



5 Risk Management & ALM

Recommend frameworks for:

§ **Market risk**

§ **Credit risk**

§ **Liquidity risk**

§ **Operational risk**

Ensure alignment with **pension liabilities (ALM – Asset Liability Management)**

6 Governance & Intermediaries

Review **custodial architecture**

Improve **end-to-end investment processes** across NPS intermediaries

7 **Sustainability Integration:** Embed **climate transition risks** and **net-zero pathways** in investment decision-making.

Significance

1. Expected to **modernise NPS investments** in line with global pension trends.
2. Improves **risk-adjusted returns** for subscribers.
3. Incorporates **ESG (Environmental, Social, Governance) and climate risk** considerations.
4. Enhances **resilience of Indian pension funds** against market volatility.