

Ooredoo Oman

Enterprise Risk Management Policy – External Version

1- Purpose:

The aim of the Enterprise Risk Management (ERM) within Ooredoo Oman is to effectively manage uncertainty which could have a significant negative impact on its business objectives. Ooredoo, like other Telecommunications providers, faces a broad range of operational, strategic, financial and, compliance and regulatory risks. Risks are interrelated, and often cannot be fully and directly controlled by management. Effective risk management is essential for Ooredoo to reliably achieve its objectives and satisfy the expectations of external stakeholders.

Uncertainty is inherent in many of the activities carried out by Ooredoo. Factors that drive risk include but not limited to the importance of company's reputation and, brand perception; intensifying competition; long planning horizons; execution challenges for project and program management; and keeping pace with rapid technological change.

ERM reduces the probability of corporate objectives being negatively impacted by unforeseen or unmanaged risks. As an integral part of all decision-making processes, Ooredoo needs to be aware of the risks it faces, and the implications for human and financial resources. The formal management of risk permits Ooredoo to mitigate risks and achieve a measured level of risk taking.

2- Policy Scope:

- The Policy on Enterprise Risk Management (ERM) will guide ERM activities in accordance with the principles set out in this policy.
- The policy describes the means to identify, prioritize, analyse, mitigate, monitor and manage the risks involved in the activities of our business. This activity requires a balance between the cost of managing and treating risks against the anticipated benefits that will be derived.
- The policy establishes a formal, systematic and integrated approach to identifying, managing and monitoring risks in Ooredoo and defines key roles and responsibilities for ERM activities.
- The policy integrates with corporate governance, key initiative strategic projects to achieve the stated objectives, planning and other internal processes.
- The policy encompasses all the important, sensitive and critical business processes and includes the people, processes and technology affecting such business processes.
- Establish and empower an organizational structure to oversee risk management with appropriate and delegated roles and responsibilities.
- Business related risks shall conform to the organizational Risk Appetite and be within the Risk Tolerance set by the board of directors.

3- DEFINITIONS:

In the application of this Enterprises Risk Management Policy, unless the context otherwise requires, the following words, acronyms and expressions will have the following meanings:

Terms	Definitions
Enterprises Risk Management (ERM)	Coordinated activities to direct and control an organization with regard to risk.
Risk	Effect of uncertainty on objective. An effect is a deviation from the expected positive and/or negative.
Risk management policy	Statement of the overall intentions and direction of an organization related to risk management.
Monitoring	continual checking, supervising, critically observing or determining the status in order to identify change from the performance level required or expected
Likelihood	Chance of something happening
Risk Appetite	The amount and type of risk that an organization is prepared to pursue, retain or take.
Impact	magnitude of harm that can be expected to result from the consequences of a security incident
Risk response	Risk response refers to the strategies and actions taken to address identified risks in a project, organization, or business environment. The goal of risk response is to manage, mitigate, transfer, or accept the impact of potential risks to minimize negative effects and maximize opportunities.

4- Principles of the policy:

In implementing risk management, Ooredoo will adhere to the following principles:

- Risk management is essential for strategic planning and good corporate governance, and integral to best management practice.
- Authority for risk management and the setting of the enterprise's ERM policy and Risk Appetite belongs to the board.
- The board seeks to balance risk across the company's operations and investments with a view to attaining an optimal portfolio of lower and higher risk operations.
- The responsibility for risk management lies with the board and management, who collectively coordinate efforts to:
 - Proactively manage risks to business assets, including staff, financial and other resources, property, projects and programs, and reputation;

- Take appropriate and timely measures to assess the likelihood and potential impact of risks, and the associated impact on the achievement of objectives, balancing the cost of managing risks with the anticipated benefits that may derive;
- Decide on and implement the appropriate Risk Response to the assessed risk or risks;
- Monitor and evaluate the outcomes.

5- The Benefits of ERM:

The anticipated key benefits of the ERM policy are to:

- Strengthen the achievement of business objectives through effective risk mitigation.
- Protect shareholder interests and enhance investor confidence in Ooredoo Oman's corporate governance.
- Support and improve the quality of decision-making and strategic planning.
- Safeguard the company's assets, including personnel, finances, property, and reputation.