

# Risk Management Policy



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## **Purpose**

Sterling & Wilson Renewable Energy (SWREL) is committed to proactively identifying, assessing, managing, and mitigating risks that may impact our ability to achieve strategic objectives. This policy establishes a structured framework for risk management, ensuring that all risks, including financial, operational, strategic, regulatory, and environmental, are managed effectively across the organization. The policy is designed to align with national and international standards, including the Global Reporting Initiative (GRI), ensuring that risk management is integral to our business practices.

## **Scope**

This policy applies to all aspects of SWREL's operations, both at the national and international levels. It is relevant to all business units, including engineering, procurement, construction, and operation and maintenance activities. The policy encompasses various categories of risks, including but not limited to operational, financial, strategic, reputational, regulatory, environmental, and technological risks.

## **Policy Objectives**

### **Comprehensive Risk Identification:**

- **Systematic Approach:** SWREL will implement a systematic approach to identify risks across all levels of the organization. This includes identifying risks at the project, business unit, and corporate levels, as well as emerging risks in the external environment.
- **Stakeholder Engagement:** We will engage with internal and external stakeholders to ensure that all potential risks are identified and addressed in a timely manner.

### **Risk Assessment and Prioritization:**

- **Risk Evaluation:** SWREL will assess identified risks based on their likelihood and potential impact on the organization. This evaluation will consider both quantitative and qualitative factors, ensuring a comprehensive understanding of each risk.
- **Prioritization:** Risks will be prioritized based on their potential impact, with a focus on those that could significantly affect our ability to achieve strategic objectives or comply with regulatory requirements.

### **Risk Mitigation and Control:**

- **Mitigation Strategies:** SWREL will develop and implement risk mitigation strategies tailored to each identified risk. These strategies may include risk

avoidance, reduction, sharing, or acceptance, depending on the nature and severity of the risk.

- **Control Mechanisms:** We will establish robust control mechanisms to monitor and manage risks on an ongoing basis. This includes the implementation of policies, procedures, and systems designed to prevent or minimize the impact of identified risks.

**Risk Monitoring and Reporting:**

- **Continuous Monitoring:** SWREL will continuously monitor identified risks and their associated mitigation strategies. This includes regular reviews and updates to ensure that risk management practices remain effective and responsive to changing conditions.
- **Reporting Framework:** A structured reporting framework will be established to provide timely and accurate information on risk management activities to the Board of Directors, senior management, and relevant stakeholders. This includes regular risk assessments, incident reports, and updates on mitigation efforts.

**Governance and Accountability:**

- **Board Oversight:** The Board of Directors will have overall responsibility for overseeing the effectiveness of the risk management framework. The board will regularly review risk management practices and ensure that they are aligned with the company's strategic objectives.
- **Risk Management Committee:** A dedicated Risk Management Committee, comprising senior management and relevant experts, will be responsible for implementing the risk management policy and ensuring that risks are managed in a consistent and coordinated manner across the organization.
- **Roles and Responsibilities:** Clear roles and responsibilities will be defined for all employees involved in risk management activities, ensuring accountability and ownership at all levels of the organization.

**Compliance and Regulatory Adherence:**

- **National and International Compliance:** SWREL will ensure that its risk management practices comply with all relevant national and international regulations, standards, and guidelines. This includes adhering to the GRI standards and other industry-specific requirements.

- **Internal Audits and Reviews:** Regular internal audits and reviews will be conducted to assess the effectiveness of the risk management framework and ensure compliance with regulatory and organizational requirements.

**Implementation and Continuous Improvement**

**Training and Awareness:**

- **Employee Education:** SWREL will provide ongoing training and awareness programs to ensure that all employees understand the importance of risk management and are equipped with the knowledge and skills needed to identify and manage risks effectively.
- **Culture of Risk Awareness:** We will foster a culture of risk awareness throughout the organization, encouraging proactive risk management and open communication about potential risks.

**Continuous Improvement:**

- **Regular Reviews:** The risk management policy and framework will be reviewed regularly to ensure that they remain effective and aligned with the company’s strategic objectives and the evolving business environment.
- **Feedback Mechanism:** A feedback mechanism will be established to gather input from employees and stakeholders on the effectiveness of risk management practices, allowing for continuous improvement and adaptation.

**Conclusion**

Sterling & Wilson Renewable Energy is dedicated to maintaining a resilient and proactive approach to risk management, ensuring that all potential risks are effectively managed and mitigated. By embedding risk management into our organizational culture and decision-making processes, we aim to safeguard our business, protect our stakeholders, and ensure the sustainable success of our operations.

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07.11.2025

**Approved By:**  
SWREL Management

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