

<b>Policy Title</b>	Risk Management Policy (“ <b>Policy</b> ”)	<b>Approving Authority</b>	Risk Management Committee (RMC)
<b>Organization</b>	Chief Risk Officer (CRO) office	<b>Approval Date</b>	
<b>Entity</b>	Nexus Select Mall Management Private Limited (formerly known as Nexus India Retail Management Services Private Limited) (“ <b>Manager</b> ”) in its capacity as manager of Nexus Select Trust (Trust)		
<b>Responsibility for ensuring Compliance</b>	CRO’s office		

<b>Applicability</b>	The Policy is applicable to the Company and the special purpose vehicles of the Nexus Select Trust (“ <b>SPVs</b> ”), its holding companies (“ <b>Holdco(s)</b> ”) and investment entities (“ <b>Investment Entity</b> ”) of the Nexus Select Trust
<b>Purpose</b>	<p>The purpose of the risk management policy is to provide guidance with regards to managing risks so as to support the achievement of corporate objectives and comply with applicable regulations. A risk management policy is a critical component of effective governance and strategic management, which helps our organization navigate uncertainties and make informed decisions to achieve our strategic objectives.</p> <p>This policy is framed in line with the requirement of Section 134(3) and Section 177(4) of the Companies Act, 2013 and applicable regulatory guidelines (SEBI).</p> <p>An element of risk is associated with all activities carried out by the REIT, the Company and the SPVs/ Holdco(s)/ Investment Entity of the Nexus Select Trust (hereinafter referred to as the “<b>Relevant Entities</b>”) and a practice of risk management enables the Relevant Entity to proactively identify, assess and remediate the risks posed to such Relevant Entity. The responsibility of managing risk lies with all employees associated with the Relevant Entity.</p> <p>This policy outlines the Nexus Select Trust’s risk management process and sets out the responsibilities of the Board of Directors (BOD), the Audit Committee, Chief Risk Officer, senior management of the Company/ Nexus Select Trust and others within the Relevant Entities in relation to risk management of the Nexus Select Trust</p> <p>The specific objectives of the Risk Management Policy are:</p> <ul style="list-style-type: none"> <li>• <b>Board visibility:</b> To enable visibility and oversight of the Board on risk management system and material risk exposures of the Relevant Entities.</li> <li>• <b>Risk identification and evaluation:</b> To ensure all risks across the Relevant Entities are identified that could impede the Trust’s ability to achieve it’s objectives. To ensure all risks are evaluated through a standardised process and consolidated across the organisation to prioritise the impact on the Relevant Entities.</li> <li>• <b>Risk reporting and continuous improvement:</b> To ensure that risks are reported internal as well as external stakeholders as per relevance and significance. To establish a process of continuous improvement in risk management by regularly reviewing and updating risk assessments and mitigation strategies.</li> <li>• <b>Risk appetite:</b> To establish and maintain the risk appetite of the Relevant Entities within the defined threshold levels by tracking the early warning indicators / risk indicators.</li> </ul>

