

RISK MANAGEMENT POLICY

CREDIT GLORIOUS
PROPERTY HOLDINGS LTD.

RISK MANAGEMENT DEPARTMENT

RISK MANAGEMENT POLICY

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PREAMBLE

Credit Glorious Property Holdings Ltd., with its registered office in London, UK, and its global subsidiaries, is committed to maintaining a robust and effective risk management framework. This Risk Management Policy outlines the principles and guidelines that govern our approach to identifying, assessing, managing, and mitigating risks across all areas of our operations. Our policy is designed to support the Company's strategic objectives, ensure compliance with legal and regulatory requirements, and protect the interests of our stakeholders, including employees, clients, and investors.

The policy encompasses various risk categories, including financial, operational, legal, compliance, strategic, environmental, social, human resources, and technology risks. It is aligned with our corporate values and is integral to our decision-making processes, ensuring that risk considerations are an essential part of our business planning and execution.

ARTICLE 1 – INTRODUCTION

Purpose

This Risk Management Policy is a critical component of the overall strategic and operational framework of Credit Glorious Property Holdings Ltd. It is designed to identify, evaluate, and manage risks in a systematic and proactive manner. The policy aims to protect the Company's assets, reputation, and stakeholders' interests while promoting a culture of informed risk-taking and innovation.

Scope

This policy encompasses all aspects of the Company's operations, including financial, operational, strategic, and compliance risks. It applies to all employees, management, and board members, ensuring a unified approach to risk management across the organization. The policy also extends to contractors and third-party service providers to ensure that all associated risks are managed effectively.

Policy Framework

The policy is built on a framework that integrates risk management into the DNA of the Company's decision-making processes. It aligns with the Company's strategic goals and objectives, ensuring that risk management is not an isolated activity but an integral part of all business operations.

ARTICLE 2 – POLICY STATEMENT

Commitment

Credit Glorious Property Holdings Ltd. is committed to achieving its business objectives while maintaining a balanced approach to risk management. The Company recognizes that while some risks must be avoided or mitigated, others can present opportunities for growth and innovation. This policy reflects our commitment to understanding, managing, and optimizing risks.

Risk Appetite

The Company has established a clear risk appetite, which is periodically reviewed and communicated to all stakeholders (*Annex A*). This risk appetite defines the level and type of risk the Company is willing to accept in pursuit of its strategic objectives and is a guiding principle in all risk management activities.

Responsibility and Accountability

Risk management is a shared responsibility across the Company. While the Board of Directors has the ultimate oversight, all employees are responsible for identifying and managing risks within their areas of operation. Clear lines of accountability ensure that risk management is an integral part of every employee's role.

ARTICLE 3 – RISK IDENTIFICATION

Continuous Monitoring

The Company employs a continuous monitoring approach to identify new and emerging risks. This involves regular scanning of the internal and external environment, including market trends, economic conditions, technological advancements, and regulatory changes.

Employee Involvement

Employees are a valuable source of information on potential risks. The Company encourages a culture where employees feel empowered to report risks without fear of reprisal. Regular training and communication ensure that employees understand their role in the risk identification process.

Risk Register

A comprehensive risk register is maintained and updated regularly. This register serves as a central repository for all identified risks, including their nature, potential impact, and likelihood. It is a key tool in ensuring that all risks are systematically identified, assessed, and managed.

ARTICLE 4 – RISK ASSESSMENT

Methodology

The Company adopts a structured and systematic approach to assess identified risks (*Annex A*). This includes evaluating the likelihood of occurrence and the potential impact on the Company's objectives. The assessment process is dynamic, accommodating changes in the business environment and operational landscape.

Risk Scoring

Each identified risk is scored based on its severity and probability. This scoring system aids in prioritizing risks and allocating resources effectively. High-impact and high-probability risks are given precedence in the risk management process.

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Scoring Criteria

Impact Assessment

Severity Levels: Risks are categorized based on their potential impact on the Company's operations, reputation, financial stability, and compliance status. The severity levels are:

- *Minor:* Limited impact, easily manageable;
- *Moderate:* Noticeable impact, manageable with moderate effort;
- *Serious:* Significant impact, requiring substantial resources to manage;
- *Major:* high impact, potential to cause severe damage or disruption; *and*
- *Critical:* Extremely high impact, catastrophic effects.

Likelihood Assessment

Probability Levels: The likelihood of each risk occurring is assessed and categorized as:

- *Rare:* Unlikely to occur.
- *Possible:* May occur occasionally.
- *Likely:* Occurs frequently;
- *Very Likely:* very likely to occur; *and*
- *Almost Certain:* Highly likely to occur regularly.

