RISK MANAGEMENT POLICY

BISMARCK WORLD PRIVATE LIMITED

(Formerly known as Bismarck Industries Private Limited)

1. Preamble

The Board of Directors of **BISMARCK WORLD PRIVATE LIMITED** has adopted this Risk Management Policy to establish a structured framework for identifying, assessing, mitigating, monitoring and reporting risks that may affect the Company's strategic objectives, financial performance, operational efficiency, legal compliance and reputation. The Policy is voluntarily adopted as part of the Company's commitment to sound corporate governance and sustainable business practices.

2. Objective

The objective of this Policy is to embed a risk-aware culture across the organisation, ensure informed decision-making, strengthen internal controls and protect the interests of shareholders and other stakeholders by managing risks within acceptable levels.

3. Scope and Applicability

This Policy applies to all business functions, locations, departments, projects and employees of the Company. Risk management shall be an integral part of strategic planning, operational decision-making and day-to-day business activities.

4. Risk Governance

The Board shall have overall oversight of the Company's risk management framework. Senior Management shall identify, evaluate and manage risks within their respective functions and shall periodically report significant risks, mitigation measures and emerging issues to the Board. Functional Heads shall act as Risk Owners for risks falling within their areas of responsibility.

5. Risk Management Framework

The Company shall follow a structured process comprising identification of risks, assessment of likelihood and impact, determination of risk response, implementation of mitigation measures, periodic monitoring of residual risks and reporting to the Board. Risk assessments shall be reviewed periodically and whenever there is a significant business, regulatory or operational change.

6. Key Risk Categories

The principal risks relevant to the Company's logistics business include strategic risks arising from market competition, customer concentration and expansion initiatives; operational risks relating to fleet management, transportation delays, warehouse operations, cargo damage, inventory losses, fuel price volatility, route disruptions and dependency on third-party service providers; financial risks including liquidity, credit, interest rate and foreign exchange exposure (where applicable); legal and regulatory risks under the Companies Act, GST, labour laws, motor vehicle regulations, environmental and contractual obligations; information technology and cyber security risks affecting ERP systems, GPS tracking, operational data and customer information; human resource risks relating to talent retention, driver availability, employee safety and fraud; environmental, health and safety risks; and reputational risks arising from service failures, customer complaints or adverse media coverage.

7. Risk Mitigation

The Company shall implement appropriate controls, including segregation of duties, maker-checker processes, delegation of authority, contractual safeguards, insurance coverage, preventive maintenance of vehicles and equipment, vendor due diligence, cyber security controls, business continuity arrangements, statutory compliance monitoring and periodic internal audits to minimise identified risks.

8. Business Continuity

The Company shall endeavour to maintain appropriate contingency plans to ensure continuity of critical operations during disruptions arising from natural disasters, pandemics, cyber incidents, industrial unrest, supply chain interruptions or other unforeseen events. Critical business processes shall be reviewed periodically to enhance organisational resilience.

9. Monitoring and Reporting

Risk Owners shall periodically review identified risks and mitigation measures. Significant risks, material incidents and emerging threats shall be escalated to Senior Management and placed before the Board together with the status of mitigation actions. The Board may seek additional information or direct implementation of further risk mitigation measures wherever considered necessary.

10. Review

This Policy shall be reviewed periodically by the Board of Directors to ensure that it remains appropriate to the size, nature and complexity of the Company's business and continues to reflect applicable legal requirements and evolving governance practices.