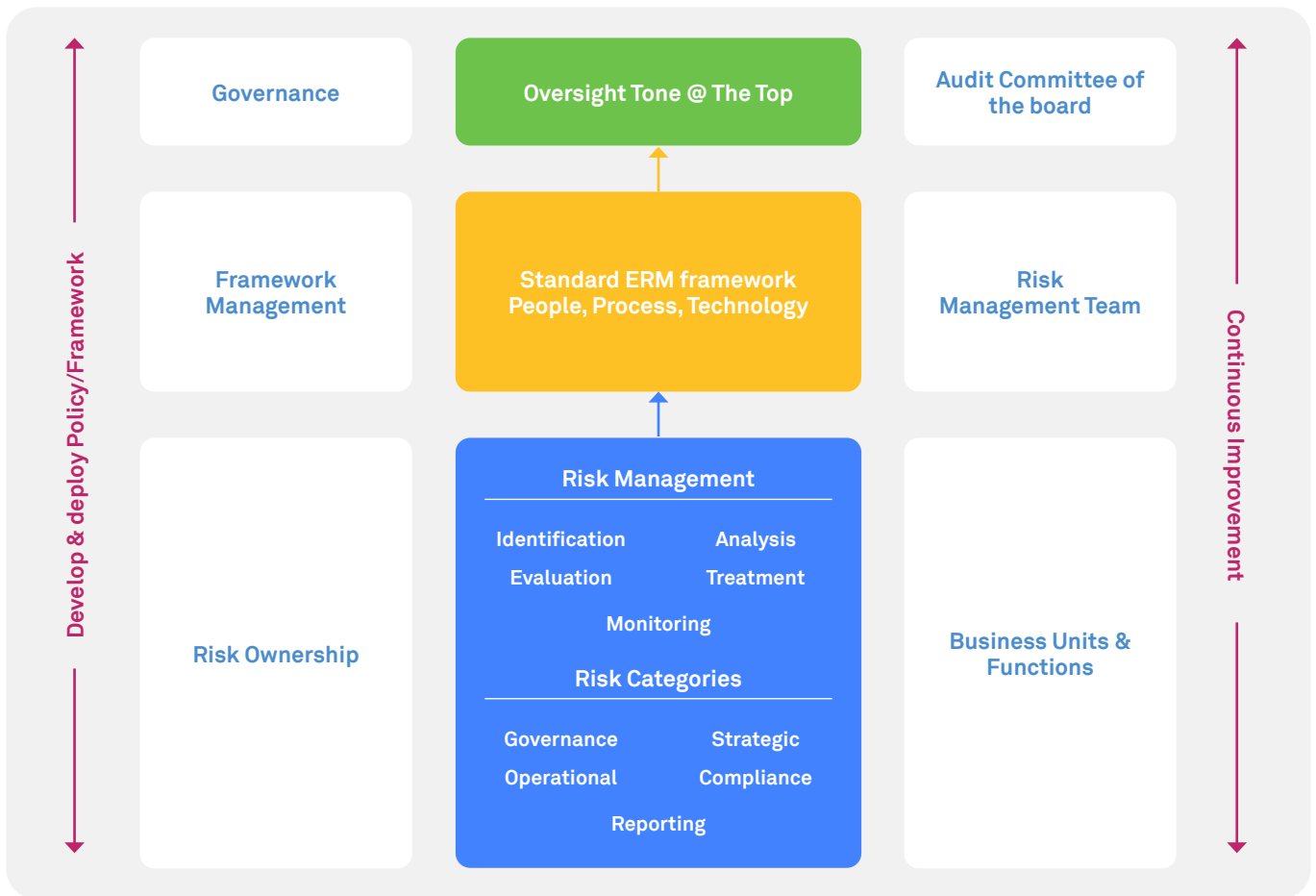# Risk Management Framework

The risk landscape in the current business environment is changing dynamically with the dimensions of Cyber security, Information Security and Business Continuity, Data Privacy and Large Deal Execution figuring prominently in the risk charts for most organizations in our sector. To effectively mitigate these risks, we have employed a risk management framework, which helps proactively identify, prioritize and mitigate risks. The framework is based on principles laid out in the four globally recognized standards as below.

Develop & deploy Policy/Framework

Governance	Oversight Tone @ The Top	Audit Committee of the board
Framework Management	Standard ERM framework People, Process, Technology	Risk Management Team
Risk Ownership	**Risk Management** Identification · Analysis · Evaluation · Treatment · Monitoring **Risk Categories** Governance · Strategic · Operational · Compliance · Reporting	Business Units & Functions

Continuous Improvement

> Orange Book by UK Government Treasury

> COSO; Enterprise Risk Management-Integrating with strategy and performance (2017) by Tread way Commission

> AS/NZS ISO 31000:2009 Risk Management - Principles and Guidelines by AUS/NZ Standards Board

> ISO - ISO 31000:2018, Risk Management –Guidelines

Pandemic and COVID-19

This includes COVID-19 outbreak within the company's premises, impacting employee safety and well-being.

