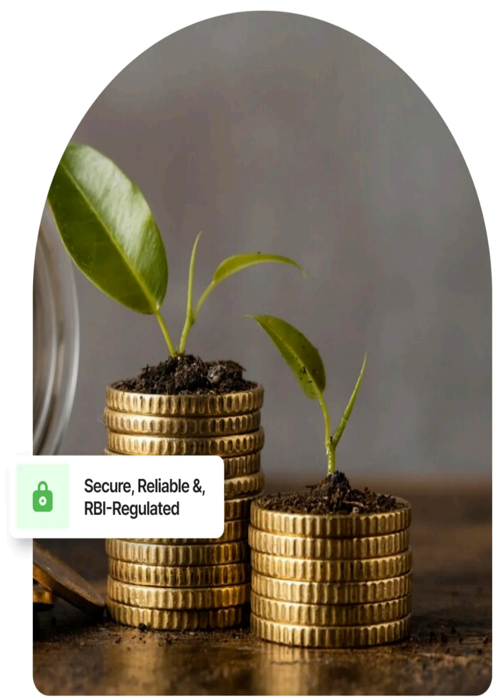
AMBIUM FINSERVE LIMITED
(FORMERLY AMBIUM FINSERVE PRIVATE LIMITED)

Empowering Businesses with Personalised Financial Solutions

Unlock opportunities with our personalised B2B loans, crafted to drive your business forward.



OUTSOURCING POLICY

Document Versioning

Name of the document	**POLICY ON OUTSOURCING**
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1	Version 1	Board of Directors	27 September 2023
2	Version 2	Board of Directors	3rd January 2024
3	Version 3	Board of Directors	29th May 2025
4	Version 4	Board of Directors	18th June 2026

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INTRODUCTION AND BACKGROUND

Ambium Finserve Limited (Formerly known as Ambium Finserve Private Limited) (hereinafter referred to as “the Company” or “Ambium”) is a Non Systemically Important Non-deposit taking Non-Banking Financial Company (NBFC-ND-NSI) duly registered with the Reserve Bank of India (RBI). Under the Scale Based Regulatory (SBR) Framework for NBFCs, the Company is categorized as a Base Layer NBFC based on its asset size.

The Company is engaged in the business of providing secured as well as unsecured business loans to the under-served individuals, households, and businesses and offer wholesale lending to other NBFCs and Financial Institutions and Body Corporates (having an AUM of up to INR 5000 crores or such other cap as may be decided by the Board) to provide access to credit to under-served segment.

The Reserve Bank of India (RBI) vide its Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025, as amended has advised NBFCs to put in place a Board approved policy on outsourcing which inter-alia aims to safeguard the interest of the Company and the Customers by adopting sound and responsive management practices through due diligence and management of risks arising from Outsourcing of Business Functions. This Policy shall be applicable to Material Outsourcing arrangements entered into by the Company with Service Provider(s) which may be either a member of the Group / conglomerate to which the Company belongs, or an unrelated party which is located in India or elsewhere for outsourcing of financial services like applications processing (loan origination, credit card), document processing, marketing and research, supervision of loans, data processing and back office related activities. This Policy has been duly approved by the Board.

I. OBJECTIVE AND SCOPE

The Policy incorporates the criteria for selection of Service Providers, materiality of services Outsourced, delegation of authority depending on risks and materiality and systems to monitor and review the operations of the activities Outsourced. The Policy shall apply to Material Outsourcing to Service Provider(s) and mutatis mutandis to activities subcontracted by the Service Providers.

II. DEFINITION OF OUTSOURCING

'Outsourcing' is defined as the NBFC’s use of a third party (either an affiliated entity within a corporate group or an entity that is external to the corporate group) to perform activities on a continuing basis that would normally be undertaken by the NBFC itself, now or in the future.

'Continuing basis' includes agreements for a limited period.

