

Risk Management Policy for Evertec General Trading Company Ltd

Risk management is a critical aspect of ensuring the sustainable growth and success of any business. Evertec General Trading Company Ltd recognizes the importance of proactively identifying, assessing, and mitigating risks that may impact its operations and financial stability. This Risk Management Policy outlines the principles, responsibilities, and strategies that the company will employ to manage risks effectively.

1. Purpose and Objectives

The primary purpose of this policy is to establish a comprehensive framework for risk management at Evertec General Trading Company Ltd. The objectives include:

- Identifying and assessing risks related to the company's operations, industry, and external factors.
- Implementing risk mitigation and control measures to reduce the impact and likelihood of adverse events.
- Ensuring compliance with relevant laws and regulations related to risk management.
- Safeguarding the company's assets, reputation, and financial stability.

2. Risk Identification and Assessment

Evertec General Trading Company Ltd will regularly identify, assess, and categorize risks. This process will encompass operational, financial, strategic, compliance, and reputational risks. Risk assessments will consider the potential impact and likelihood of each risk, providing a basis for prioritization.

3. Risk Mitigation and Control

Once risks are identified and assessed, the company will implement appropriate measures to mitigate and control them. This includes developing risk mitigation plans, assigning responsibilities, and monitoring progress. Risk mitigation strategies may involve:

- Diversifying product lines and markets to reduce dependence on specific revenue streams.
- Implementing robust financial controls and systems to manage financial risks.
- Establishing crisis management and communication plans for reputational risks.
- Ensuring compliance with all applicable regulations and industry standards.

4. Risk Monitoring and Reporting

Evertec General Trading Company Ltd will establish a system for ongoing risk monitoring and reporting. This will involve periodic reviews of risk assessments and mitigation strategies. The company will also develop a clear reporting structure that outlines how risks are reported to relevant stakeholders, including the board of directors and senior management.

5. Responsibility and Accountability

The success of this Risk Management Policy hinges on clear responsibilities and accountability. The board of directors will oversee the policy's implementation, while senior management will be responsible for its execution. Each department and employee will have a role in identifying and mitigating risks relevant to their areas of operation.

6. Compliance and Governance

Evertec General Trading Company Ltd is committed to complying with all applicable laws and regulations related to risk management. The company will establish a Risk Management Committee to oversee and enforce the policy's compliance and effectiveness. The committee will periodically review the policy, ensuring it remains current and aligned with the company's objectives.

7. Continuous Improvement

The company will promote a culture of continuous improvement in risk management. This includes regular reviews of the policy, lessons learned from incidents, and the incorporation of best practices. Feedback from employees and stakeholders will be valued and used to enhance risk management processes.

The Risk Management Policy for Evertec General Trading Company Ltd is a crucial tool to ensure the company's resilience and long-term success. By identifying, assessing, mitigating, and monitoring risks effectively, the company aims to protect its assets, reputation, and financial stability while maintaining compliance with regulatory requirements. This policy underscores Evertec's commitment to sound risk management principles and practices.

Design Center, 2nd floor along Tausi Lane off Muthithi Road, Nairobi, Kenya.

P.O Box 32989 - 00600 Nairobi

evertec@evertec.co.ke

+254 748 933 763

