

 <p>S P Jain School of Global Management DUBAI • MUMBAI • SINGAPORE • SYDNEY</p>	<h2>Risk Management Policy</h2>
Document Type	Policy
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1. Purpose

Risk management is a key feature of good corporate governance. S P Jain School of Global Management (S P Jain) uses risk management processes to identify, assess, manage and report risk.

2. Definitions

- a. **Risk** is defined as the effect (positive or negative) of uncertainty on objectives. Risk is considered with reference to possible consequences and likelihood of occurrence.
- b. **Risk Management** is a tool used to support the achievement of strategic and operational goals of the company. The risk management framework provides a standardised approach to assessing risk at any level of the organisation.
- c. **Control** - Any action taken by management, the board, and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved.
- d. **Contingency** - Budget (cost benefit) or time (duration) that may be used in the event of a risk occurrence.
- e. **Frequency** - A measure of the rate of occurrence of an event expressed as the number of occurrences of their event in a given time. See also Likelihood and Probability.
- f. **Inherent risk** - High inherent risks that are well controlled may fall out of our field of view if only the residual risk is assessed. The purpose of assessing inherent risk is to ensure that we maintain focus on compliance with controls.
- g. **Likelihood** – A qualitative description or synonym for probability or frequency.
- h. **Probability** - The likelihood of a specific event or outcome, measured by the ratio of specific events or outcomes to the total number of possible events or outcomes.
- i. **Risk appetite** - The level of risk that is acceptable to the board or management. This may be set for the organisation as a whole, for different groups of risks or at an individual risk level.

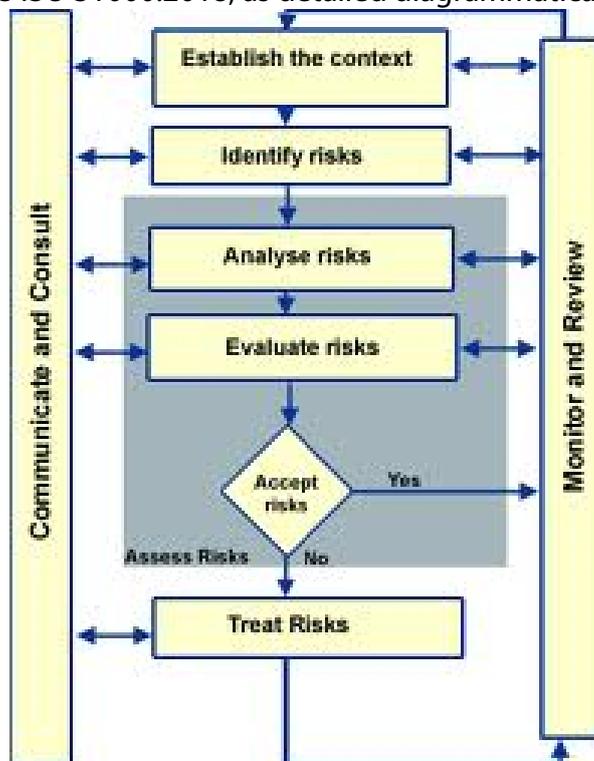
- j. **Residual risk** - The remaining risk after management has taken action to alter the risk's likelihood or impact.
- k. **Risk identification** - The process of determining what can happen, why and how.
- l. **Risk Treatment** – Selection and implementation of appropriate options for dealing with risk.

3. Responsibility

- a. The Board of Directors (BoD) will be responsible for setting risk appetite and oversight of risk management.
- b. The Risk Management and Audit Committee will assist the BoD in the oversight and implementation of a risk management framework and undertaking reviews of the risk management plan quarterly.
- c. The President is responsible for implementing this policy.
- d. The identification and reporting of potential risks is to be undertaken by all levels of staff when they arise so that a directive can be issued to alleviate potential risks. The President will be responsible for making a full disclosure of risks to the Board of Directors and Risk Management and Audit Committee, as they arise.

4. Risk Management Framework

The School uses the Risk Management Framework developed under Standards Australia AS/NZS ISO 31000:2018, as detailed diagrammatically below:



5. The Risk Management Process

- a. Risk management will be implemented through the development of a Risk Management Plan, which will incorporate the steps required by Standards Australia AS/NZS ISO 31000:2018:
 - i. Determine risk categories
 - ii. Identify risks
 - iii. Determine the impact and likelihood
 - iv. Consider internal controls
 - v. Allocate risk ratings

- b. Categories of risk to consider are:
 - i. Governance
 - ii. Strategic priorities
 - iii. Business continuity and contingency planning
 - iv. Disaster recovery
 - v. Operational matters
 - vi. Systems and information management
 - vii. Financial processes
 - viii. Human resources
 - ix. Compliance with regulations and legislation
 - x. Workplace health and safety
 - xi. Academic quality
 - xii. Reputation

- c. Disaster recovering planning will include:
 - i. Mitigation of the effects of disasters
 - ii. Safety of staff and students
 - iii. Development of a Disaster Recovery Plan
 - iv. Natural disasters such as floods, cyclones, fires, tornadoes and earthquakes
 - v. Man-made disasters such as infrastructure failure and terrorism

Related Documents

- a. Disaster Recovery Plan
- b. Risk Management Framework
- c. Risk Management Plan
- d. Terms of Reference of the Academic Board
- e. Terms of Reference of the Board of Directors
- f. Term of Reference of the Risk Management and Audit Committee