

Risk Management Policy

Introduction

The risks affecting Women on Wings can have serious consequences on our continuity and our reputation. Risk management is one of the cornerstones of good governance and sound management structures. The effective implementation of risk management will help us improve our performance and achieve our objectives. We have outlined the key principles of our risk management in this document. We also included the main identified risks in the risk management framework.

Principles and Commitment to Risk Management

We are committed to the management of risks as an integral part of our strategy formulation and implementation. The management of risks is integrated into our planning and operational processes and is fully recognized in the reporting processes. We focus on risk management strategies that explore and maximize opportunities and minimize threats that we may encounter as we pursue our mission. Risk management is the responsibility of the whole team.

Reporting and monitoring

Throughout the year we will be alert on potential risks. If we encounter risks we will assess them and formulate a risk mitigation strategy. Once a year we will do an additional exercise to identify potential risks, assess them and formulate a response. These risks and our response are included in a risk management framework.

The risk management framework is discussed on an annual basis with the supervisory board. As part of these discussions, we look into the likelihood of an event and its impact on the organization. The risk policy is published on our website and updated annually. Recent developments regarding the risk policy will be discussed in the annual report in the chapter Governance.

Risk categories

We divide potential risks in the following risk categories:

- Strategic Risk - all risks related to our core business which could affect the delivery of our strategic aims.
- Compliance and Regulatory Risk - all risks related to failing to meet regulatory or statutory compliance with policies or rules set by the government or sector regulator.
- Operational Risks - all risks related to day to day management regarding employees and systems.

- Financial Risks - all risks related to the financial stability and continuity of the organization.
- Reputational Risks - all risks related to the good name and standing of Women on Wings.

Per category we have identified the risks and the risk controls and mitigation measures.

The risk management framework

Risks	Mitigation and Controls
Strategic risks	
Integrity of partners	We have a strict assessment procedure of partners. In contracts we include requirements on minimum working age, working environment and fair payments. We do an annual check on compliance of the requirements in the contract.
Political changes may affect our work with government institutions	We will maintain a diversified portfolio of government institution partners
Becoming irrelevant	We have an annual meeting with active partners to discuss progress, collaboration and satisfaction to early detect improvement areas When needed we introduce new service offerings in order to remain relevant based on partner requirements.
Dilution of unique proposition Women on Wings	All strategic choices will be guided by our impact focus, co-creating jobs for women in rural India. In our multi-year strategy we will describe our unique service offering.
Compliance and regulatory risks	
Non compliance to regulators	In NL: Reporting is in line with RJ 650/640 guidelines of Fondsenwervende Instellingen. Remuneration is in line with guideline Code Goed Bestuur voor Goede Doelen, VFI. We comply with ANBI rules and CBF regulation. In India Reporting is in line with guidelines of RBI/FEMA. Remuneration is in line with guideline Code of Income Tax Act. Annual audits in NL and India verify compliance with the guidelines and rules

Risks	Mitigation and Controls
Non compliance to law	We are compliant with GST law in India. Annual audits in NL and India verify compliance
Operational risks	
Vulnerability when team members leave/become ill	Work processes are defined and embedded We have weekly meetings for business updates and cross learning
Succession of management	We have annual discussion of ambitions and plans with the supervisory board We are developing a strong second line of management
Inflation correction in India creates substantial annual increase of Indian salaries	Annual review in the supervisory board on development of Indian salaries, in the context of the remuneration guidelines for Dutch NGOs.
Retention of experts	We do our utmost to inform and engage our experts through: Regular expert newsletters Live experts meeting 3 times a year Personal contact to discuss business needs of our partners
Cyber- IT- and privacy risks	1) Data protection by using a password vault so more people have in a safe manner access to crucial login information for banking, IT-systems etc.. 2) Protect privacy-sensitive information by storing it in the cloud, not on private computers. 3) Sharing privacy-sensitive information not through external channels (email, whatsapp etc) but temporarily granting access to source documents conform to GDPR.
Non performance of government institutions and social enterprises /pivoting of business model (no longer a social enterprise, etc.)	We have a diversified portfolio of partners We apply strict monitoring of government institutions and social enterprises through dedicated account managers for social enterprises and dedicated project managers for government institutions. The project managers work from the office of the government institutions.
Financial risks	
Lack of funding	We have a dedicated fundraising manager and work according to a funding strategy . We have a continuity reserve and designated reserves to cover a shortfall in funding.
Forex losses	Our policy is to minimize foreign currency risk to protect the value of our reserves from the negative impact of exchange rate fluctuations. The overall strategy will be to match cash flows

Risks	Mitigation and Controls
	<p>from revenues to expenditures where practicable. We invoice quarterly from Wings International Pvt Ltd to Stichting Women on Wings to minimize the forex risk. We evaluate our risk exposure and forex reserves annually and discuss the same in the supervisory board meeting.</p>
Fraud	<p>We maintain a multiple eye principle for all payments in the Netherlands and India. A third party, Torstai, reports the Dutch expenditures in Afas. Responsibilities are clearly defined in an authorization matrix. All expenses, contracts or transactions that are not or not fully included in the (multi-year) budget and exceed the threshold of Euro 50,000 (fifty thousand euro) in total per year need approval of the supervisory board. We follow up on the auditor's recommendations in the annual audit.</p>
Losses on investments	<p>Any surplus funds will be held in an interest-bearing account, linked to our current account, with a solid Dutch or Indian bank. We have opened two bank accounts with Rabobank and ABN-AMRO bank to mitigate the financial consequences of the risk of bankruptcy of a Dutch Bank.</p>
Reputational risk	
Integrity of staff and experts	<p>We have a robust integrity policy and code of conduct. Both documents are signed by experts and staff and will be put to their attention on a regular basis. We have a confidential advisor for people who work at, for and/or with Women on Wings</p>
Quality of Impact measurement	<p>In the agreements with our partners we stipulate that they will disclose growth figures in revenues and jobs. The annual impact measurement forms are always signed off by the partners. We track outcome based progress, any deviations will be course corrected or explained.</p>
Incomplete, inconsistent communication	<p>We apply the four-eyes principle We always send articles on our website about partners, experts or women beneficiaries to them for approval before publishing. If we find something to be inconsistent in a published article, post or newsletter we will take it down, edit and if necessary write a follow-up to it.</p>
Salaries of board members	<p>Salaries will be in accordance with the CBF requirements in the Netherlands and the common practices in India</p>