'Group' shall be as defined in the Reserve Bank of India (Commercial Banks - Concentration Risk Management) Directions, 2025, as amended from time to time, for the purpose of intragroup transactions and exposures;

A. Activities that can be outsourced

Financial services that can be Outsourced by the Company may include loan application processing loan origination, document processing, marketing and research, supervision of loans, recovery of loans, data processing and back office related activities.

B. Activities that cannot be outsourced

Activities which cannot be outsourced shall include core management functions including Internal Audit, Strategic and Compliance functions and decision-making functions such as determining compliance with KYC norms for opening deposit accounts, according sanction for loans (including retail loans) and management of investment portfolio. However, these functions may be outsourced within the Group of the Company, that is, within the Wint Wealth Group, including holding or subsidiary, associate or a Group company, whether located within or outside India, subject to compliance with instructions as mentioned in the section 'Outsourcing within the Wint Wealth Group'. Further, while internal audit function itself is a management process, the internal auditors can be on contract.

C. Material Outsourcing

i. The Company would identify and classify each of the activity Outsourced/ proposed to be Outsourced as "Material Outsourcing" and "Non- Material Outsourcing" based on the below mentioned illustrative parameters.
ii. Where the Company relies on Service Provider(s) to perform the key financial functions such as loan applications processing, verifications, approvals, etc., on a continuous basis.
iii. Where the Company is exposed to a variety of risk, with respect to the Outsourced activity.
iv. The nature of the activity Outsourced is such that the performance of the Service Provider can impact significantly, directly or indirectly, the earnings, solvency, liquidity, funding capital and risk profile of the Company.
v. The nature of the activity is such that failure on the part of the Service Provider to perform the service efficiently as per contract is likely to significantly impact the Company's reputation and brand value.
vi. The Outsourced activity, if disrupted, has the potential to significantly impact business operations, reputation and stability of the Company.
vii. The Outsourced activity has an impact on data privacy and security, for instance where access to any Confidential Information has to be extended to employees/representatives of the Service Provider.

viii. The cost of Outsourcing an activity as a proportion to the total operating costs of the Company as of the previous financial year shall be more than such threshold as may be decided by the Board.

ix. The aggregate cost incurred in Outsourcing a group of activities to a Service Provider shall constitute such percentage of the total operating cost of the Company as of the previous financial year as may be decided by the Board.

x. An arrangement involving significant sharing of Confidential Information.

xi. In case the activity Outsourced satisfies any of the above criteria, or similar criteria indicating the materiality of the activity to the business model of the Company, the activity Outsourced would be treated as 'Material Outsourcing'.

xii. Such person as maybe decided by the Board shall be responsible for identifying any Outsourcing proposed, and determine whether the same is Material Outsourcing or Non-material Outsourcing. xiii. It must be ensured that any Material Outsourcing proposed is put for approval of the compliance officer or such other person as may be authorized by the Board.

xiv. The Board and Senior Management must undertake a periodic review of their Outsourced processes to identify new Outsourcing risks as they arise.

III. PROCEDURE FOR OUTSOURCING

It is necessary to enable sound and responsive risk management practices for effective oversight, due diligence and management of risks arising from Outsourcing activities. All the Outsourcing arrangements entered into by the Company must be in conformity with the standards laid down in the RBI Directions and shall be subject to the following:

a. While outsourcing a financial activity, the Company shall consider all relevant laws, regulations, guidelines and conditions of approval, licensing or registration.

b. The Company shall retain ultimate control of the Outsourced activity, as Outsourcing of any activity by the Company does not diminish its obligations, and those of its Board and Senior Management, who have responsibility for the Outsourced activity.

c. The Outsourcing of activities to Service Providers shall in no manner release the Company or the Board or Senior Management of the Company, from any obligations towards its Customers, regulatory authorities or any other stakeholder, arising from the provisions of RBI Directions or otherwise.

d. The Company shall remain responsible for the actions of its Service Provider and the security of Confidential Information pertaining to the Customers that is available with the Service Provider. e. Outsourcing arrangements shall neither diminish the Company's ability to fulfill its obligations to Customers and RBI nor impede effective supervision by RBI. The Company shall, therefore, ensure that the Service Provider employs the same high standard of care in performing the services as would be employed by the Company, if the activities were conducted within the Company and not Outsourced. The Company shall ensure that the Service Provider does not impede or interfere with the ability of the Company to effectively oversee and manage its activities nor does it impede the RBI in carrying out its supervisory functions and objectives. Therefore, the right of the Company and the RBI to access all books, records and information available with the Service Provider must remain protected.

f. Outsourcing arrangements shall not affect the rights of the Customer against the Company, including the ability of the Customer to obtain redress as applicable under relevant laws.

