



InfoSystems & NanoB&K will continue to optimise their cost-effective solutions to assist companies in upgrading their technological capabilities in all countries where they operate.

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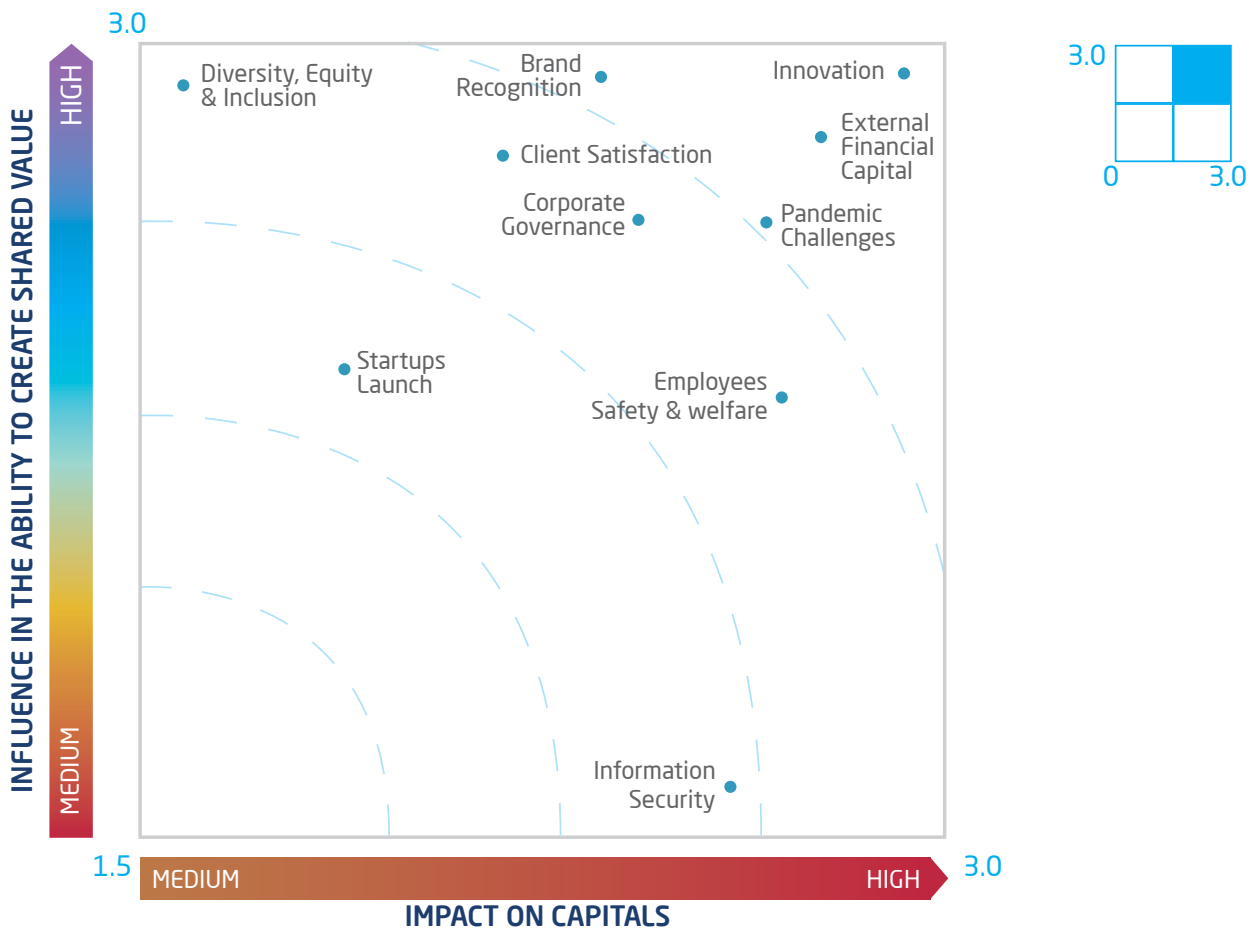
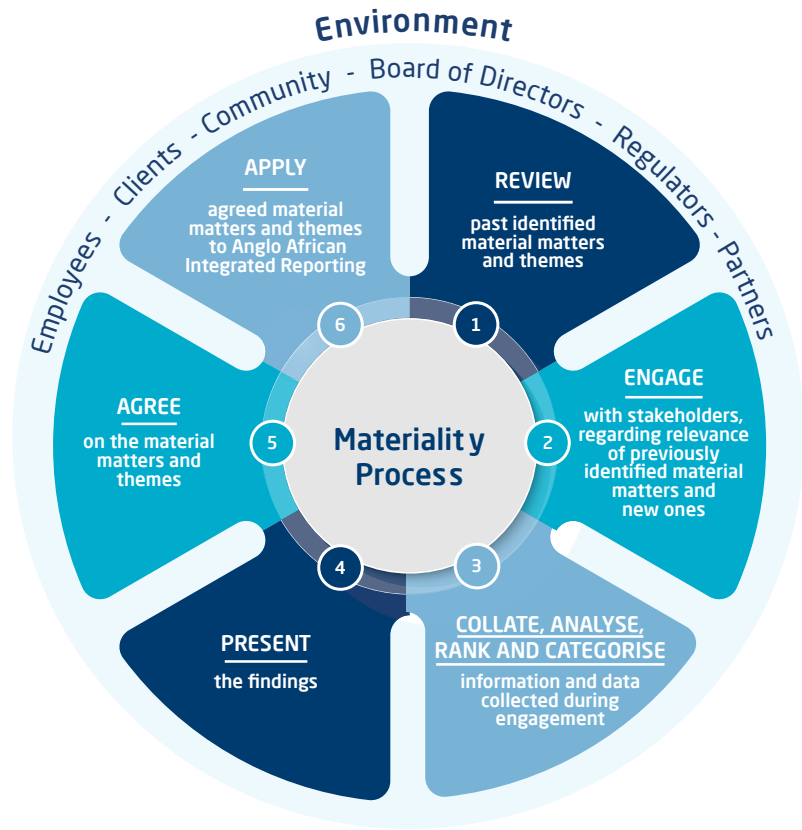
RISK MANAGEMENT