Scoring Matrix

The risk scoring matrix combines the impact and likelihood assessments to assign a numerical score to each risk. This matrix is divided into four quadrants:

- *Low Risk:* Minor impact and rare/uncommon likelihood.
- *Moderate Risk:* Minor to moderate impact and likely probability, or major impact with rare likelihood.
- *High Risk:* Major impact and likely/almost certain probability, or critical impact with uncommon likelihood; *and*
- *Critical Risk:* Critical impact and likely/almost certain probability.

Scoring Application

Risk Evaluation

Each identified risk is evaluated using the scoring matrix to determine its overall risk score. The score guides the prioritization of risks and the allocation of resources for mitigation efforts.

Dynamic Scoring

Risk scores are not static and are reviewed regularly or when there are significant changes in the business environment or operational processes. This ensures that the risk management approach remains relevant and effective.

Stakeholder Involvement

In assessing risks, the Company engages with relevant stakeholders, including employees, customers, and suppliers, to gain a comprehensive understanding of each risk. This collaborative approach ensures a more accurate and holistic risk assessment.

ARTICLE 5 - RISK MITIGATION

5.1 Strategies and Plans

Credit Glorious Property Holdings Ltd. commits to developing and implementing comprehensive risk mitigation strategies and plans. These strategies are designed to be specific to the nature and severity of the identified risks, ensuring a targeted and effective approach. The process involves:

Risk Assessment: Regularly assessing and identifying potential risks in all areas of operation.

Strategy Development: Creating tailored mitigation strategies for each identified risk, considering the unique aspects and potential impact of each risk.

Plan Implementation: Implementing the developed strategies through a coordinated effort across relevant departments and teams.

Continuous Monitoring: Regularly monitoring the effectiveness of these strategies and making necessary adjustments to address any evolving risks or changes in the operational environment.

Preventive Measures

To proactively manage risks, Credit Glorious Property Holdings Ltd. employs various preventive measures aimed at reducing the likelihood of risks materializing. These measures include:

Staff Training: Conducting regular training sessions for employees to raise awareness about potential risks and to equip them with the knowledge and skills needed to identify and mitigate these risks effectively.

Process Improvements: Continuously reviewing and improving internal processes to eliminate inefficiencies and vulnerabilities that could lead to risks.

Technological Safeguards: Implementing advanced technological solutions, such as data encryption, secure networks, and cybersecurity measures, to protect against technological risks like data breaches and cyber-attacks.

Compliance Checks: Regularly conducting compliance checks to ensure adherence to legal and regulatory standards, thereby reducing the risk of legal penalties and reputational damage.

Emergency Preparedness: Establishing and maintaining comprehensive emergency response plans to ensure quick and effective action in the event of unforeseen incidents or crises.

ARTICLE 6 – RISK MONITORING AND REPORTING

Continuous Oversight

At Credit Glorious Property Holdings Ltd., continuous oversight of risks is a critical component of our risk management framework. This ongoing monitoring process is designed to detect any changes in the nature or impact of risks, ensuring that our response remains relevant and effective. Key elements of this oversight include:

Regular Risk Assessments: Conducting periodic risk assessments to identify new risks and reassess existing ones.

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Monitoring Risk Indicators: Keeping a close watch on key risk indicators that signal changes in risk levels or emerging threats.

Threshold Reviews: Regularly reviewing and adjusting risk thresholds to ensure they remain aligned with the company's risk appetite and current market conditions.

Environmental Scanning: Continuously scanning the external environment for geopolitical, economic, and industry-specific risks that could impact operations.

Reporting Mechanism

Credit Glorious Property Holdings Ltd. employs a structured reporting mechanism to ensure that all relevant risk information is effectively communicated to the appropriate levels of management and, when necessary, escalated to the Board of Directors. This mechanism includes:

Regular Reporting: Scheduled risk reports are provided to management, detailing current risk exposures, mitigation efforts, and any significant changes in the risk landscape.

Real-Time Alerts: Implementing a system for real-time alerts in case of significant risk events, ensuring prompt attention and action.

Board-Level Reporting: Providing comprehensive risk reports to the Board of Directors, highlighting key risk areas, mitigation strategies, and any need for strategic decision-making.

Transparency and Accessibility: Ensuring that risk reports are clear, concise, and accessible, enabling informed decision-making at all levels of the organization.

Feedback Loop: Establishing a feedback loop where management can provide insights and recommendations based on the risk reports, fostering a dynamic and responsive risk management process.

ARTICLE 7 - ROLES AND RESPONSIBILITIES

Management Responsibility

At Credit Glorious Property Holdings Ltd., senior management plays a pivotal role in the effective implementation and oversight of the Risk Management Policy. Their responsibilities include:

Policy Oversight: Ensuring that the Risk Management Policy is implemented consistently across all departments and business units.

Integration of Risk Management: Integrating risk management practices into the company's strategic planning, decision-making processes, and daily operations.

