

Risk Assessment and Mitigation

Overview

Effective and efficient Risk Management framework is an important enabler to the achievement of **stc**'s strategic objectives. The Risk Management System in **stc** follows a systematic and disciplined approach in order to provide clear responsibility and accountability structures for effective Risk Management and Business Continuity. The 'Risk Category' covers seven (7) major areas: Customer Experience & Services Quality, Financial, Governance, Regulatory & Compliance, Health & Safety, Human Resources, Network Reliability, and Reputation & Community.

Business Continuity Management at **stc** provides a framework for building organizational resilience with the capability of an effective response that safeguards the interests of its key stakeholders, reputation, brand, and value-creating activities such as Business Impact Analysis (BIA), Locations Risk Assessment, Incident Reporting, Business Continuity Management Plan & Exercises, & Training and Awareness.

The Board Risk Management Committee (BRMC) oversees **stc**'s Risk Management Framework, reviews the key risks (existing and potential), and their respective mitigation strategies that ensures Risk Management's effectiveness. In addition, the Risk Management reports 'Key Risk Indicator' (KRI), 'Risk Appetite', & 'Business Continuity' results. The BRMC holds quarterly meetings to review the risks identified, the effectiveness of mitigation controls, and actively identify the positive business opportunities in relation to these risks.

Framework

stc's Risk Management Framework has been benchmarked with leading international standards and guidelines such as ISO 31000, ISO22301 and COSO. The diagram below shows the Risk Management Scope, its respective 'Framework' and supporting 'Process' which outlines how the risks are treated with-in the company:

