

OLYMPIA CAPITAL HOLDINGS PLC

RISK MANAGEMENT POLICY





Olympia Capital Holdings Plc

Risk Management Policy

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1 Background

Olympia Capital Holdings Plc (hereinafter “OCHL”) is committed to managing risks to an acceptable level across all its functional areas to achieve its objectives. This risk management commitment extends to third-party interactions such as engagements with suppliers and contractors. OCHL also recognizes that risk management is an integral part of the management process and this policy has been developed to ensure that risk management is entrenched in OCHL’s culture. In this regard, OCHL will communicate to all staff their role in risk management and provide the means for employees to play that role.

Risk management is the identification and assessment of the collective risks that affect a corporation’s value, and the implementation of a corporation-wide strategy to manage those risks.

Effective implementation of risk management programs ensures that OCHL focuses on and anticipates future risks that could impact its ability to achieve its strategic and operating objectives and then implements an effective system of internal controls to manage or control the risks to an acceptable level.

2 Introduction

OCHL is committed to embracing the practice of risk management. To this end, OCHL has adopted a risk management framework for formulating and designing its risk management system. OCHL’s risk management strategy ensures the presence of robust processes for identifying and measuring its internal and external risks, which is supported by adequate policies, procedures, and controls. The adoption and implementation of the risk management policy complies with international best practices.

The structure of this risk management policy document comprises of OCHL’s approach to the scope of risk management, its purpose, and the policy statement. OCHL recognizes that a robust risk management policy is critical to ensure that the Company can identify, assess and manage risks effectively, thereby protecting its operations, financial performance, and reputation. It also seeks to provide stakeholders with confidence that the company is effectively managing risks and protecting their interests.

3 Purpose

Risk management is an integral part of OCHL’s control and corporate governance structures. The framework is based on an ongoing process designed to: -

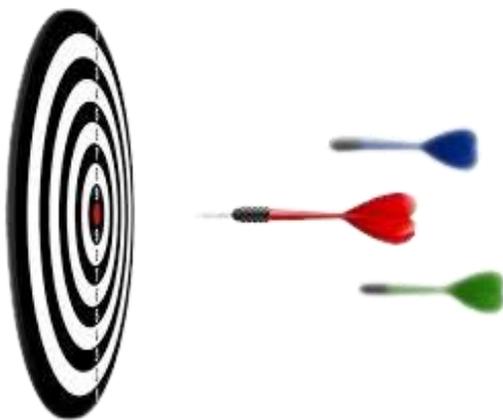
- i) Identify the principal risks to the achievement of OCHL’s objectives;
- ii) Evaluate the nature and extent of those risks; and
- iii) Manage risks efficiently, effectively and economically within the risk appetite set by the OCHL Board of Directors.

This policy explains OCHL's approach to risk management, details the roles and responsibilities of the Board, senior management team, other personnel, internal audit and risk management functions. It also outlines the key components of the risk management framework and evaluation of the effectiveness of OCHL's and the risk management processes adopted under this policy.

4 Scope

The policy applies to OCHL and all subsidiaries, business departments, and all sites. The policy also applies to the Board, Management, Staff, and key external stakeholders. It should be incorporated in formulating and implementing OCHL's plans, processes, policies, procedures, systems, and property.

5 Risk Management Policy Statement



OCHL is committed to managing risk to benefit OCHL's operations and manage the cost of risk. Subsequently, risk management is to be every employee's concern. All employees should be responsible and accountable for managing risk in so far as is reasonably practicable within their area of responsibility.

OCHL is committed to the management of risk as an integral part of its operations, focusing on strategies that will minimize risks and maximize opportunities for OCHL's goals and objectives.

The objectives of this policy are to: -

- i) Outline OCHL's approach to risk management;
- ii) Improve decision-making, accountability, and outcomes through the effective use of risk management;
- iii) Integrate risk management into the group's daily operations; and
- iv) Acknowledge that considerable risk-taking using the risk management process is necessary and acceptable in the pursuit of OCHL's mission and strategic objectives.