Resource Allocation: Allocating adequate resources, including personnel and technology, to support effective risk management.

Training and Awareness: Promoting a culture of risk awareness and ensuring that all staff members receive appropriate training in risk management.

Continuous Improvement: Regularly reviewing and updating risk management strategies and practices to address evolving risks and business needs.

Stakeholder Communication: Communicating effectively with stakeholders about risk management policies, practices, and any significant risk-related issues.

Employee Roles

Every employee at Credit Glorious Property Holdings Ltd. has a role to play in risk management. Their responsibilities include:

Understanding Risks: Being aware of the risks associated with their specific roles and the overall business operations.

Adherence to Procedures: Following established risk management procedures and protocols diligently.

Reporting Risks: Promptly reporting any identified risks or incidents that could potentially impact the company.

Participation in Training: Actively participating in risk management training programs to understand their role in mitigating risks.

Feedback and Suggestions: Providing feedback and suggestions for improving risk management practices.

Compliance with Policies: Ensuring compliance with all relevant policies, procedures, and regulatory requirements related to risk management.

ARTICLE 8 - TRAINING AND AWARENESS

Regular Training

At Credit Glorious Property Holdings Ltd., we recognize the importance of equipping our employees with the necessary knowledge and skills to effectively manage risks. To this end, we have implemented a comprehensive training program that includes:

Foundational Training: All new employees undergo foundational training in risk management as part of their onboarding process.

Role-Specific Training: Employees receive training tailored to the specific risks and responsibilities associated with their roles within the company.

Ongoing Education: Regular refresher courses and updates on risk management practices are provided to ensure that employees stay informed about the latest developments and strategies.

Interactive Learning: We employ a variety of training methods, including workshops, simulations, and e-learning modules, to enhance engagement and understanding.

External Expertise: When necessary, we engage external experts to provide specialized training on complex risk areas.

Awareness Programs

Awareness programs are a key component of our risk management strategy, designed to maintain a high level of risk consciousness across the company. These programs include:

Regular Communications: Frequent communications, such as newsletters and bulletins, are distributed to keep employees informed about current risk issues and trends.

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Awareness Campaigns: We conduct targeted campaigns focusing on specific risk themes, such as cybersecurity or compliance, to raise awareness and promote best practices.

Interactive Platforms: Utilizing interactive platforms like intranet forums and Q&A sessions to encourage employee engagement and discussion about risk-related topics.

Feedback Mechanisms: Providing channels for employees to voice their concerns and suggestions regarding risk management, fostering a two-way communication culture.

Recognition Programs: Implementing recognition programs to acknowledge and reward employees who contribute significantly to risk management efforts.

ARTICLE 9 - POLICY REVIEW AND UPDATE

Annual Review

Credit Glorious Property Holdings Ltd. is committed to maintaining a dynamic and effective risk management policy. To ensure this, our policy undergoes a comprehensive review on an annual basis. This review process includes:

Assessment of Current Risks: Evaluating the current risk landscape to ensure that the policy addresses all relevant risks.

Regulatory Compliance: Checking for any changes in legal and regulatory requirements to ensure ongoing compliance.

Business Changes: Considering any significant changes in our business operations, strategies, or external environment that may affect our risk profile.

Stakeholder Feedback: Incorporating feedback from various stakeholders, including employees, clients, and partners, to enhance the policy's relevance and effectiveness.

Best Practice Alignment: Aligning our policy with industry best practices and emerging trends in risk management.

Continuous Improvement

Continuous improvement is a core principle of our risk management approach. We believe in learning and evolving our practices based on various inputs and experiences. This includes:

Employee Feedback: Encouraging employees to provide insights and suggestions for improving risk management practices.

Audit Findings: Utilizing findings from internal and external audits to identify areas for improvement in our risk management framework.

Risk Management Outcomes: Analyzing the outcomes of our risk management efforts to identify successes and areas for improvement.

Learning from Incidents: Examining past incidents and near-misses to extract lessons and improve future risk handling.

Benchmarking: Comparing our risk management practices with those of peers and industry leaders to

identify areas where we can adopt new and better practices.

ARTICLE 10 – RISK COMMUNICATION

Internal Communication

Credit Glorious Property Holdings Ltd. recognizes the importance of effective internal communication in managing risks. To facilitate this, we have established robust communication channels that ensure timely and efficient dissemination of risk-related information within the organization. These channels include:

Regular Meetings: Scheduled meetings at various levels of the organization to discuss risk issues and strategies.

Internal Reporting Systems: Systems that allow for the reporting and tracking of risks, ensuring that relevant information reaches the appropriate personnel.

Intranet and Email Alerts: Utilizing the company intranet and email systems to broadcast important risk-related updates and alerts.