IV. ROLES AND RESPONSIBILITIES OF THE BOARD AND SENIOR MANAGEMENT

Roles and Responsibilities of the Board:

The Board of the Company shall be responsible inter alia for the following:

a. Approving a framework to evaluate the risks and materiality of all existing and prospective outsourcing activities and the policies that apply to such arrangements;
b. laying down appropriate approval authorities for outsourcing depending on risks and materiality;
c. Setting up suitable administrative framework of senior management for the purpose of these directions;
d. Undertaking regular review of outsourcing strategies and arrangements for their continued relevance, safety and soundness;
e. deciding on business activities of a material nature to be outsourced, and approving such arrangements.
f. Shall take the responsibility for the actions of their Service Provider
g. Shall take the responsibility to maintain the confidentiality of information pertaining to the customers that is available with the Service Provider; and
h. Shall ensure that the Service Provider, if not a Group company of the Company, shall not be owned or controlled by any director of the Company or their relatives. These terms have the same meaning as assigned under Companies Act, 2013.

Roles and Responsibilities of the Senior Management:

Any Outsourcing activity within a Business Function shall be with the approval of the Senior Management relevant to the Business Function or respective person authorised by relevant business head. Additionally, the Senior Management shall:

a. Monitor all the outsourced activities on a periodic basis
b. Evaluating the risks and materiality of all existing and prospective outsourcing based on the framework approved by the Board;
c. Developing and implementing sound and prudent outsourcing policies and procedures commensurate with the nature, scope and complexity of the outsourcing activity;
d. Reviewing periodically the effectiveness of policies and procedures;
e. Communicating information pertaining to material outsourcing risks to the Board in a timely manner; f. Ensuring that contingency plans, based on realistic and probable disruptive scenarios of Service Provider, are in place and tested;
g. Ensuring that there is independent review and audit for compliance with set policies; h. Undertaking

periodic review of outsourcing arrangements to identify new material outsourcing risks as they arise; and

i. Ensure to have a robust grievance redress mechanism, which in no way shall be compromised on account of outsourcing.

V. MANAGEMENT OF RISKS ARISING OUT OF OUTSOURCING

The key risks in outsourcing are Strategic Risk, Compliance Risk, Reputational Risk, Operational Risk, Legal Risk, Exit Strategy Risk, Counterparty Risk, Country Risk, Contractual Risk, Concentration and Systemic Risk. The failure of a Service Provider in providing a specified service, a breach in security/ confidentiality, or non-compliance with legal and regulatory requirements by the Service Provider can lead to financial losses or loss of reputation for the Company. It is therefore imperative for the Company to ensure sound and responsive risk management practices for effective oversight, due diligence and management of risks arising from such outsourced activities.
In order to ensure effective risk management of outsourced activities, following guidelines would be put in place:

i. Policy guidelines on availing outsourcing services
ii. Adequate mechanisms to ensure effective oversight on the operations
iii. Alternate plan to switch over in case of abrupt discontinuation of services
iv. Guidelines to claim compensation / penalty in case of breach of agreement by third party Service Provider.

