (Refer the Risk Impact section para 2.2 for impact assessment)

Impact Matrix						
Impact Parameters	**Basis of Assessment**	**Insignificant (1)**	**Minor (2)**	**Moderate (3)**	**Major (4)**	**Catastrophic (5)**

I. Financial Parameters	a) Impact on Annual Budgeted Revenue	< 1%	1-3%	4-7%	7-10%	> 10%
	b) Impact on Annual EBITA	< 1%	1-5%	5-10%	10- 15%	> 15%
II. Penalty, Prosecution and Criminal Impact	Financial Penalty and Penal Action (or action having impact on Directors)	< 25K USD	25K-100K USD	100K-250K USD	2500K-500K USD	> 500K USD OR Imprisonment of Director/Employee or any Impact on Directors
III. Reputation	Qualitative Evaluation	These ratings (1-5) can be decided based on Qualitative evaluation (judgment driven)				
IV. Business Disruption	Qualitative Evaluation	These ratings (1-5) can be decided based on Qualitative evaluation (judgment driven)				

Note: ***For Group Level , percentage will be as per global revenue and for dollar impact it will be 4X (4times).***

- **Likelihood:** The likelihood represents the possibility that a given event will occur within a time frame.

Likelihood Matrix		
Grade	**Probability**	**Likelihood**
Almost Certain (5)	> 80%	Risk may occur multiple times in a span of 12 months
Likely (4)	61-80%	Risk may occur once in a span of 12 months
Possible (3)	41-60%	Risk may occur once in 1-2 years
Unlikely (2)	21-40%	Risk may occur once in 2-3 years
Rate (1)	< 21%	Risk may occur once in over 3 years

- **Controls:** Control is any action taken by management, The Board and other parties to minimize the risk and increase the likelihood that established objectives and goals will be achieved.

In pursuit to risk management framework, broadly controls are classified into five categories. These categories set the importance and level of control framework deployed to operate and manage risk framework.

Basis classification/category of control index parameters, rating index is deployed against the inherent risk assessment to compute residual risk impact. The control classification is tabulated below:

Rating Index (1-5)	Classification – Control Index Parameters
1	NIL - Absence of any type of set control design or framework
2	Resources (People, Infrastructure, Tools)
3	Resources + Training and Awareness
4	Resources + Training Management + Controls (Financial & Operational)
5	Resources + Training Management + Controls (Financial & Operational) + Consequence Management

- **Gross risk rating**: The Risk Rating Criteria, a key element of the risk management framework seeks to establish the standards for prioritizing the risk. This is the risk/exposure to the organization based on a combination of risk, impact and likelihood and *before* consideration of any control/mitigating actions that management may have taken.

- **Net risk rating**: The Risk Rating Criteria, a key element of the risk management framework seeks to establish the standards for prioritizing the risk. This is the residual risk/exposure to the organization *after* consideration of any control/mitigating actions that management may have taken.

The risk assessment will be performed as average of weighted average impact and likelihood of event occurrence within the stipulated timeframe.

RISK RATING

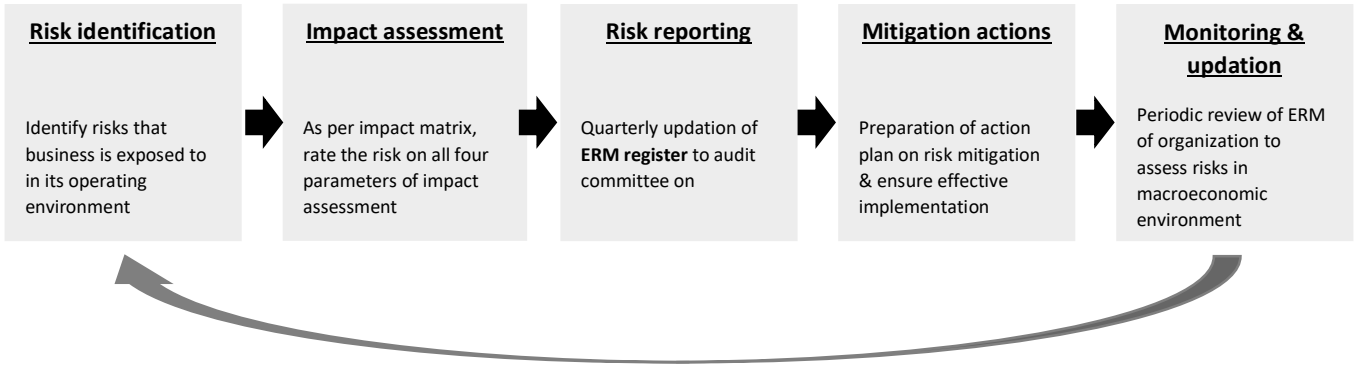
Level of Risk	Description	Rating Score
HIGH	High risk. Senior management attention needed to develop and initiate mitigation plans in the near future	**> 3**
MEDIUM	Moderate Risk. Functional Heads attention required	**Between 2 to 3**
LOW	Low Risk. Manage by routine procedures	**< 2**

4.0 RISK MANAGEMENT PROCESS

Effective risk management process requires continuous and consistent assessment, mitigation, monitoring and reporting of risk issues across the full breadth of the enterprise. Essential to this process is a well-defined methodology for determining corporate direction and objectives. The risk management framework adopted by PRISM is mapped as per the COSO: Enterprise Risk Management – principles and guidelines and is in-line with recommendations of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Hence, an enterprise wide and comprehensive view will be taken of risk management to address risks inherent to strategy, operations, finance, and compliance and their resulting organizational impact.