<b>Risk*</b>	<p><b>Risk*:</b> Risk is an event which can prevent, hinder and fail to further or otherwise obstruct the enterprise in achieving its objectives. A business risk is the threat that an event or action will adversely affect an enterprise's ability to maximize stakeholder value and to achieve its business objectives. Risk can cause financial disadvantage, for example, additional costs or loss of funds or assets. It can result in damage, loss of value and /or loss of an opportunity to enhance the enterprise operations or activities.</p> <p><b>Strategic Risk</b> are associated with the primary long-term purpose, objectives and direction of the business.</p> <p><b>Operational Risks</b> are associated with the on-going, day-to-day operations of the enterprise.</p> <p><b>Compliance Risks</b> are risks associated with the compliance with various Acts, Rules, Regulations and other compliances applicable to the Relevant Entities</p> <p><b>Financial Risks</b> are related specifically to the processes, techniques and instruments utilized to manage the finances of the enterprise, as well as those processes involved in sustaining effective financial relationships with customers and third parties.</p> <p><b>Knowledge Risks</b> are associated with the management and protection of knowledge and information within the enterprise.</p> <p>(* as defined in Standard of Internal Audit (SIA) 13 issued by the Institute of Internal Auditors)</p> <p><b>Inherent Risks:</b> The risk that an activity would pose if no controls or other mitigating factors were in place (the gross risk or risk before controls). The risk management process focuses on areas of high inherent risk, with these documented in the Risk Register.</p> <p><b>Residual Risks:</b> Upon implementation of treatments there will still be a degree of left over risk, with the expectation that an unacceptable level of residual risk would remain only in exceptional circumstances.</p> <p><b>Significant Risk:</b> Significant risks include those risks that have a high likelihood and high impact or where there is limited ability for mitigation by the Company. These risks are identified and assessed based on the Company's expertise, judgement and knowledge.</p> <p><b>Risk Appetite:</b> Risk appetite is the amount of risk, on a broad level, an organization is willing to accept in pursuit of value.</p>
<b>Importance of Risk Management</b>	<p>A certain amount of risk taking is inevitable if the organization has to achieve its objectives. Effective management of risk helps to manage innovation and improve performance by contributing to:</p> <ul style="list-style-type: none"> <li>(a) Certainty and fewer surprises,</li> <li>(b) More effective management of change,</li> <li>(c) More efficient use of resources,</li> <li>(d) Better management at all levels through improved decision making,</li> <li>(e) Reduced waste and fraud, and better value for money,</li> <li>(f) Management of contingent and maintenance activities.</li> </ul>
<b>Approach to Risk Management</b>	<p>Enterprise risk management philosophy is to enable the achievement of the Company's strategic objectives by identifying, analyzing, assessing, mitigating, monitoring, preventing, and governing any risks or potential threat to these objectives. While the achievement of strategic objectives is a key driver, our values, culture and our obligation &amp; commitment to employees, customers, investors, regulatory bodies, partners, and the community around us are the foundation on which our risk management philosophy is based. The systematic and proactive identification of risks and mitigation thereof shall enable effective or quick decision-making, enable business continuity, and shall improve the performance of the organization.</p>
<b>Organisation Structure</b>	<ul style="list-style-type: none"> <li>- BOD</li> <li>- Audit Committee and RMC</li> <li>- CRO &amp; Risk Owners</li> </ul>
<b>Responsibility of BOD</b>	<p>The BOD shall constitute a RMC.</p> <p>The RMC shall have minimum three members with majority of them being members of the board of directors, including at least one independent director.</p>

	<p>The BOD may define the role and responsibility of the RMC and may delegate monitoring and reviewing of the risk management plan to the RMC and such other functions as it may deem fit including ESG and cyber security.</p> <p>The Board, through the RMC, has responsibility under its Charter to review and ensure that:</p> <ul style="list-style-type: none"> <li>(a) the RMC has, once in two years, reviewed the risk management framework / policy to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk</li> <li>(b) adequate policies and processes have been designed and implemented to manage identified risks</li> <li>(c) a regular program of audits is undertaken to test the adequacy of and compliance with prescribed policies; and</li> <li>(d) proper remedial action is undertaken to redress areas of weakness.</li> </ul>
<b>Audit Committee</b>	<p>The following shall serve as the role and responsibilities of the Audit Committee authorized to evaluate the effectiveness of the risk management framework:</p> <ul style="list-style-type: none"> <li>(a) To examine the organization structure relating to risk management;</li> <li>(b) Evaluate the efficacy of risk management systems-recording and reporting;</li> <li>(c) Review the strategy for implementing risk management policy;</li> <li>(d) Seeking regular assurance that the system of internal control is effective in managing risks in accordance with the Board of Director's policies; and</li> <li>(e) Ensure that senior management monitors the effectiveness of internal control system.</li> </ul>
<b>RMC</b>	<p>The RMC shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary</p> <p>The role of the committee shall, <i>inter alia</i>, include the following:</p> <ul style="list-style-type: none"> <li>(1) To formulate a detailed risk management policy which shall include: <ul style="list-style-type: none"> <li>(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.</li> <li>(b) Measures for risk mitigation including systems and processes for internal control of identified risks.</li> <li>(c) Business continuity plan.</li> </ul> </li> <li>(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;</li> <li>(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;</li> <li>(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;</li> <li>(5) To keep the BOD informed about the nature and content of its discussions, recommendations and actions to be taken;</li> <li>(6) The appointment, removal and terms of remuneration of the CRO (if any) shall be subject to review by the RMC.</li> </ul>