Key risks in outsourcing that need to be evaluated, while drafting aforesaid guidelines, are:

a. Strategic Risk – Where the Service Provider conducts business on its own behalf, inconsistent with the overall strategic goals of the Company.
b. Reputation Risk - Where the service provided is poor and Customer interaction is not consistent with the overall standards expected of the Company.
c. Compliance Risk – Where privacy, consumer and prudential laws are not adequately complied with by the Service Provider.
d. Operational Risk- Arising out of technology failure, fraud, error, inadequate financial capacity to fulfil obligations and/ or to provide remedies.
e. Legal Risk – Where the Company may be subjected to fines, penalties, or punitive damages resulting from supervisory actions as well as private settlements due to omissions and commissions of the Service Provider.
f. Exit Strategy Risk – Where the Company may over-reliant on one firm, the loss of relevant skills in the Company itself preventing it from bringing the activity back in-house and contracts that make speedy exits prohibitively expensive.
g. Counterparty Risk – Where there is inappropriate underwriting or credit assessments.
h. Contractual Risk – Where the Company may not have the ability to enforce the contract.
i. Concentration and Systemic Risk – Where the overall industry has considerable exposure to one

Service Provider and hence the Company may lack control over the Service Provider.

The Company shall, while availing outsourcing activity shall consider the above broadly classified risks and look into any other incidental risks attributable to it along with risk mitigation measures at the time of onboarding an outsourcing vendor as well as on pre-defined regular intervals.

The Company shall avoid undue concentration of Outsourcing arrangements with a single Service

Provider. The Company shall abide by the following risk evaluation measures:

a. Identification of the role of Outsourcing in the overall business strategy and objectives, and inter linkages with Company's strategic goals;
b. Comprehensive due diligence on the nature, scope and complexity of the Outsourcing to identify the key risks and risk mitigation strategies;
c. Analysis of the impact of such arrangement on the overall risk profile of the Company, and whether adequate internal expertise and resources exist to mitigate the risks identified;
d. Analysis of risk-return on the potential benefits of Outsourcing and the vulnerabilities that may arise; e. All Outsourced information systems and operations may be subject to risk management and security and privacy policies that meet the Company's own standards and also those mentioned in the RBI Directions.

VI. EVALUATION OF THE SERVICE PROVIDER

In considering or renewing an outsourcing arrangement, appropriate due diligence shall be performed to assess the capability of the Service Provider to comply with obligations in the outsourcing agreement. Due diligence shall take into consideration qualitative and quantitative, financial and operational factors. The company shall conduct due diligence which shall involve an evaluation of all available information about the Service Provider, including but not limited to the following:

a. Past experience and competence to implement and support the proposed activity over the contracted period
b. Financial soundness and ability to service commitments even under adverse conditions c. Business reputation and culture, compliance, complaints and pending / potential litigations d. Security and internal control, audit coverage, reporting and monitoring environment, business continuity management and ensuring due diligence by Service Provider of its employees.

Further if due diligence seems all right then the selection will be done as per the following criteria:

a. Service Provider's resources and capabilities, including financial soundness, to perform the outsourcing work within the timelines fixed
b. Compatibility of the practices and systems of the Service Provider with the Company's requirements and objectives

c. Market feedback of the prospective Service Provider's business reputation and track record of their services rendered in the past
d. Level of concentration of the outsourced arrangements with a single party
e. such other criteria as mentioned in the RBI directions

VII. OUTSOURCING AGREEMENT

The Service Provider may either be a member of the group/ conglomerate to which the NBFC belongs, or an unrelated party (collectively to be referred to as "Service Provider"):
(i) Third Parties
(ii) Group Companies

The Company shall ensure the terms and conditions governing the contract with the Service Provider are carefully defined in written agreements and vetted by the Company's legal team on their legal effect and enforceability. Every such agreement shall address the risks and risk mitigation strategies. The agreement shall be sufficiently flexible to allow the Company to retain an appropriate level of control over the outsourcing and the right to intervene with appropriate measures to meet legal and regulatory obligations. The agreement shall also bring out the nature of legal relationship between the parties i.e. whether agent, principal or otherwise.