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Material Themes

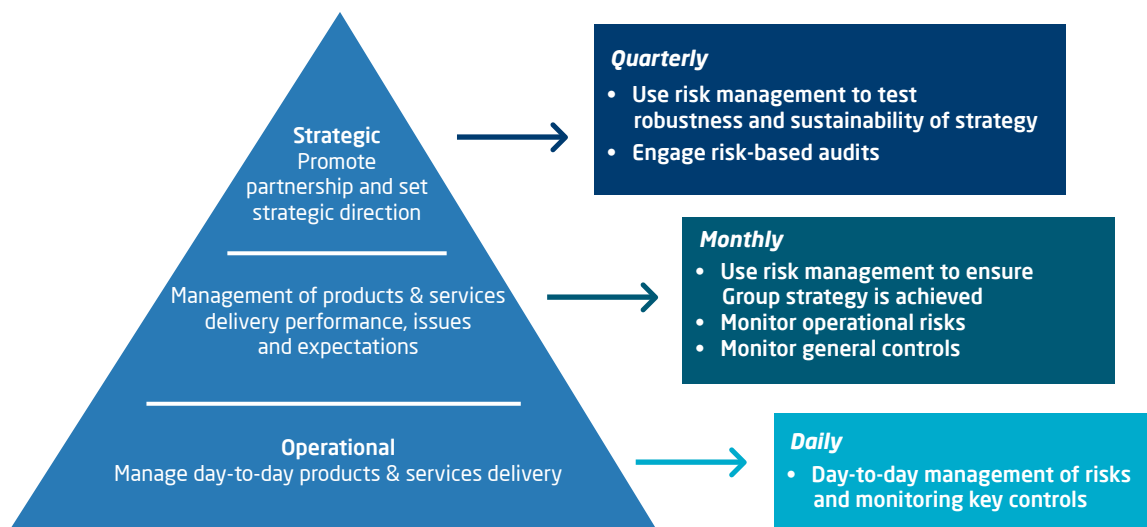
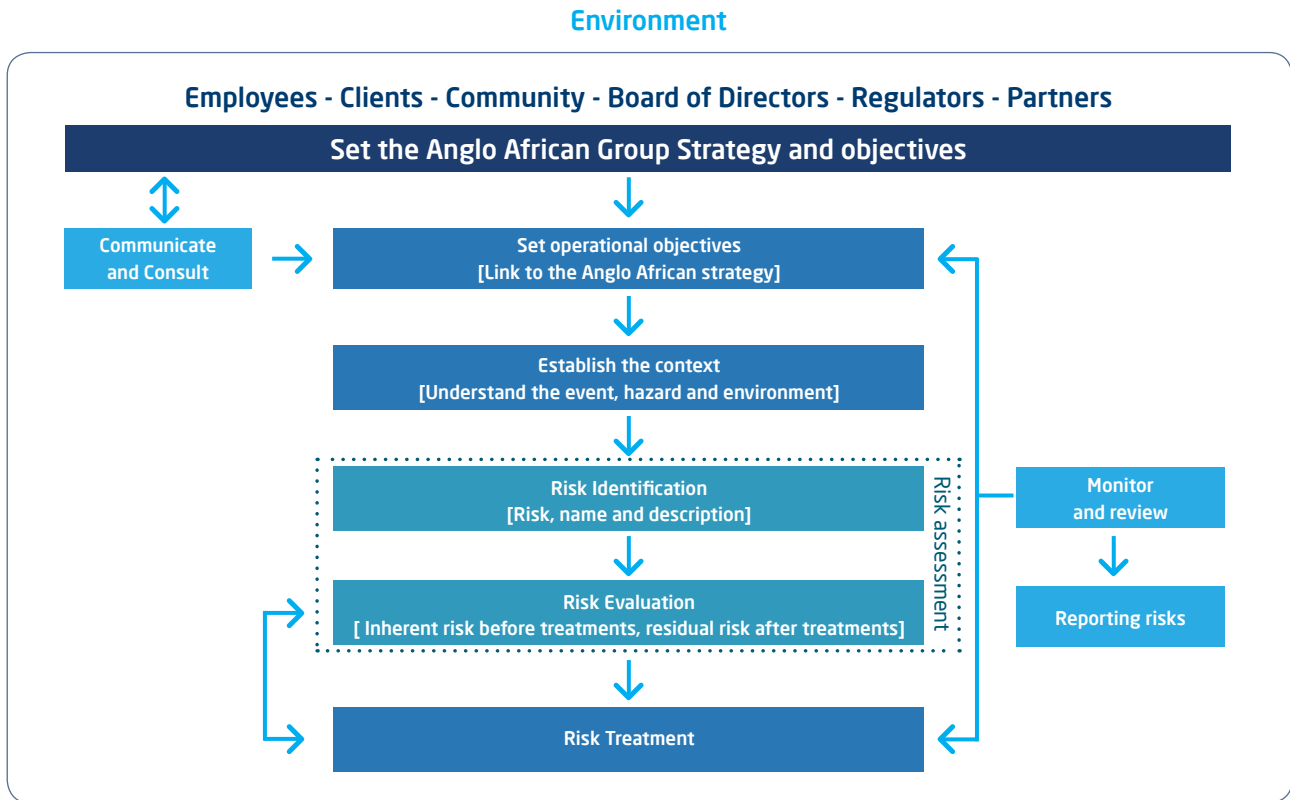
Since 2017, we have adopted a materiality analysis process, which for us, is an "Integrated thinking tool" used at least every quarter, to discover priority material themes and to assess the priority focus areas to guide our sustainability actions and reporting.

In this section, we have set out the key themes having the most significant impact on our value creation, commercial viability, our social relevance and our relationship with our key stakeholders in the short, medium and long term.