	The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the BOD.
<b>Constitution of the RMC</b>	The RMC shall have a minimum of three members with majority of them being members of the BOD, including at least one independent director.
<b>Meeting</b>	The RMC shall meet at least twice in a year in such a manner that on a continuous basis not more than 210 days shall elapse between any two consecutive meetings, or such other timelines as may be prescribed under applicable law.
<b>Quorum</b>	The quorum for a meeting of the RMC shall be either 2 (two) members or 1/3rd (one third) of the members of the committee, whichever is higher, including at least 1 (one) member of the board of directors in attendance, or such other quorum as may be prescribed under applicable law
<b>Chief Risk Officer</b>	<p>The CRO will work with members of RMC and risk owners in establishing and implementing the risk management process effectively in their areas of responsibilities. The CRO shall provide inputs and insights in the establishment, monitoring and structuring risk management process and further monitor its compliance in accordance with relevant provisions of the policy.</p> <p><i>Key roles and responsibilities:</i></p> <ul style="list-style-type: none"> <li>• Ensure updation of risk management policy pursuant to the organization's risk management purpose.</li> <li>• Validate that the risk management policy is implemented in each department and that all significant risks are being recognized, acknowledged, and effectively managed.</li> <li>• Act as convener in RMC meetings</li> <li>• Discuss with risk owners and finalize the ownership of risk registers, thereby entrusting a person with the responsibility of completion of the risk register.</li> <li>• Coordinate with Risk Owners for periodic update of risk registers.</li> <li>• Advise the Risk Owner in identifying and assessing risks, creating mitigation plans, and developing key risk indicators.</li> <li>• Assess ratings of identified enterprise risks and prioritize them for its presentation to the RMC.</li> <li>• Update the RMC on a periodic basis with updates in risk policy, new risks identified, focus risks, mitigation plans.</li> <li>• Act as a coordinator between the BOD and the RMC.</li> <li>• Present the key business risks faced by the organization and their mitigation plans to the Board on behalf of RMC.</li> <li>• Create a framework for holistic enterprise view to risk management process and ensure inter department dependencies are addressed.</li> <li>• Sign off risk assessment templates in coordination with Risk Owners.</li> </ul>

<b>Risk Owner(s)</b>	<p>Risk Owners are Head of respective function/department/location or business leaders responsible for overseeing the management, monitoring, response and emerging changes related to their assigned risks.</p> <p><i>Key roles and responsibilities of Risk Owner(s):</i></p> <ul style="list-style-type: none"> <li>• Ownership of risk in their respective function / department.</li> <li>• Ensure that risks for their respective functions/department/location are identified and assessed as per risk assessment framework</li> <li>• Understand and take responsibility for the management of risk in their business units/functional areas</li> <li>• Ensure risk registers are maintained and updated on a quarterly basis. Ensure effective and efficient coverage of applicable risks</li> <li>• Assess ratings of identified enterprise risks and prioritize them for the presentation to the RMC</li> <li>• Facilitate the identification and implementation of risk mitigation plans</li> <li>• Track and measure the effectiveness of the mitigation plans and ensure risk mitigating plans are mapped against prioritized risks.</li> <li>• Approve risk assessments and mitigation of risks of respective function / department for validation by the CRO.</li> </ul>
<b>General Responsibilities</b>	<p>Every staff member is responsible for effective management of risk including the identification of potential risks. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies including the promotion and training of the risk management process to staff. Risk management processes should be integrated with other planning processes and management activities.</p>
<b>Risk Management Procedure</b>	<p>Risk management is a continuous process that is accomplished throughout the life cycle of a company. It is an organized methodology for continuously identifying business objectives; information assets; and the underlying assets (e.g., hardware, software, databases, networks and facilities) and measuring the unknowns; developing mitigation options; selecting, planning, and implementing appropriate risk mitigations; and tracking the implementation to ensure successful risk reduction. Effective risk management depends on risk management planning; early identification and analyses of risks; early implementation of corrective actions; continuous monitoring and reassessment; and communication, documentation, and coordination. The assessment of countermeasures should be performed through a cost benefit analysis where controls are selected to reduce the risk to a level acceptable to the management.</p> <p>This process may be based on the following:</p> <ul style="list-style-type: none"> <li>• The cost of the control compared to the benefit of minimizing the risk</li> <li>• Management's risk appetite</li> <li>• Preferred risk-reduction methods</li> </ul>