The contract must include clauses pertaining to the following and Service Provider shall agree to the same:

a. the contract shall clearly define what activities are going to be outsourced including appropriate service and performance standards;
b. Ensure that appropriate service and performance standards in lines with the code of conduct of the Company (e.g., no harassment where the outsourced service is collections) are adhered to and defined in the Agreement;
c. Ensure that the Company has the ability to access all books, records and information relevant to the outsourced activity available with the service provider;
d. Both parties have the right to terminate the Agreement as defined in the Termination clause of the agreement. In case of any material breach of any of the terms & conditions of the agreement, the agreement shall be terminated with immediate effect at the option of the non-defaulting party;
e. It shall implement all necessary controls to ensure customer data confidentiality and it shall be Service Provider's liability in case of breach of security and leakage of confidential customer related information;
f. The Service Provider shall review and monitor on regular basis and immediately disclose any breaches of security practice/processes and controls and leakage of Information to the Company. The Company shall also be entitled to review and monitor the security practices and control processes of the Service Provider on regular basis after providing reasonable prior notice;
g. The Service Provider shall take prior approval/ consent of the Company for the use of subcontractors

for all or part of an outsourced activity;

h. It shall provide the Company with the right to conduct audits on the Service Provider whether by its internal or external auditors, or by agents appointed to act on its behalf and to obtain copies of any audit or review reports and findings made on the Service Provider in conjunction with the services performed for the Company;

i. outsourcing agreement shall also include a clause to recognise the right of the Reserve Bank to cause an inspection to be made of a Service Provider of the Company and its books and account by one or more of its officers or employees or other persons;

j. The confidentiality of customer's information shall be maintained even after the contract expires or gets terminated. The Service Provider shall preserve documents related to the Company and the customer as required by law and shall refrain from disclosing any information to unrelated third parties either implicitly or explicitly; and

k. The Company shall require its Service Providers to develop and establish a robust framework for documenting, maintaining and testing business continuity and recovery procedures. The Company needs to ensure that the Service Provider periodically tests the business continuity and recovery plan and may also consider occasional joint testing and recovery exercises with its Service Provider.

l. such other clauses as prescribed under the RBI Directions.

VIII. CONFIDENTIALITY AND SECURITY

Public confidence and customer trust are prerequisites for the stability and reputation of the Company. Hence the Company shall seek to ensure the preservation and protection of the security and confidentiality of customer information in the custody or possession of the Service Provider. In this regard, the Service Provider shall ensure that:

a. Access to customer information by staff of the Service Provider shall be on 'need to know' basis i.e. limited to those areas where the information is required in order to perform the outsourced function.

b. The Company shall be entitled to regular review and monitoring of the security practices and control processes of the Service Provider and the Service Provider shall disclose security breaches to the Company.

c. The Service Provider shall immediately notify to the Company and RBI in the event of any breach of security and leakage of confidential customer related information.

d. In instances, where a service provider acts as an outsourcing agent for multiple entities, the Company shall take care to build strong safeguards so that there is no comingling or combining of information, documents, records, and assets.

e. The Company shall ensure that a service provider is able to isolate and clearly identify the Company's customer information, documents, records and assets to protect the confidentiality of the information.

f. The Company shall immediately notify RBI in the event of breach of security and leakage of confidential customer related information. In these eventualities, the Company shall be liable to its customers for any damage.

IX. MONITORING AND CONTROL OF OUTSOURCED ACTIVITIES

a. The Company shall have in place a management structure to monitor and control its outsourcing activities. It shall ensure that outsourcing agreements with the Service Provider contain provisions to address their monitoring and control of outsourced activities.
b. A central record of all Material Outsourcing that is readily accessible for review by the Board and Senior Management of the Company shall be maintained. The records shall be updated promptly, and half yearly reviews shall be placed before the Board.
c. Regular audits by either the internal auditors or external auditors of the Company shall assess the adequacy of the risk management practices adopted in overseeing and managing the outsourcing arrangement, the Company's compliance with its risk management framework and the requirements of these directions.
d. The Company shall at least on an annual basis, review the financial and operational condition of the Service Provider to assess its ability to continue to meet its outsourcing obligations. Such due diligence reviews, which can be based on all available information about the Service Provider shall highlight any deterioration or breach in performance standards, confidentiality and security, and in business continuity preparedness.
e. A robust system of internal audit of all outsourced activities shall also be put in place and monitored by the Audit Committee of the Board (ACB) of the Company.
f. The Company, in the event of termination of the outsourcing agreement for any reason in cases where the Service Provider deals with the customers, shall publicise by displaying at a prominent place in all the offices, posting it on the website, and informing the customers of the same so as to ensure that the customers do not continue to deal with the Service Provider.