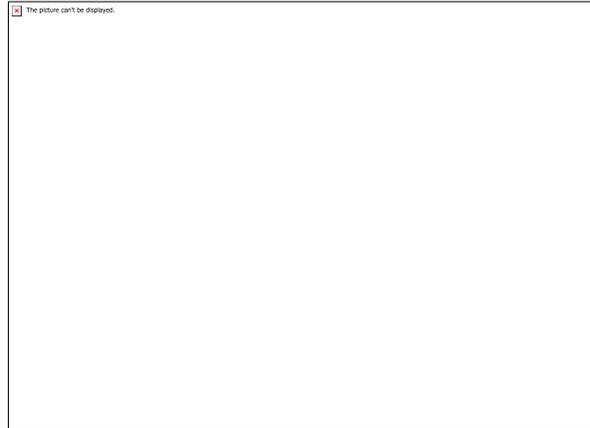
In addition, this risk management policy will support the Board's fulfillment of its mandates and help in adherence to policies, laws, and regulations governing the operations of OCHL.

The acceptance of this policy demonstrates OCHL's commitment to implementing a risk management framework for efficient and effective operations. This policy is intended to provide a framework for managing risk within OCHL.

6 Risk Management Principles

The following guiding principles summarize OCHL's approach to risk management and internal control: -

- i. The Board has the ultimate responsibility for the management of risk to ensure OCHL achieves its strategic goals and satisfies its major shareholders and stakeholders.
- ii. OCHL's risk management structures aim to help all employees make more informed decisions through the systematic identification, assessment, and management of potential threats and opportunities to business goals, to ensure risk exposure remains within the risk appetite limits set by the Board.
- iii. Risk management in OCHL encompasses external risks related to stakeholders and the overall business environment, in addition to internal risks.
- iv. OCHL aims to promote innovation and improvement by taking calculated risks to exploit business opportunities.
- v. OCHL's culture encourages learning from good and poor risk management practices.
- vi. Risk management thinking and behaviors will be integrated within existing working policies, procedures, and controls of OCHL.



7 Risk Governance Framework

RISK GOVERNANCE FRAMEWORK

- The Board
- The Chief Executive Officer
- Management Risk Committee
- Internal Audit and the Risk Management Function

To ensure that there is accountability, authority, and appropriate competence for managing risk, including implementation and maintaining the risk management process and ensuring the adequacy, effectiveness, and efficiency of any controls, the following roles and responsibilities have been identified.

- i.) **The Board (i.e., via Board Audit & Risk Committee (BARC) and other specialized Committees):** OCHL's Board of Directors, via the BARC and specialized committees, is responsible for ensuring that adequate risk management structures and a sound system of internal control are in place to support the delivery of business objectives. BARC may refer specific areas of risk exposure to other specialized committees for further review. The Board plays a vital role in setting the tone and influencing the culture.

ii.) **The Chief Executive Officer (CEO):** The CEO is responsible for promoting a culture of risk awareness in OCHL and particularly ensuring that the risk management system is active in the entire Group. As the chair of the Management Risk Management Committee (MRMC), the CEO will be responsible for the implementation of the risk management policy and will direct Management to collate and assess risks from all departments and sections. To embed risk management in day to day operations of OCHL, the CEO should ensure that risk management forms part of the employees’ performance management and evaluation.

iii.) **Management Risk Management Committee (MRMC):** The MRMC shall be constituted of the CEO, General Managers, Functional Heads, Head of Risk and Compliance, and any other key resource person in the organization as will be determined by the MRMC from time to time.

The MRMC shall develop guidelines that will detail the practical steps to operationalize, entrench and embed “Risk Aware Culture” across OCHL. The guidelines will include communication, review and evaluation mechanisms that will enable MRMC to regularly assess its effectiveness and level of entrenchment of a “Risk Aware Culture” across OCHL.

iv.) **Internal Audit and the Risk Management Function**

Internal Audit: Internal Audit is responsible for independently reviewing the design and effectiveness of the overall risk management process and the effectiveness of risk reporting. Internal Audit offers awareness training and facilitation to assist management in discharging their responsibilities for risk and control.