<b>Risk Management Methodology</b>	<p>The methodology adopted by the Company its SPVs, Holdcos and Investment Entity for managing and treating its risks and that of the Relevant Entities is defined as follows:</p> <p><b>Risk Identification:</b></p> <p>This involves continuous identification of events that may have negative impact on the Trust's ability to achieve goals. Identification of risks, risk events and their relationship are defined on the basis of discussion with the risk owners and secondary analysis of related data, previous internal audit reports, past occurrences of such events etc.</p> <p>In line with SEBI LODR, the Company shall classify all applicable enterprise risks for the Company in below stated broad categories:</p> <ul style="list-style-type: none"> <li>• Sectoral Risks: Key sectoral risks applicable to all entities in the real estate sector</li> <li>• Operational Risks: Inadequate or failed processes or people capabilities</li> <li>• Financial Risks: Related to Financing / financial transactions</li> <li>• Information Risks: Possible information / data leakage, misuse, or loss</li> <li>• Cyber Security Risk: Cyber threats / frauds</li> <li>• Sustainability (ESG): Related to environment, social and governance</li> <li>• Others</li> </ul> <p>Note- Legal &amp; Compliance related risks may be classified under Governance (ESG risk) or Operational risk, as applicable.</p> <p><b>Risk Prioritization:</b></p> <p>Once risks have been identified, risks should be prioritised by evaluating the uncertainty of risk events or conditions in terms of:</p> <p><b>Impact:</b> Severity of a risk, if it were to occur.</p> <p><b>Likelihood:</b> Probability of a risk occurring.</p> <p><b>Velocity:</b> Rapidness of a risk manifesting itself, once it starts to unfold.</p> <p><b>Risk Criticality Score (using the rating scale)</b></p> <p>The risk criticality score determines what risks are reported at the senior management level and RMC. For the Company, a rating scale is suggested to capture the management's assessment of the potential impact, likelihood and velocity.</p> <p>Impact X Likelihood + Velocity = Risk Criticality Score</p>
	<p><b>Risk Mitigation</b></p> <p>Risk mitigation options are analyzed to determine the appropriate risk treatment strategy, considering cost-benefit analysis. Risk Owners identify response options considering cost-benefit analysis when designing risk responses.</p>

