



RISK MANAGEMENT POLICY

Version No.	Implemented by	Revision / adoption date	Approved by	Reasons
1 (Current Version)	- Risk Manager - Management	27 Feb 2020	- Management - Audit Committee - Board of Directors	- QFMA Corporate Governance Code. - Documentation of Mannai Corporation Risk Management Framework.

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6. Risk Management Principles

- Alignment with business activities and objectives.
- Proportionate to the level of risk within the Company.
- Comprehensive, structured and systematic.
- Embedded within normal business protocols and management processes.
- Dynamic and responsive to change.

7. Risk Governance

Risk Governance includes the sum of Policies, Procedures, Rules, Processes, and Mechanisms concerned with how relevant risk related information is collected, assessed, managed and communicated. Based on the gathered information, decisions for the treatment of risk are made.

Risk governance is of great importance and requires the collaboration and co-ordination among a range of different stakeholders.

Elements of Risk Governance in the Risk Management Framework

Element	Contents focus
Risk Policy, procedure and application	Overall management sponsorship of Risk Management, directives through approved policies and procedures.
Risk Management process	Overall Risk Management of the organization in the following context: <ul style="list-style-type: none">• Risk environment• Stakeholder's expectations• Roles and responsibilities.• Risk treatment strategies.
Risk Assessment	Reviewing of the process used for the identification, analysis and evaluation of Risk and its correct categorization and ratings.
Risk monitoring, review and reporting	Overall risk review and monitoring activities and effective implementation of Risk indicators
Risk Communication and awareness	Overall review of management actions for creating Risk awareness culture through trainings and awareness sessions

8. Risk Appetite

Risk Appetite is the type and the amount of risk that the Company is willing to accept or to avoid in order to achieve its business objectives.

The Risk Appetite Statements clarify those risks the Company must manage and, where appropriate, is prepared to accept in the pursuit of its vision and objectives.

Key Risk Appetite statements:

No Tolerance for:

- Non-compliance with the requirements of code of Corporate Governance and Company's market listing and disclosure rules and requirements.
- Disrespecting prevailing norms, culture, values and sentiments of Company's jurisdiction.
- Decisions / events / operating practices that pose threat to Company's reputation and brand.
- Not managing strategic risk and initiatives with prudence, comprehensive risk assessments to protect against unintended consequences.
- Unethical and fraudulent business practices and reporting.
- Fraudulent / corrupt behaviours, dishonesty, money laundering, bribery or discrimination in any aspect of the Company's business.
- Not conducting robust due diligence on any business acquisitions and expansions affecting Company's growth.
- Inability to manage risk in accordance with the market changes, technological changes & developments and investment trends.
- Breaches in Information Technology environment, Information & data security / protection and disaster recovery.

Low Tolerance for:

- Credit risk exposure, liquidity risk exposure, Business & operational risk exposure, market risk exposure, exposure to foreign exchange rates, interest rates, earnings volatility and equity prices.
- Providing products and services that - conflict with Company's values and are not aligned with business strategy.
- Preferential / unfair treatment given to any employee, related parties, customers, suppliers, business partners or counterparties that is not in the best interest of the Company.
- Hiring unfit / unsuitable staff.
- Absence of accountability.
- Non-compliance with applicable laws and regulations.
- Non-compliance with Company policies and procedures.
- Compromising with the aspects relating to Quality, Health, Safety and other corporate social responsibilities.

9. Risk Management Framework

9.1 This Risk Management framework addresses the interests of shareholders, customers, suppliers, regulators and employees.

The framework provides a direction for management in determining how to improve their Risk Management and to effectively implement Risk Management across the Company.

The application of this policy and related guidelines shall provide the basis for a robust Risk Management framework enabling the Company to:

- Proactively identify, assess and manage both the negative consequences (threats) and positive consequences (opportunities) of risk, in a structured manner;

- Set clear accountability between the Board of Directors, Risk Manager, management and internal audit.
- Make informed decisions and utilize resources to an optimum level.
- Define structured approach of how Risk Management and internal controls contribute to improve overall performance.
- Promote open and active communication among different management levels to discuss and address risk with effective treatment strategies.
- Provide assurance on the quality of Risk Management process and criteria defined to measure the quality of the outcome.
- Effectively monitor, review and report Risk Management performance.
- Improve stakeholder confidence and trust;
- Provide a clear understanding to all staff of their roles, responsibilities and authorities for managing risk;
- Improved compliance with relevant legislation;
- Implement a predefined set of priorities upon which a road map shall be established to achieve advanced level of maturity in Risk Management;
- Development of a more risk aware organizational culture.

Mannai Corporation's Risk Management Framework will lead to a clear understanding of the risks, improved decision-making, performance, accountability at all levels and increase the likelihood of successful realisation of future strategy.

9.2 It is the responsibility of individuals within the Company to be responsible for the effective identification and management of risk and to observe the requirements of the Risk Management Framework.

9.3 The Risk Management Framework will consist of the following elements:

9.3.1 Risk assessment fundamental processes:

- Identify Risks; to recognise risks at an inherent and current level and document their characteristics.
- Analyse Risks; to analyse the likely causes and consequences of the risk.
- Evaluate Risks; to evaluate the impact and likelihood of each risk, usually recorded in a risk matrix.
- Treat Risks- Responding to risks and considering the appropriate actions; tolerate, treat, transfer, terminate.

9.3.2 Management plans to describe methodologies and controls for incorporating risk management into business planning, project management, and operational activities.

9.3.3 Tools to assist managers to maintain risk registers and perform risk assessments.

9.3.4 Effective communication on good practice risk management and approach to risk taking across the Company.

9.3.5 Risk owner procedures to assign accountability for risk treatment and control to team members.

- 9.3.6 Risk reporting procedures to ensure timely and accurate reports of risks, mitigations and actions is essential for controlling risks.
- 9.3.7 Monitoring activities to assess the ongoing status of risks and their treatment through a risk register.
- 9.3.8 Risk Reviews involving the internal audit team to ensure risk management procedures are being followed, to monitor on the current status of risks and the effectiveness of their controls and ensure continuous improvement in processes.

10. Policy Review

This policy will be reviewed on an annual basis.

Approvals

Alekh Grewal Group CEO & Director	
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