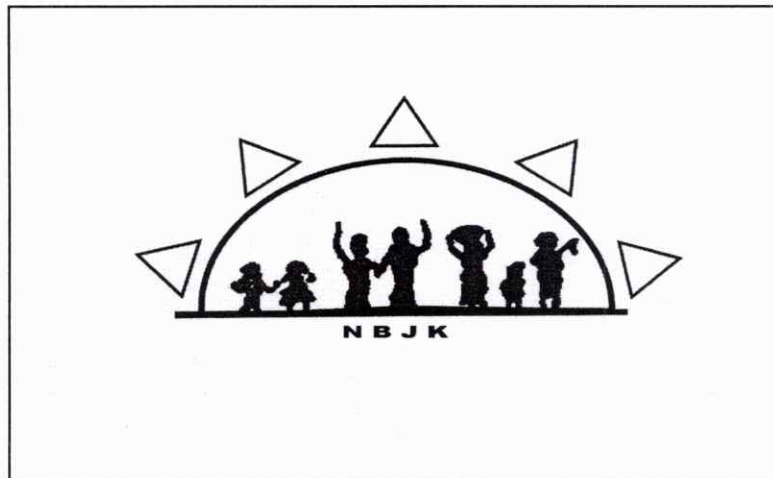


NAV BHARAT JAGRITI KENDRA

Putting the last first

NBJK Risk Management Policy

(PERSPECTIVE, CONCEPT & ACTION)



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Intent

Nav Bharat Jagriti Kendra (NBJK) has approved the introduction and embedding of risk management into the key controls and approval processes of all major activity processes and functions of the Organization (NBJK).

Risk is inherent in all administrative and program activities, and every member of the Organisation (NBJK) continuously manages risk. Nav Bharat Jagriti Kendra recognizes that the aim of risk management is not to eliminate risk totally, but rather to provide the structural means to identify, prioritize and manage the risks involved in all Organizational activities. It requires a balance between the cost of managing and treating risks, and the anticipated benefits that will be derived.

Nav Bharat Jagriti Kendra acknowledges that risk management is an essential element in the framework of good corporate governance and is an integral part of good management practice. The intent is to embed risk management in a very practical way into activities processes and functions via key approval processes, review processes and controls -- not to impose risk management as an extra requirement.

Policy objectives

The Risk Management Policy has been created to:

- Protect the Organization (NBJK) from those risks of significant likelihood and consequence in the pursuit of the Organization's (NBJK) stated strategic goals and objectives;
- Provide a consistent risk management framework in which the risks concerning activities processes and functions of the Organization (NBJK) will be identified, considered and addressed in key approval, review and control processes;
- Encourage pro-active rather than re-active management;



- Provide assistance to and improve the quality of decision making throughout the Organization (NBJK).
- Meet legal or statutory requirements; and
- Assist in safeguarding the Organization's (NBJK) assets, finance, property and reputation.

Policy statement

Nav Bharat Jagriti Kendra adopts the Risk Management approach and general methodology.

All NBJK activity processes and functions will adopt a risk management approach consistent with Risk Management Standard in their approval, review and control processes. The generic NBJK risk management approach and methodology for this purpose is as set out in the NBJK Risk Management Guidelines, as approved by the NBJK Board from time-to-time.

The responsible manager for each programme activities process and function shall develop a form of risk management approach and associated documentation, which will be approved by the NBJK Management upon recommendation from the Board Members.

Policy scope

This policy is applicable to all areas of the Organization, including:

- All Programs run by NBJK;
- All Branch Offices including Coordination Office;
- Administrative units;
- Controlled entities, and entities that are derived from the Organization's legal status.



Responsibilities

Overall

Everyone in the Organization (NBJK) has a role in the effective management of risk. All staff should actively participate in identifying potential risks in their area and contribute to the implementation of appropriate treatment actions.

Governance

The Executive Director / Secretary will be responsible on behalf of NBJK for ensuring that a risk management system is established, implemented and maintained in accordance with this policy.

The Audit and Review Committee of NBJK will be responsible for oversight and assurance of the processes for the identification and assessment of the strategic-level risk environment.

Operational

The NBJK Management has delegated responsibility for oversight and implementation of this policy to the Respective Branch Manager / Program Manager / Finance Manager .

The Branch Manager / Program Manager / Finance Manager of the Organization will ensure risk management is embedded into the key controls and approval processes of all major activities processes and functions. The Branch Managers / Program Manager / Finance Manager will be responsible to the Executive Director / Secretary for the implementation of this policy within their respective areas of responsibility.

Heads of the Organization (NBJK) subsidiaries and controlled entities and associated entities operating under the name or legal status of the Organization (NBJK) will be responsible to their respective Boards for the implementation and maintenance of



appropriate risk management processes; and will provide reports to the Executive Director / Secretary as directed on the implementation of these risk management processes.

The Implementing of Branch Manager / Program Manager / Finance Manager will provide reports to the Executive Director / Secretary, and Audit and Review Committee on the status of risk management implementation and effectiveness across the Organization (NBJK); and will periodically report on the identification and assessment of major, strategic risk levels.

Communication

This policy is to be made available to all NBJK staff, observed by all members of staff, both implementing and administrative.

There will be an ongoing professional development strategy to accompany the implementation of this policy.

Key definitions are:

- **Risk** The chance of something happening, which will have an impact upon objectives. It is measured in terms of *consequence* and *likelihood*.
- **Consequence** The outcome of an event or situation, expressed qualitatively or quantitatively, being a loss, injury, disadvantage or gain. There may be a range of possible outcomes associated with an event.
- **Likelihood** A qualitative description or synonym for probability or frequency.
- **Risk Assessment** The overall process of risk analysis and risk evaluation.
- **Risk Management** The culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects.
- **Risk Treatment** Selection and implementation of appropriate options for dealing with risk. Conceptually, treatment options will involve one or a combination of the following five strategies:



- Avoid the risk
 - Reduce the likelihood of occurrence
 - Reduce the consequences of occurrence
 - Transfer the risk
 - Retain/accept the risk
- **Risk Management Process** The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analyzing, evaluating, treating, monitoring and communicating risk.

Exclusions

There are no exclusions. This policy applies to all areas of the Organisation (NBJK).

(GIRIJA NANDAN "GIRIJA SATISH")

President
President
NAV BHARAT JAGRITI KENDRA

(SATISH KUMAR "SATISH GIRIJA")

Secretary
SECRETARY
NAV BHARAT JAGRITI KENDRA

Resolution passed by NBJK Executive Committee on 27th March, 2017, Resolution No. 04

Adopted by NBJK as per its General Body decision of 14th December, 2023 and accordingly Executive Committee resolution no. 8 as on 14th December, 2023.

