TURATHUNA

OFFICE OF THE CHAIRMAN OF THE BOARD OF TRUSTEES

EXECUTIVE DIRECTIVE: Risk Management Policy

Directive Number: TF-DIR-2026-004

Date of Issuance: May 18, 2026

Effective Date: June 1, 2026

1. PURPOSE & RATIONALE

In alignment with the Turathuna Foundation's commitment to institutional excellence, rigorous governance, and compliance with the standards required by our international partners and donors, the Board of Trustees has formally approved the **Risk Management Policy**.

The implementation of this policy is essential to ensure that our operations remain transparent, ethically sound, and fully aligned with global best practices in cultural heritage preservation and humanitarian action.

2. MANDATORY COMPLIANCE

Pursuant to the authority vested in the Chairman of the Board of Trustees, and in accordance with the Foundation's bylaws, all personnel—including Board members, management, staff, volunteers, consultants, and implementing partners—are hereby directed to adhere strictly to the guidelines and procedures set forth in the attached policy.

3. IMPLEMENTATION & ENFORCEMENT

- **Effective Date:** This policy shall come into full force and effect starting **June 1, 2026**.
- **Responsibilities:** Department heads and Project Managers are responsible for the immediate dissemination of this policy to their respective teams and for conducting necessary training to ensure full understanding and operational alignment.
- **Compliance:** Failure to adhere to the provisions of this policy may result in disciplinary action, as outlined in the *Code of Ethics and Professional Conduct*.

4. REVIEW & UPDATES

This policy shall be subject to periodic review by the Board of Trustees to ensure its ongoing effectiveness in the face of evolving operational challenges. Any proposed amendments must be submitted to the Board for formal approval.

5. ATTACHMENTS

Attached to this directive is the full version of the **Risk Management Policy**, which serves as the official operational guide for the Foundation.

BY ORDER OF THE BOARD OF TRUSTEES:

Lama Abboud
Chair of the Board of Trustees
Turathuna Foundation

Cc:

- Executive Director
- Finance Department
- HR Department
- Project Managers
- Central Policy Repository

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1. PURPOSE AND POLICY STATEMENT

The Turathuna Foundation operates in a complex post-conflict environment where it implements critical cultural heritage preservation, community capacity-building, and sustainable development projects. In this context, risk is inherent in all our activities.

The purpose of this Risk Management Policy is to establish a proactive, structured, and consistent framework for identifying, assessing, mitigating, and monitoring risks. The Foundation is committed to managing risks to acceptable levels to protect our personnel, beneficiaries, physical heritage assets, financial resources, and organizational reputation, ensuring the successful delivery of our mission.

2. SCOPE OF APPLICATION

This policy applies to all aspects of the Foundation's operations and to all individuals acting on its behalf, including the Board of Trustees, executive management, core employees, project staff, field volunteers, and implementing partners.

3. CORE RISK CATEGORIES

The Foundation categorizes risks into five primary areas to ensure comprehensive oversight:

- **Strategic and Reputational Risks:** Risks that threaten the Foundation's mission, credibility, and relationships. This includes loss of community trust, loss of international donor support, political interference, or reputational damage due to negative media.
- **Operational and Programmatic Risks:** Risks affecting the day-to-day execution of projects. This includes delays in physical restoration work, supply chain disruptions for traditional materials, lack of qualified artisans, and IT or data loss.

- **Financial and Compliance Risks:** Risks threatening the financial viability and legal standing of the organization. This includes extreme currency fluctuation, hyperinflation, fraud, non-compliance with international sanctions, and the inability to transfer or access funds due to local banking constraints. *(See: Financial Integrity and AML/CTF Policy)*.
- **Health, Safety, and Security Risks:** Risks to the physical well-being of our team and the public. This includes structural collapses at heritage sites, traffic accidents during field tours, and the presence of Unexploded Ordnance (UXO) or residual conflict hazards in undocumented historical areas. *(See: HSSE Policy)*.
- **Social and Safeguarding Risks:** Risks of doing harm to the communities we serve, including sexual exploitation, abuse, and harassment (PSEAH), child protection failures, or exacerbating local social tensions. *(See: Safeguarding and Protection Policy)*.

4. THE RISK MANAGEMENT PROCESS

The Foundation utilizes a continuous, five-step risk management cycle:

1. **Risk Identification:** Proactively identifying potential threats before a project begins and during its implementation. This is done through community consultations, site assessments, and team brainstorming.
2. **Risk Assessment:** Evaluating each identified risk based on two factors:
    - **Likelihood:** How probable is it that the event will occur? (Rare, Unlikely, Possible, Likely, Almost Certain).
    - **Impact:** What is the severity of the consequence if it does occur? (Insignificant, Minor, Moderate, Major, Severe).
3. **Risk Mitigation (Treatment):** Developing strategies to handle the risk. Options include:
    - *Avoid:* Changing the project plan to eliminate the risk entirely.
    - *Mitigate/Reduce:* Taking active steps to reduce the likelihood or impact (e.g., mandatory PPE on sites, requiring double signatures for payments).
    - *Transfer:* Shifting the risk to a third party (e.g., through insurance contracts).
    - *Accept:* Acknowledging the risk but deciding to proceed because the mitigation cost outweighs the benefit, subject to Board approval.
4. **Monitoring and Review:** Risks are not static. Project Managers must continuously monitor the environment for new risks and assess whether current mitigation strategies are working.
5. **Reporting:** Communicating risk profiles transparently to management, the Board, and donors.

5. THE RISK REGISTER

The primary tool for documenting this process is the **Organizational Risk Register**.

- The Foundation will maintain a central Risk Register overseen by Executive Management.

- Additionally, every major funded project must have its own specific Project Risk Register, submitted during the planning phase.
- The Risk Register tracks the description of the risk, its category, likelihood/impact scores, mitigation actions, and the designated Risk Owner.

6. ROLES AND RESPONSIBILITIES

Effective risk management requires accountability at every level:

- **Board of Trustees:** Holds ultimate accountability for the organization’s risk profile. Reviews the high-level Organizational Risk Register annually and ensures adequate resources are allocated for risk mitigation.
- **Executive Director / Management Team:** Responsible for implementing this policy, fostering a risk-aware culture, ensuring Risk Registers are up to date, and acting as the escalation point for severe risks.
- **Project Managers:** The designated "Risk Owners" for their specific projects. Responsible for conducting daily/weekly risk assessments, implementing mitigation measures on the ground, and reporting emerging threats.
- **All Personnel and Volunteers:** Responsible for adhering to all safety, financial, and safeguarding protocols, and for immediately reporting any perceived risks or "near-miss" incidents to their supervisors.

7. CRISIS MANAGEMENT AND ESCALATION

When a high-level risk materializes into an actual event (a crisis), standard mitigation transitions to emergency response.

- **Escalation:** Any severe incident (e.g., a major site accident, a safeguarding allegation, or a sudden halt in project funding) must be reported to the Executive Director and the President of the Board within 24 hours.
- **Crisis Response:** The Executive Management team will form a temporary Crisis Management Team to stabilize the situation, protect personnel and assets, communicate with relevant authorities and donors, and minimize reputational damage.

8. POLICY REVIEW

To remain resilient in a dynamic environment, this Risk Management Policy and the Organizational Risk Register will be reviewed formally by the Board of Trustees on an annual basis, or immediately following any major organizational crisis or significant change in the operating environment in Syria.