



RISK MANAGEMENT POLICY

FRAMEWORK TO MANAGE RISKS

1. INTRODUCTION

- 1.1. The framework for Group Risk Management is established on the sound basis of the international standards in managing risks i.e. ISO 31000 defined below.
- 1.2. Risk Management should create and protect value. Managers to use Risk Management to achieve CCM Group Objectives and improve performance.
- 1.3. Risk Management should be part of all processes. Managers to make Risk Management part of every process at every level. Managing Risks is a responsibility of every manager.
- 1.4. Risk Management should be part of decision making at all levels within the Group such that it is used to make informed choices and prioritizing actions.
- 1.5. Use Risk Management to handle uncertainties by identifying and defining the nature and type of uncertainties that each manager must deal with and the solutions to address each uncertainty.
- 1.6. The approach to managing risks should be systematic, structured and timely thereby contributing to efficiencies and generating reliable results.
- 1.7. Risk Management should be based on the best available information sources. Decision makers should consider limitations and shortcomings of the data they use to manage risks.

- 1.8. Risk Management should consider and recognize the human and cultural factors that can achieve the objectives i.e. How human capabilities, perceptions and intentions can facilitate or hinder objectives.
- 1.9. Approach to Risk Management should be:
 - 1.9.1. Transparent i.e. open, visible and accessible
 - 1.9.2. Inclusive of all stakeholders and decision makers within the Group. External context of managing risks includes evaluating and understanding environment, stakeholders and influences. Internal context of managing risks includes evaluating and understanding internal stakeholders, governance, capabilities, culture and standards.
 - 1.9.3. Dynamic and responsive i.e. continually sense changes and respond to it
Ongoing i.e. repeat the risk management process whenever and wherever objectives need to be achieved.
 - 1.9.4. Supports continual improvement i.e. use risk management to improve all organization aspects of the Group and/ or Division and develop strategies to improve risks.

2. ENTERPRISE RISK MANAGEMENT (ERM) FRAMEWORK

- 2.1. The ERM Framework follows the universally accepted standard for managing risks ISO31000.
- 2.2. Risk Management Policy
 - 2.2.1. The Risk Management Policy defines a clear commitment to managing risks. Risk objectives are identified, implemented and communicated within the Group.

2.3. Scope of Risk Management

2.3.1. The scope Risk Management includes Operational, Strategic, Emerging risks and extends to Business Continuity Management (BCM) and Project Risk Management.

APPENDIX A

Risk Management Policy

It is the policy of the CCM Group of Companies to recognise the broad spectrum of risks which the Group faces along with the opportunities which it seeks in its businesses and operations. It is a strategic objective of the Group to have an effective risk management programme and control systems to assess and mitigate these risks and thereby facilitate the Group in meeting all its business objectives, most specifically :-

- To enhance the Group's high standards of corporate governance;
- To safeguard shareholders' investment;
- To safeguard the Group's assets;
- To develop the Group's employees and promote their well-being;
- To facilitate the Group's long-term growth under all business conditions.

The Group is committed to developing and maintaining a risk management culture in its employees through leadership, education, communication and consultation so that a risk-based approach is effectively embedded in its business processes and operations.

APPENDIX B

ERM FRAMEWORK