Training Sessions: Conducting regular training sessions to educate employees about risk management and their role in it.

Feedback Mechanisms: Encouraging employees to provide feedback and suggestions related to risk management practices.

External Communication

In addition to internal communication, Credit Glorious Property Holdings Ltd. also understands the importance of transparent and responsible communication of risks to external stakeholders. This includes:

Investor Communications: Regular updates to investors about the company's risk profile and management strategies.

Regulatory Reporting: Ensuring compliance with all regulatory requirements for risk reporting and disclosure.

Partnership Communications: Sharing relevant risk information with business partners to ensure aligned risk management practices.

Public Relations: Managing communication with the media and public to maintain the company's reputation in the face of risk-related events.

Crisis Communication Plan: A well-defined plan for communicating during crisis situations to ensure clear and accurate information is disseminated to stakeholders and the public.

ARTICLE 11 - INTEGRATION WITH OTHER POLICIES

Alignment with Business Objectives

Credit Glorious Property Holdings Ltd. ensures that the Risk Management Policy is fully integrated with and supports the company's broader business objectives. This alignment is achieved through:

Strategic Integration: The risk management framework is designed to support and enhance the company's strategic goals, ensuring that risks are managed in a

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way that contributes to the achievement of these objectives.

Policy Synergy: The Risk Management Policy is harmonized with other organizational policies, such as the Financial Policy, HR Policy, and IT Security Policy, to create a unified approach to managing risks across all departments.

Decision-Making Process: Risk management considerations are embedded into the decision-making processes at all levels, ensuring that risks are evaluated and managed as part of routine business operations.

Compliance with Legal and Regulatory Frameworks

The Risk Management Policy of Credit Glorious Property Holdings Ltd. is also designed to ensure full compliance with all applicable legal and regulatory frameworks. This is achieved through:

Regulatory Alignment: The policy is regularly reviewed and updated to align with changes in laws and regulations, including those related to financial services, data protection, and employment.

Legal Oversight: The company's legal team plays a key role in ensuring that the risk management practices adhere to all legal requirements and standards.

Training and Awareness: Employees are regularly trained on the legal aspects of risk management, ensuring they are aware of and can comply with relevant laws and regulations.

Audit and Review: Regular audits are conducted to assess compliance with legal and regulatory requirements, with findings used to refine and improve the risk management framework.

Emergency Response and Business Continuity

Emergency Response Planning

Credit Glorious Property Holdings Ltd. recognizes the importance of being prepared for emergencies and has established a comprehensive emergency response plan. This plan includes:

Rapid Response Protocols: Clear procedures are in place for responding quickly and effectively to various types of emergencies, including natural disasters, technological failures, and security incidents.

Emergency Teams: Designated emergency response teams are trained and equipped to handle crises. These teams are responsible for executing the emergency response plan and ensuring employee safety.

Communication Systems: Reliable communication channels are established to ensure swift dissemination of information during emergencies, both internally and to external stakeholders as necessary.

Regular Drills and Training: Regular emergency drills are conducted to ensure that all employees are familiar with emergency procedures and response protocols.

Business Continuity Planning

In addition to emergency response, Credit Glorious Property Holdings Ltd. has developed a robust business continuity plan to mitigate the impact of significant

disruptions and ensure the continuity of operations. This plan includes:

Risk Assessment: Regular assessments are conducted to identify potential threats to business operations and the necessary steps to mitigate these risks.

Continuity Strategies: Strategies are in place to maintain critical business functions during and after a disruption. This includes alternative working arrangements, such as remote work capabilities, and backup systems for essential data and infrastructure.

Recovery Plans: Detailed recovery plans outline the steps to restore normal business operations following a disruption. These plans prioritize critical business functions and outline timelines for recovery.

Regular Reviews and Updates: The business continuity plan is reviewed and updated regularly to reflect changes in the business environment and lessons learned from past incidents.

CONCLUSIONS

In conclusion, the Risk Management Policy of Credit Glorious Property Holdings Ltd. serves as a cornerstone of our commitment to prudent risk management. It is a dynamic document that will be reviewed and updated regularly to reflect changes in the business environment, emerging risks, and best practices in risk management.

The successful implementation of this policy requires the active participation and commitment of all employees, management, and the Board of Directors. Through this policy, we aim to foster a risk-aware culture within the organization, where risks are not only understood and managed but also effectively communicated and integrated into our strategic planning and operational processes.

This policy ensures that Credit Glorious Property Holdings Ltd. remains resilient, adaptable, and well-positioned to meet the challenges and opportunities of the global business landscape, thereby securing our long-term success and sustainability.

ANNEXES:

- *Annex A: Risk Appetite;*
- *Annex B: Risk Register;*
- *Annex C: Risk Scoring System.*