Mitigation plan

→ **Work from home policy** – Implemented WFH policy wherein most employees continue to work from home, barring the absolute essential staff mandated by customer requirement

→ **Workplace safety measures** – Availability of medical support within premises

→ **Wellness focus** – physical and emotional well being, financial support

Regulatory Compliance

It covers various federal, state, local and foreign laws relating to various aspects of the business operations and non- compliances can result in substantial fines, sanctions, etc.

Mitigation plan

→ A program on statutory compliance is in place with the objective to track all applicable regulations, obligations and corresponding action items that require to be adhered to ensure compliance along with necessary workflows enabled

Business Continuity Risk

This arises out of global disruptions like pandemic, natural disasters, IT outages, cyber security, terror attacks and unrest, power disruptions.

Mitigation plan

→ Business Continuity Management System (BCMS) and a framework aligned to ISO 22301 across global locations, accounts and service functions

→ Core BCM team is a skilled cross-functional team comprising members from Delivery, Legal, Office Administration, HR, Procurement, IT enablement & IT security teams

Escalation of Information Security, Cyber Security and Technology Risk

On account of increase in surface area of devices

Mitigation plan

→ Effective security controls implemented to detect, prevent and remediate threats

→ Program to continuously monitor the effectiveness of the controls are implemented to effectively sustain the security controls

→ Focus on continuous improvement of the efficacy of the security controls with the adoption of new processes and latest technology solutions

Internal Financial Reporting and Control

In response to the COVID-19 pandemic, we initiated our business continuity program in March 2020 and facilitated our employees to work remotely/work from home. Our business continuity program and the design of our processes allow for remote execution with accessibility to secure data. There were no changes to our internal control over financial reporting that have materially affected or are reasonably likely to materially affect our internal control over financial reporting during the period covered in this Annual Report.

Risk Management Framework

Data Privacy Regulations

(such as General Data Protection Regulation in Europe) relating to personal information dealt with both by and on behalf of Wipro increases the risk of non-compliance.

Mitigation plan

→ Strengthened the Data Privacy program, taking into consideration the privacy regulatory requirements, with specific emphasis to revalidate all existing frameworks, policies and processes that can be leveraged by respective support function and delivery teams, covering all applicable geographies and areas of operations

→ Executed Data process/ Data transfer agreements with customers as well as vendors for flow down DTA/DPA to ensure governance

→ Also strengthened Wipro systems to ensure personal data governance from controller perspective

→ Adherence to privacy by design is a non-negotiable requirement incorporated in the application development and rollout process

→ Set up a well-defined process to handle subject access requests related to personal data, to cater to the SAR requirements

→ Implemented a 24*7 personal incident management process to ensure speedy governance on personal data related incidents; if any

→ Made mandatory data privacy awareness and refresher sessions for all employees as part of Wipro onboarding process

Geo-political or Economic Situations

Risk of Protectionism policies impacting the business in that market.

Mitigation plan

→ Country Risk Assessment framework

Employee work place Environment, Health, Safety and Security Risk is a major focus area

Mitigation plan

→ Addressing employee health and safety requirements including both the physical and mental well-being

→ Extended safe and healthy work environment to all our contractors, customers, visitors at our premises and to our extended value chain

→ OHSAS ISO45001 implemented across campuses

M&A integration

M&A is a key strategy for Wipro. The seamless and successful integration of the new entities into the larger organization is a key focus.

Mitigation plan

→ Involved a cross functional team to plan the integration, right from the due diligence stage to post integration and until steady state operations

Intellectual Property (IP)

Violating or misusing our client's intellectual property rights or for breaches of third-party intellectual property rights or confidential information in connection with services to our clients can lead to reputational and financial risk. Inadequate protection of Wipro IP can lead to financial loss and loss of market opportunity.

Mitigation plan

→ An elaborate program exists to safeguard our clients and Wipro's Intellectual Property

→ The dedicated IP unit ensure that all Wipro and client IP is protected, reviews and enhances program on an on-going basis and ensures a strong Governance

→ Undertake employee awareness and training programs, employee IP declaration, systemic controls and periodic reviews to ensure adherence

Service Delivery and Obligation Management Risk
Mitigation plan

→ Risk Management framework is implemented for large value deals to assess solution fitness, credit risks, financial risks, technology risks among other risk factors

→ Contractual compliance programs ensure regular project reviews and highlights any risk to service delivery

→ Early warning systems and customer satisfaction surveys help to assess effectiveness

→ Additional risk assessment of Functions ensures pro-active mitigation of risks that are likely to impact service delivery

Talent Risk

Attracting, up-skilling and retaining talent is a key risk.

Mitigation plan

→ Initiated an organization re-structuring program including a simple delivery model that will yield economies of scale

→ It will also help achieve our goal of becoming an employer of choice

Fraud Risk

This is related to information dealt with both by and on behalf of Wipro and increases the risk of non-compliance.

Mitigation plan

→ Put in place a robust Fraud Management program to identify potential areas of failure and proactively implement mitigations

→ The Code of Business Conduct, Zero tolerance policy on integrity, Anti- Bribery and Anti- Corruption program (ABAC), Finance Risk Management program, Vendor Management program and our Ombuds program ensures a strong governance around fraud management

→ The ABAC program classifies each country from a risk perspective basis factors and build control and mitigation plans accordingly.

Environmental & Climate Related Risks

See 'Natural Capital' section