The risk management process adopted by PRISM, has been tailored to the business processes of the organization.

Risk Management Process



5.0 ROLES, RESPOSBILITIES AND ACTIVITY CALENDAR

5.1 Roles and Responsibilities

The roles and responsibilities are based on a 2 tier approach, headed by Board of Directors and Risk Management Committee, which has overall responsibility of risk management & oversight of risk management framework of The Company.

It's followed by Global General Counsel & CFO of The Company, who review key risks & also finalize action plan for mitigation. They are also responsible for management of risk assessment database.

Identified risks shall be listed in a risk register maintained by the Committee. The risk register shall be reviewed by [insert designation of the relevant key managerial personnel] and other key managerial personnel and updated, if necessary, on an annual basis or at such other frequency as determined by the Committee

As a final step, country management/functional heads, ensures effective implementation of mitigating factors, by conducting a detailed review of the action plan.

Risk Responsibilities	Authority	Risk Reporting
Overall Risk Management Responsibility and review	Board of Directors and Risk Management Committee	Quarterly Reporting
Prioritization of Key Risks and monitoring of existing mitigating factors. Further, finalization of Action Plan.	Global General Counsel and Global CFO	Initially present to Global General Counsel and CFO on Quarterly basis Compile and present to Audit Committee results of top risks Collation of risks from all functions / locations
Monitoring of Action Plan and mitigating factors Implementation of Action Plan by Risk Owner	Country Management/ Function Heads Revenue Operation SCM Corporate	Submission of details on quarterly basis to IA team Categorization and validation of risks and respective control activities Origin of Risk

5.1.1 Group Risk Unit Owner (Group CEO/CFO/Counsel)/Functional Head

Risk unit owners in consultation with country leadership/functional heads and based on the country/functional ERM registers will assess the risk by determining its probability of occurrence and its impact at a global level, with an objective of reporting key risks to the audit committee/board. Key responsibilities of the Risk unit owners include:

- Custodianship and ensuring compliance with ERM policy requirements
- Identification of macro trends at a global level and reporting of risks and failures of existing control measures with remedial action to audit committee/Board
- Ensuring management action plans are developed based on risk rating
- Building and embedding a culture of risk management

5.1.2 Country Risk Unit Owner (CEO/CFO/Counsel)/ Functional Head

Risk unit owners in consultation with functional heads / business heads will assess the risk by determining its probability of occurrence and its impact, with an objective of reporting key risks to the global CEO/CFO/General Counsel. Key responsibilities of the Risk unit owners include:

- Compliance with ERM policy requirements
- Identification / reporting of risks and failures of existing control measures with remedial action
- Ensuring management action plans are developed based on risk rating
- Building and embedding a culture of risk management
- Submission of periodic updated risk register to IA team on quarterly basis

5.1.3 Internal Audit

Key responsibilities of Internal Audit Group related to risk management shall include:

- Implementing a risk-based approach to planning and executing the internal audit process
- Internal audit resources to be directed at those areas which are key and / or significant as brought out periodically through the risk management process

5.2 Risk Management Activity Calendar

Activity	Timelines
ERM Register review report to be submitted by in scope countries/function(s)	Quarterly
Update of global ERM Register by Group General Counsel and Group CFO	Quarterly
Review by Global CEO / Executive Management Team	Quarterly
Review by Audit Committee	Half-Yearly
Review by the Board of Directors	Yearly
Review by the Board of Directors of the ERM Policy	Yearly or as required

5.3 Business Continuity Plan

The Risk Management Committee shall create a business continuity plan ("BCP") to support business process recovery in the event of a disruption or crisis, and to ensure that personnel and assets are protected and are able to function quickly in the event of natural or man-made disasters.

The BCP shall set out:

(a) the manner in which risk(s) affect the operations of the Company and/or its subsidiaries;
(b) safeguards and procedures to mitigate the risks;
(c) testing procedures/strategies to ensure effective implementation of mitigants; and
review of processes from time to time to make sure that that risk mitigation measures are updated.

5.4 Publication and review

The key features of the Policy will be published in the Annual Report. This Policy will be subject to review as may be deemed necessary by the Board and as required under applicable law. In the event of any conflict between the terms of this Policy and applicable law (including the Listing Regulations), the provisions of applicable law shall prevail.