



**Creative Services Limited (CSL)**  
**Risk Management Policy**  
(Version-1, Effective from January 01, 2024)

## **1. Introduction**

Creative Services Limited is committed to maintaining a robust and effective risk management framework that allows for the proactive identification, assessment, mitigation, and monitoring of risks. This helps CSL achieve its strategic goals and strengthen institutional resilience. The Risk Management Policy serves as the foundation for CSL's risk management efforts and guides its approach to handling risks in a dynamic and challenging environment. CSL recognizes the significance of proactive risk management in achieving strategic objectives, safeguarding assets, and bolstering resilience to internal and external uncertainties. The policy ensures effective risk and opportunity management throughout the company.

## **2. Policy Statement**

CSL is committed to:

- Establishing a systematic and integrated approach to risk management that aligns with CSL's mission, vision, and strategic priorities.
- Identifying and assessing risks to CSL's objectives, operations, reputation, and stakeholders, including financial, operational, strategic, compliance, and reputational risks.
- Implementing appropriate risk mitigation measures and controls to minimize the likelihood and impact of adverse events and exploit opportunities for improvement and innovation.
- Promoting a risk-aware culture that encourages open communication, accountability, and collaboration among staff, management, and stakeholders in identifying, assessing, and managing risks.
- Regularly monitoring and reviewing CSL's risk profile, performance, and effectiveness of risk management processes to ensure continuous improvement and adaptation to changing circumstances.

## **3. Risk Management Framework**

CSL's risk management framework consists of the following key components:

- i) **Risk Identification:** Systematically identifying and documenting risks across CSL's operations, processes, projects, and activities using a variety of tools and techniques, including risk registers, workshops, interviews, and scenario analysis.
- ii) **Risk Assessment:** Assessing the likelihood and potential impact of identified risks on CSL's objectives, using qualitative and quantitative methods to prioritize risks based on their significance and urgency.

- iii) **Risk Mitigation:** Developing and implementing risk mitigation strategies and controls to reduce the likelihood and impact of identified risks to acceptable levels, considering cost-effectiveness and feasibility.
- iv) **Risk Monitoring:** Monitoring and tracking risks on an ongoing basis to detect changes in risk exposure, emerging risks, and effectiveness of risk mitigation measures, using key risk indicators (KRIs), thresholds, and triggers.
- v) **Risk Reporting:** Communicating risk information, assessments, and trends to relevant stakeholders, including management, board of directors, and external partners, to support informed decision-making and accountability.
- vi) **Risk Governance:** Establishing clear roles, responsibilities, and accountability mechanisms for risk management, including the designation of risk owners, risk committees, and oversight bodies to ensure effective governance of risk management processes.

#### 4. Risk Appetite and Tolerance

CSL defines its risk appetite and tolerance based on its strategic objectives, risk appetite statement, and risk tolerance thresholds established by the board of directors and senior management. CSL's risk appetite reflects its willingness to accept and manage risks in pursuit of its mission and strategic goals while maintaining a prudent level of risk exposure within predefined boundaries.

#### 5. Roles and Responsibilities

- i) **Board of Directors:** The board of directors provides oversight and guidance on CSL's risk management activities, including setting risk management policies, objectives, and priorities, and reviewing the effectiveness of risk management processes.
- ii) **Senior Management:** Senior management is responsible for implementing CSL's risk management policies and procedures, establishing risk management objectives and strategies, and ensuring that risk management practices are integrated into CSL's decision-making processes and operations.
- iii) **Risk Management Committee:** The risk management committee, if established, assists senior management and the board of directors in overseeing CSL's risk management activities, including reviewing risk assessments, monitoring risk exposure, and recommending risk mitigation measures.
- iv) **Risk Owners:** Risk owners are responsible for identifying, assessing, and managing risks within their areas of responsibility, including developing risk mitigation plans, implementing controls, and monitoring risk indicators to ensure risks are managed effectively.

## **6. Risk Culture and Awareness**

CSL promotes a risk-aware culture that encourages staff at all levels to actively participate in risk management processes, share insights and concerns about potential risks, and contribute to the development and implementation of risk mitigation measures. CSL provides training, education, and awareness-raising programs to enhance staff's understanding of risk management principles, practices, and their roles and responsibilities in managing risks effectively.

## **7. Review and Continuous Improvement**

CSL regularly reviews and evaluates its risk management framework, policies, and practices to assess their effectiveness, relevance, and alignment with CSL's objectives and evolving risk landscape. Feedback from stakeholders, internal and external audits, and lessons learned from past experiences are used to identify opportunities for improvement and implement corrective actions to enhance CSL's risk management capabilities.

## **8. Compliance and Reporting**

All employees are expected to comply with CSL's risk management policies, procedures, and controls and report any concerns or incidents related to risks promptly to designated authorities or through established reporting channels. Senior management provides regular reports on CSL's risk profile, risk management activities, and performance to the board of directors, stakeholders, and regulatory authorities as required.