Risk Management

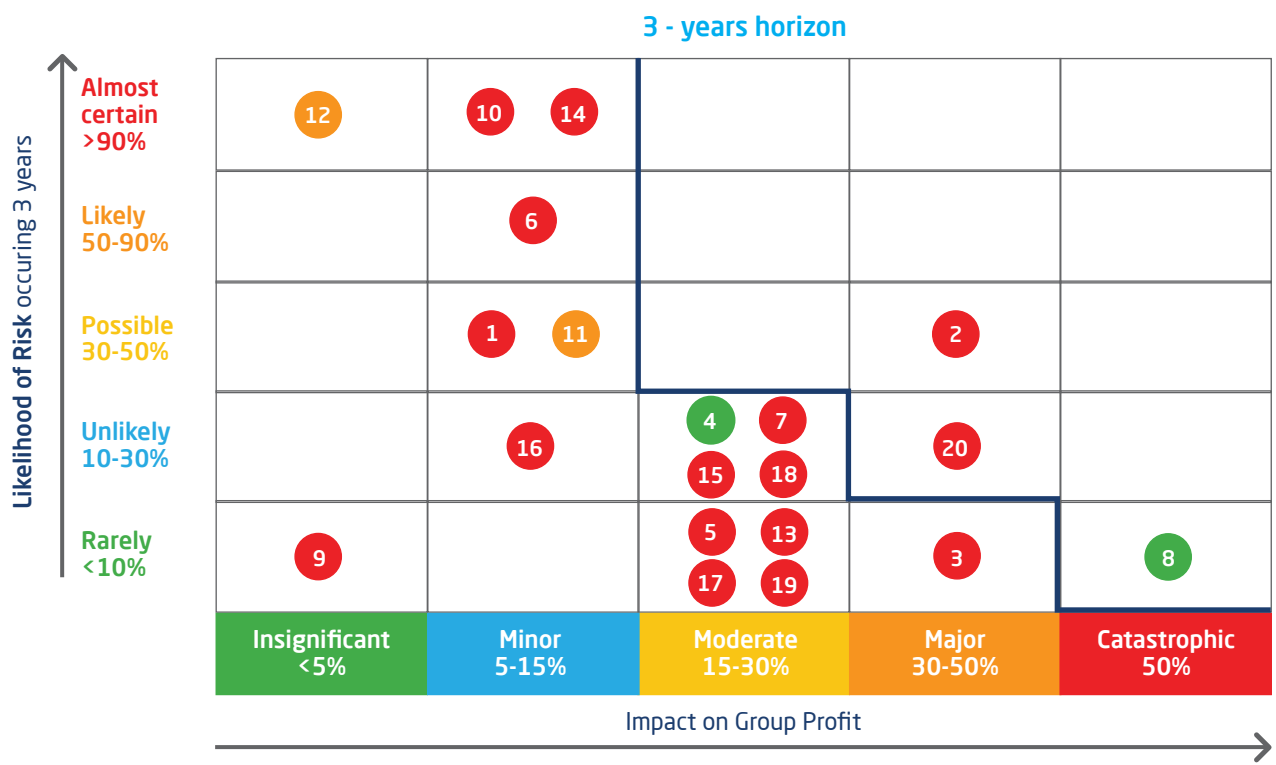
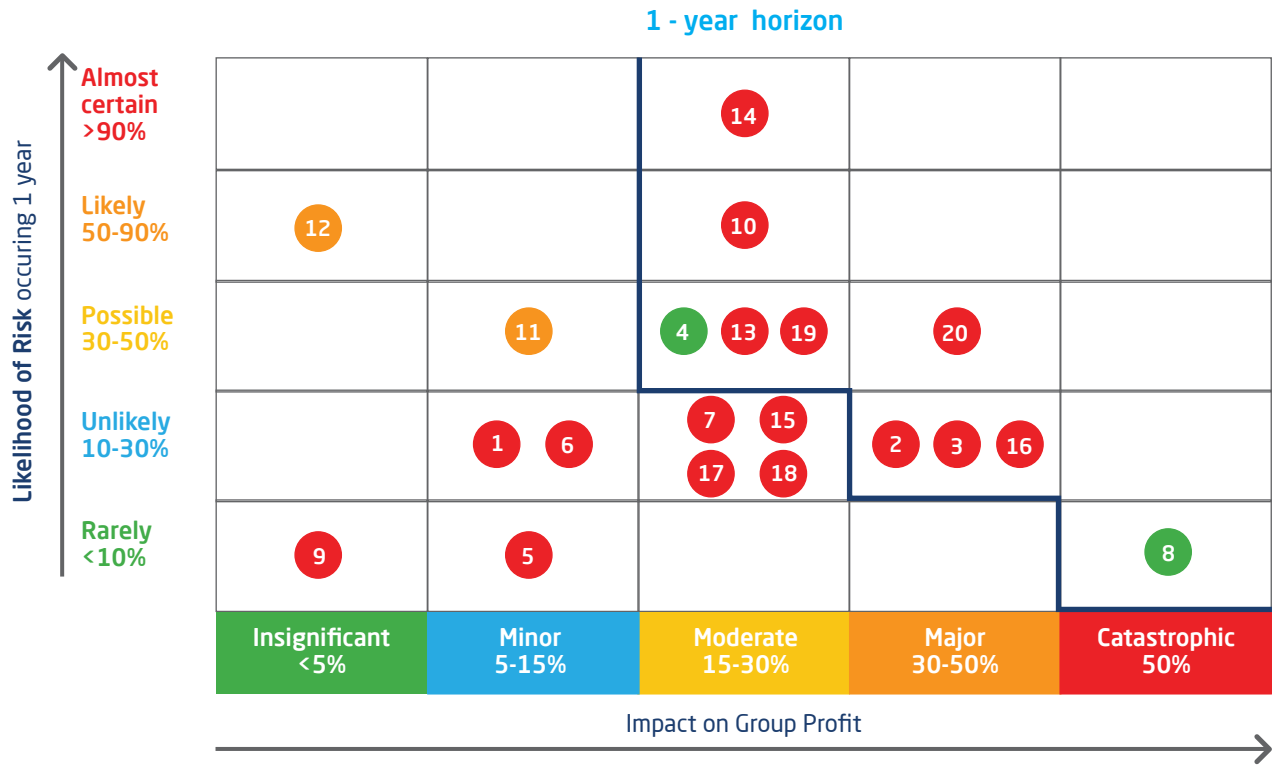
For Anglo African, risk management remains the balancing out between realising opportunities for gain while minimising adverse impacts, this in an appropriate manner, more relevant than ever in our pandemic situation, in which we aim to create new norms. **The name of the game remains resilience and sustainability**, and risk management for us is a set of holistic activities, analysing impacts on strategy as well as on our Capitals.



