

**NRC LIMITED**  
**RISK MANAGEMENT POLICY**

**1. INTRODUCTION**

This policy sets out NRC Limited vision on risk management (RM) and defines the risk management principles and guidelines with which NRC Limited needs to comply.

**2. DEFINITIONS**

- ✓ **Board** means Board of Directors of the Company.
- ✓ **Directors** mean Directors of the Company.
- ✓ **Company** means NRC Limited.
- ✓ **Senior Executives** means personnel of the Company occupying the position of Chief Executive Officer (CEO) or occupying the position of General Manager of the Company.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**3. SCOPE:**

The Board of Directors may from time to time evaluate the effectiveness of the Policy considering the changed business environment.

The Company shall maintain a multi-dimensional risk management system in which all executive officers shall participate. Under this system, executive officers are responsible for risk management in their assigned areas of operation. In addition, executive officers exchange information and participate in important management initiatives and decisions through regularly scheduled executive officers' meetings.

Strictly adhering to this management structure and system, the Company is redoubling its efforts to implement measures aimed at minimizing business risks and detecting them at an early stage at which they may have significant social impact, such as those related to corporate ethics and compliance, the environment and product quality, to fulfill its responsibilities to stakeholders.

**4. RESPONDING TO ENVIRONMENT RISK**

The Company shall endeavour to discover risks in business activities that can impact or potentially impact the environment in a substantial way.

In order to prepare for the event of an accident or emergency, head office divisions, manufacturing facilities, branches, affiliates, and all other divisions, the Company has developed detailed risk descriptions and procedure manuals that specify departmental responsibilities and action to be taken forthwith.

**5. APPROACH TO INFORMATION SECURITY RISK**

The Company shall handle and manage the personal information of various stakeholders such as customers, vendors, shareholders, etc carefully and shall employ management system for protection of personal information.

**6. CONFIDENTIAL CORPORATE INFORMATION AND SECURITY MEASURES**

The Company shall strive to improve its activities for managing confidential corporate information and protecting personal information through organizational, human, physical and technological security measures.

**7. EVALUATION OF RISK MANAGEMENT PROCESS**

The Risk Management process itself, including the Risk Management Policy is subject to an evaluation process as well. The evaluation process will be the responsibility of all divisions within the organisation. All Senior Executives, whenever invited shall give their input and/or specific requests from the senior management executives; define the risk areas to the Board of Directors of the Company.

The Board of Directors shall delegate authority to any senior management executive to perform on-site evaluations on the implementation of the risk management process. Findings and observations made during these on-site evaluations will be communicated to the Board Meeting and will also be used as input for the forthcoming meetings.