

# enterprise risk management

The Company faces a variety of risks due to the complexity of its business and the dynamic business environment in which it operates. Effective management of risks enhances the Company's ability to achieve business, financial, customer-centric and social goals and to meet its legal and compliance responsibilities, thereby protecting and enhancing the Shareholders' value. Grameenphone (GP) is committed to manage those risks that arise in the course of the business to an acceptable level, so as to maximize opportunities and minimize impacts. Recognizing this, GP has put in place an effective Enterprise Risk Management (ERM) framework. ERM in business includes the methods and processes used by organizations to manage risks and seize opportunities related to the achievement of their objectives. ERM provides a framework for risk management, which involves identifying particular events or circumstances relevant to the Company's objectives (risks and opportunities), assessing them in terms of likelihood and magnitude of impact, determining an action strategy, and also monitoring progress. By identifying and proactively addressing risks and opportunities, GP creates value for its stakeholders including customers, regulators, and the society at large. The ERM implemented in GP has five follow-up steps from identification of risk up to monitoring and assessment of the events.



Fig: Enterprise Risk Management Process

The ERM takes an integrated and holistic view of the risks facing the organization. A Risk Management Forum has been established in the Company to ensure active participation from different functional areas to increase its effectiveness. During the financial year under review, the Company (with assistance of the Risk Management Forum) had conducted a review of its risk management framework and processes to ensure their adequacy and effectiveness. The significant risks in the Company's business were reviewed, monitored and reported and mitigating measures were evaluated by the Board and Management on a regular basis. This is to ensure that the Company's risk management framework continues to effectively promote and enable the identification, management and monitoring of risks across the organization.

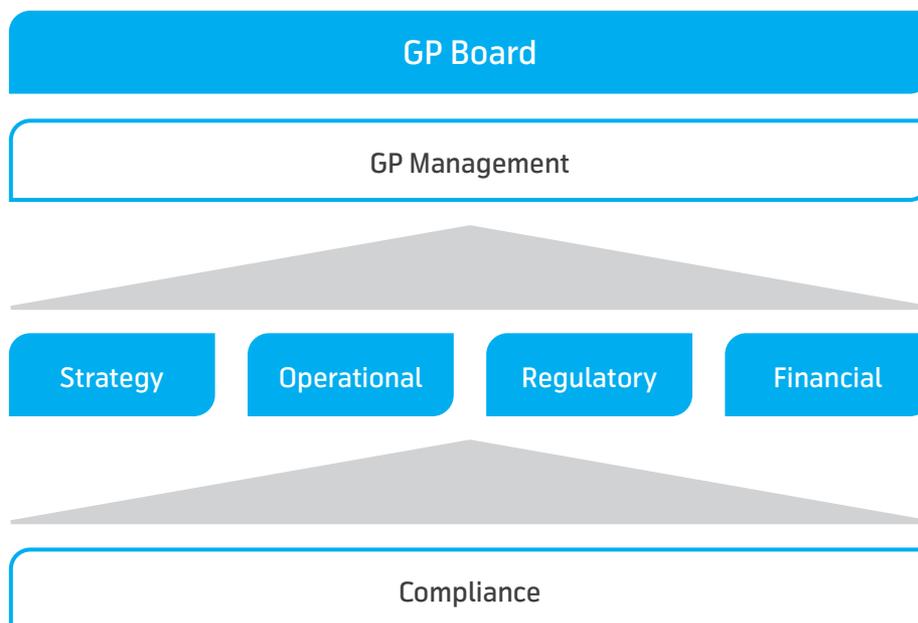


Fig: Enterprise Risk Management Reporting

Overview

Business Performance

Sustainability

Governance

Financial Analysis

Additional Information