Our risk management process is embedded in our everyday business activities and culture. This activity is carried out at multiple layers, and assigned to risk owners, having the capacity to deal with those risks.

Heat Map Classification

As part of our risk assessment process, risks are assessed over the short, medium and long term, at least every quarter, during our materiality analysis process. The heatmaps below provide an overview of the assessment of the strategic risks considered from an inherent risk perspective.



Color of the risk ID on the Risk Register & Heatmap define our risk appetite

- Low Risk Appetite
- Medium Risk Appetite
- High Risk Appetite

Risk Register

Risk is unchanged

Risk has decreased

Risk has increased

Colour of the risk ID defines our risk appetite:

Low risk appetite

Medium risk appetite

High risk appetite

Risk ID	Risk	Mitigation	Risk Owner	Strategic Priority * Impacted	Capital Impacted	Change over last year
1	Claims by Clients v/s Directors & Officers in overseas operations	<ul style="list-style-type: none"> Clear contractual escalation process as part of communication management; Dispute mechanism in contracts; Adequate insurance cover in operating countries 	GMs	1		
2	Kidnap & Ransom	<ul style="list-style-type: none"> Educating employees on safety measures ; Favouring agents as introduced by our local partner; Avoidance of high risk countries 	GMs	1, 2, 3		
3	Cyber Liability Risk	<ul style="list-style-type: none"> Clear Information Security (Info Sec) policies; awareness of training Info Sec awareness training regularly dispensed to all employees; Enforcing Info Sec controls on employees devices; ISO 27001 underway 	Mgt	1, 2, 5		
4	Overstretched resources	<ul style="list-style-type: none"> Implemented better Project Management process; Strengthened relationships with Partners for Staff augmentation in different countries during peak period 	GMs	2, 3, 5		
5	Business Continuity failure	<ul style="list-style-type: none"> Business Continuity Plan in place & regular simulations 	Mgt	5		
6	Delivering not up to clients expectations	<ul style="list-style-type: none"> Implemented customer feedback on every project as part of ISO 9001 initiative; Overall customer satisfaction survey carried out independently 	GMs & Managers	1, 2		
7	Non-compliance to Legal & Contractual laws & regulations in overseas Operations	<ul style="list-style-type: none"> Used specialised local partners in countries where we operate; Optimising business model by using staff augmentation 	GMs - Overseas Ops	1, 5		
8	Information Security Risks	<ul style="list-style-type: none"> Adopted overseas strategic partner's best practice; Clear Info Sec policies; Info Sec awareness; ISO 27001 underway 	GMs - InfoSys	1, 5		
9	Underquoting	<ul style="list-style-type: none"> Review of quotes by GMs; Review by a committee for large projects 	GMs & Managers	1, 5		
10	Risks of our principals going directly to market and bypassing us	<ul style="list-style-type: none"> Diversified into other businesses, involving Own IP 	CEO	1		



Financial Capital



Human Capital



Intellectual & Digital Capital



Relationship & Social Capital



Technological Capital

Strategic Priority* 1. Driving Growth 2. Engaging Customers 3. Empowering our people 4. Enhancing Partnerships 5. Embedding best practices

Risk is unchanged Risk has decreased Risk has increased Colour of the risk ID defines our risk appetite: ● Low risk appetite ● Medium risk appetite ● High risk appetite						
Risk ID	Risk	Mitigation	Risk Owner	Strategic Priority * Impacted	Capital Impacted	Change over last year
11	Foreign Currency Risk	<ul style="list-style-type: none"> Volatility of forex followed regularly; As far as practically possible, projects sold on same currency as equipment/services being purchased 	CFO	1		
12	Interest rate Risk	<ul style="list-style-type: none"> Controlled, group does not have any material borrowings 	CFO	1		
13	Liquidity risk	<ul style="list-style-type: none"> Controlled, cash reserves under constant monitoring 	CFO	1, 3, 4		
14	Credit risk	<ul style="list-style-type: none"> Our major customers are large institutions; Approval of credit facilities by committee; New micro-lending operations in our FinTech Startup with credit scoring engine 	CFO	1,2		
15	Key men risk	<ul style="list-style-type: none"> Succession planning in place and in action 	CEO	1 to 5	 	
16	IP risk	<ul style="list-style-type: none"> Constant Platform evolution causing leaked source code of previous versions uncompetitive 	GMs & CRIO	1, 4	 	
17	Failure to Innovate/meet customer needs	<ul style="list-style-type: none"> Constant Market Intelligence; Aggressive R&D into Emerging Tech such as RPA, ML, AI, Platforms etc. 	CEO & CRIO	1, 5	 	
18	Damage to Reputation/ Brand	<ul style="list-style-type: none"> Meetup top clients of Group; Ensure product testing internally and externally prior to delivery; Adopt ISO 27001 in lifecycle development 	CEO	1, 2, 4 & 5	 	
19	Pandemic Risks	<ul style="list-style-type: none"> Covid 19 Readiness Plan; Clients diversification; Propose Agile Ops & remote delivery to clients; Accelerate StartUps initiatives 	All GMs	1, 2	 	
20	Social Unrest	<ul style="list-style-type: none"> Monitoring of early signs of social disturbance; Build and maintain company reserves; Continue work from home initiative; Accelerate StartUps initiatives around Digital Transformation for overseas markets; 	All GMs	1, 2, 3, 4 & 5	 	



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