ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISK ASSESSMENT & MANAGEMENT POLICY

Company: HiQ Services
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Approved By: Managing Director

1. Purpose

HiQ Services is committed to integrating Environmental, Social and Governance (ESG) considerations into its risk management framework. This Policy establishes a structured approach to identify, assess, mitigate, monitor and report ESG risks arising from the Company's operations, projects, supply chain and business relationships. The objective is to minimize adverse impacts while creating long-term sustainable value for customers, employees, shareholders, communities and other stakeholders.

Key Requirements:

- Identify ESG risks before commencing projects.
- Implement appropriate mitigation and monitoring measures.
- Comply with applicable legal and customer requirements.
- Maintain documented records and periodic reviews.
- Promote continual improvement and stakeholder engagement.

2. Scope

This Policy applies to all business units, employees, directors, contractors, suppliers and business partners engaged by HiQ Services. ESG risk assessments shall be considered during project planning, procurement, operations, investments and major business decisions.

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3. ESG Commitment

HiQ Services is committed to responsible business practices, environmental protection, respect for human rights, occupational health and safety, ethical governance, legal compliance and continuous improvement. ESG considerations form an integral part of strategic planning and operational decision-making.

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4. ESG Risk Management Framework

The Company follows a structured process consisting of risk identification, impact assessment, likelihood evaluation, prioritization, mitigation planning, implementation of controls, monitoring, reporting and management review. ESG risks are periodically reviewed and incorporated into business risk registers.

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5. Environmental Impact Assessment

Environmental risks including climate change, greenhouse gas emissions, energy consumption, water use, waste generation, pollution prevention, biodiversity protection and resource efficiency shall be evaluated before commencing significant projects. Appropriate mitigation measures shall be implemented to minimize environmental impacts.

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6. Social Impact Assessment

The Company assesses potential impacts on employees, contractors, local communities and other stakeholders. Assessments include occupational health and safety, human rights, labour practices, diversity and inclusion, community engagement, grievance mechanisms and employee wellbeing.

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7. Governance Assessment

Governance assessments include compliance with laws, anti-bribery and anti-corruption controls, conflicts of interest, financial integrity, cybersecurity, data privacy, internal controls and ethical business conduct.

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8. Supplier ESG Due Diligence

Suppliers and subcontractors may be evaluated for ESG performance, legal compliance, labour practices, environmental management and ethical conduct before and during engagement.

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9. Risk Assessment Methodology

Each identified ESG risk is evaluated based on likelihood and potential impact. Risks are categorized as Low, Medium, High or Critical and appropriate mitigation plans are developed, assigned and monitored.

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10. Monitoring and Reporting

ESG performance indicators are periodically monitored through audits, inspections, management reviews, incident reporting and stakeholder feedback. Significant ESG risks and mitigation actions are reported to senior management.

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11. Roles and Responsibilities

The Managing Director, senior management, department heads and employees share responsibility for implementing this Policy. Every employee is expected to identify, report and help mitigate ESG-related risks.

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12. Training and Awareness

Periodic awareness programmes and training sessions shall be conducted to strengthen employee understanding of ESG responsibilities and promote a culture of sustainability and ethical business practices.

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13. Continuous Improvement

The Company continually reviews its ESG objectives, risk controls and performance indicators to improve sustainability performance and meet evolving customer, regulatory and stakeholder expectations.

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14. Policy Review

This Policy shall be reviewed at least once every two years or earlier whenever significant legal, regulatory or operational changes occur.

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15. Declaration

HiQ Services is committed to conducting its business responsibly by integrating ESG principles into every stage of its operations and decision-making processes. The Company strives to prevent adverse environmental, social and governance impacts while supporting sustainable development and responsible growth.

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References

- ISO 31000 Risk Management
- ISO 14001 Environmental Management Systems
- ISO 45001 Occupational Health & Safety Management Systems

- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Responsible Business Conduct
- UN Sustainable Development Goals (SDGs)

HIQ SERVICES VISAKHAPATNAM

Authorized Signatory
Managing Director
HiQ Services