Head of Risk & Compliance: The Risk Management functions’ responsibilities will include coordination, monitoring, and reporting all risk management efforts within OCHL.

Risk Champions: The Risk Champions will be identified in each department or section and shall be accountable for treating all risks that can affect the achievement of their departmental/section objectives as part of the risk assessment process.

Heads of Departments (HODs): The HODs are the process owners and should own and manage risk and control within their respective departments.

Group personnel: OCHL’s personnel have responsibility for internal control and risk management to achieve personal, departmental, and corporate objectives. Collectively, the personnel should be able to understand, accept, and implement



INTERNAL AUDIT AND RISK MANAGEMENT

- Internal Audit
- Head of Risk and Compliance
- Risk Champions
- Heads of Departments
- Group personnel
- External auditors
- Parties interacting with OCHL

the risk management process and cooperate with management.

External Auditors: External Auditors will provide management and the Board of Directors with a unique, independent, and objective view that can contribute to OCHL’s achievement of its external financial reporting as well as other objectives.

In a financial statement audit, the External Auditor will express an opinion on the fairness of the financial statements, thereby contributing to OCHL’s external financial reporting objectives. The Auditor conducting the financial statement audit may contribute further to those objectives, by providing information useful to management in carrying out its risk management-related responsibilities.

Parties interacting with OCHL: Vendors, customers, strategic business partners and others who conduct business with OCHL are important sources of information used in Enterprise Risk Management activities. Information can be as varied as emerging demand for new facilities or services, quality of service issues, or actions by personnel outside of integrity and ethical boundaries.

OCHL will have mechanisms in place to receive such information and to take appropriate action. Appropriate action includes, but is not limited to, addressing the situation reported, and investigating the underlying cause of the problem and fixing it.

8 Risk Management Guidelines

The MRMC will ensure that OCHL provides guidelines on the following tenets of Risk Management with the Company’s operations and businesses: -

- i.) **Risk Identification:** The first step in risk management is to identify the potential risks that a company may face. MRMC will ensure that processes are in place to conduct risk assessments that analyze the company's operations, financial position, and regulatory environment to identify potential risks.
- ii.) **Risk Assessment:** Once the risks have been identified, the MRMC will ensure that steps are undertaken to assess the likelihood and potential impact of each risk. This involves analyzing the probability of the risk occurring and the potential consequences if it does.
- iii.) **Risk Management Strategy:** Based on the risk assessment, OCHL will develop a risk management strategy that outlines how it will mitigate, avoid, transfer or accept each risk. This



strategy should also include measures to monitor and review the effectiveness of the risk management plan.

- iv.) **Roles and Responsibilities:** The risk management policy should clearly define the roles and responsibilities of the company's management, Board of Directors, and employees in identifying, assessing, and managing risks.
- v.) **Communication and Reporting:** The risk management policy should establish a clear communication and reporting process for sharing information about risks and their management with relevant stakeholders, including investors, regulators, and other interested parties.
- vi.) **Review and Update:** Finally, the risk management policy, procedures, processes and guidelines should be reviewed and updated regularly to ensure that it remains relevant and effective in managing risks associated with OCHL's internal processes and external operations.

9 Monitoring and Reporting

This will enable Board and Management to provide the required risk management oversight and ensure the risk management process is improved on a continuous basis. The BARC shall, on a quarterly basis, review the ranking of OCHL Corporate Risks and effectiveness of the related risk management mitigation strategies; and the effectiveness of the risk management process. The BARC shall provide its opinion on the effectiveness of the risk process to the Board on a quarterly basis. The BARC shall support the Board in the review of the risk appetite statement on a regular basis; at least annually.

10 Review of Policy

The Risk Management Policy shall be reviewed from time to time by the Board Audit and Risk Committee to ensure its continued relevance and application based on the changing environment in which OCHL operates.

11 Approval

The Risk Management Policy has been approved by the Board of Directors.

12 Effective Date

This policy is effective immediately.

Last update and review: March 7, 2024