	<p>Each risk response could be categorized into one of the 4Ts – Terminate, Take, Treat, or Transfer - also called the 4T’s of risk strategy.</p> <p>Risk response categories can be summarized as follows:</p> <p>Risk Avoidance, risk reduction, risk acceptance and risk transfer</p> <table border="1"> <thead> <tr> <th></th><th></th></tr> </thead> <tbody> <tr> <td>Terminate/ Avoid</td><td>Actions to exit the activity that causes the risk. For example, risks classified with High Impact as well as High Likelihood could be handled in this manner.</td></tr> <tr> <td>Take/ Accept</td><td>Take no action to affect likelihood and impact; accept and live with the risk exposure. For example, risks classified with Low Impact and Low Likelihood could be handled in this manner.</td></tr> <tr> <td>Treat/ Reduce</td><td>Actions to reduce the risk exposure by reducing the likelihood, impact, or both.</td></tr> <tr> <td>Transfer/ Share</td><td>Actions to reduce the likelihood or impact by transferring the full or portion of the risk to another entity/ counterparty</td></tr> </tbody> </table> <p><b>Monitor Risk</b></p> <p>Risk management uses the output of a risk assessment and implements countermeasures to reduce the risks identified to an acceptable level. This policy provides a foundation for the development of an effective risk register, containing both the definitions and the guidance necessary for the process of assessing and mitigating risks identified within functions and associated processes.</p> <p>In circumstances where the accepted risk of a particular course of action cannot be adequately mitigated, such risk shall form part of consolidated risk register along with the business justification and their status shall be continuously monitored and periodically presented to RMC.</p>			Terminate/ Avoid	Actions to exit the activity that causes the risk. For example, risks classified with High Impact as well as High Likelihood could be handled in this manner.	Take/ Accept	Take no action to affect likelihood and impact; accept and live with the risk exposure. For example, risks classified with Low Impact and Low Likelihood could be handled in this manner.	Treat/ Reduce	Actions to reduce the risk exposure by reducing the likelihood, impact, or both.	Transfer/ Share	Actions to reduce the likelihood or impact by transferring the full or portion of the risk to another entity/ counterparty
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<p><b>Risk Reporting</b></p>	<p>Risks to be reported to RMC</p> <p>While the Company will monitor, evaluate and respond to risks, only significant risks (or those that could become significant) need to be reported to the RMC.</p> <p>Significant risks include those risks that have a high likelihood or significant impact or rapid velocity where there is limited ability for mitigation by the Company. These risks are identified and assessed based on the Company’s expertise, judgement and knowledge.</p> <p>Risks with high-risk exposure will be identified and summarized in Consolidated Risk Register.</p> <p>Company will appoint a firm of Chartered Accountants or the CRO to place the Risk Register to the RMC.</p>										

	<p>Process of risk reporting:</p> <p>CRO or an independent firm of Chartered accountants will place the Risk register with significant risks, the key indicators, the risk category and the effectiveness of the mitigation plans. On an ongoing basis, when a new or emerging risk is identified, Risk owners of respective department will notify to CRO.</p> <p>After review of the Risks, the CRO will determine whether the risk identified warrants inclusion in the risk register.</p> <p>Risk included in risk register in the Half year will be reported to RMC in the next meeting.</p> <p>Risk reporting of adverse event:</p> <p>All adverse events and near misses must be recorded and reported. All adverse events, as may be decided as significant by risk owner in consultation with CRO, should be reported, even if some time has passed since the event occurred.</p> <p>The company will periodically review its risk profile, presenting it to the RMC in a way that ensures RMC meets at least twice a year and no more than 210 days pass between any two consecutive meetings. The objective of this review is to assess movement in existing risks and identify any new or emerging risks.</p>
<b>Risk Training, Awareness, Communication &amp; Culture</b>	<p>The commitment from Relevant Entities extends to providing comprehensive training programs for employees at all levels, clearly delineating roles and responsibilities, and elevating awareness of risk across the organization. Emphasis is placed on open communication channels, efficient reporting procedures, and feedback mechanisms to instill a proactive approach to risk management.</p> <p>Leadership is committed to actively supporting and exemplifying the desired risk culture, integrating risk considerations into performance management processes. The organization encourages continuous learning, measurement of risk management initiatives, and the assimilation of lessons learned to continually fortify the ability to identify, assess, and manage risks effectively.</p> <p>Through these concerted efforts, the aim is to cultivate a positive risk culture where every employee is empowered to contribute to collective success by actively participating in risk management processes.</p>
<b>Business Continuity Plan</b>	<p>The RMC shall ensure that a detailed business continuity plan is implemented which will inter alia cover the identification of risk, determination of such risks that will have an impact on the Manager's business operations, implementing safeguards and procedures to mitigate such risks, testing procedure for mitigating the risks and reviewing the processes.</p>