X. OUTSOURCING WITHIN THE GROUP

The Company may have service arrangements / agreements with group entities e.g., sharing of premises, legal and other professional services, hardware and software applications, outsourcing certain financial services to other group entities, etc. Before entering into such arrangements with group entities, the Company shall have a Board approved Policy and also service level agreements/ arrangements with the group entities, which shall also cover demarcation of sharing resources i.e., premises, personnel, etc. Moreover, the Customers shall be informed specifically about the company which is actually offering the product / service, wherever there are multiple group entities involved or any cross selling observed.
While entering into such arrangements, the Company shall ensure that these:

a. are appropriately documented in written agreements with details like scope of services, charges for the services and maintaining confidentiality of the Customer's data;

b. do not lead to any confusion to the Customers on whose products/ services they are availing by clear physical demarcation of the space where the activities of the Company and those of its other group entities are undertaken;

c. do not compromise the ability to identify and manage risk of the Company on a stand-alone basis;

d. do not prevent the RBI from being able to obtain information required for the supervision of the Company or pertaining to the group as a whole; and

e. incorporate a clause under the written agreements that there is a clear obligation for any Service Provider to comply with directions given by the RBI in relation to the activities of the Company.

The Company shall ensure that its ability to carry out its operations in a sound fashion would not be affected if premises or other services (such as IT systems, support staff) provided by the group entities become unavailable.

The respective roles and responsibilities of each party in the Outsourcing arrangement must be documented in writing in a formal service level agreement with details like scope of services, charges for the services and maintaining confidentiality of the Customer's data. It shall also incorporate a clause that there is a clear obligation for any Service Provider to comply with directions given by the RBI in relation to the Business Functions of the Company. The risk management practices to be adopted by the Company while outsourcing to a related party (i.e., party within the group / conglomerate) shall be identical to those for a non-related party.

XI. GRIEVANCE REDRESSAL MECHANISM

The Company shall constitute Grievance Redressal machinery in accordance with the provisions of Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, as amended. An official shall be designated as Grievance Redressal Officer for outsourced activities. At the operational level, the Company shall display the name and contact details (Telephone/ Mobile nos. as also email address) of the Grievance Redressal Officer prominently at its branches/ places where business is transacted. The designated officer shall ensure that genuine grievances of Customers are redressed promptly without involving delay. It shall be clearly indicated that the Company's Grievance Redressal Machinery will also deal with the issue relating to services provided by the outsourced agency.

Generally, a time limit of 30 days may be given to the Customers for referring their complaints/ grievances. The grievance redressal procedure of the Company and the time frame fixed for responding to the complaints shall be placed on the Company's website.

XII. REPORTING TO FIU AND OTHER AUTHORITIES

The Company shall submit Currency Transactions Reports (CTRs) and Suspicious Transactions Reports (STRs) to FIU or any other competent authority in respect of the Company's Customer related activities carried out by the Service Providers.

XIII. APPROVAL MECHANISM

Any approval for outsourcing under this Policy shall go through the approval matrix of the Company stated as under:

Written approval required from any member of the Executive Committee of the Board of Directors or such other persons as authorized by the Board for concluding any outsourcing activity.

XIV. POLICY REVIEW

The Board of Directors shall review this Policy annually or on a need-basis i.e., in the event of change in regulatory framework or for business or operational need (whichever is earlier). Such updates / changes to the Policy will be communicated to the relevant staff /personnel (both in-house or outsourced) and relevant stakeholders across the Company.

END OF DOCUMENT

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