

	Project Control		
	Risk Management Policy		Revision: 4
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## RISK MANAGEMENT POLICY

### 1 Purpose

The primary purpose of the Risk Management Policy is to promote an integrated and holistic approach to Risk Management in Scatec and to ensure that all risks that could affect achievement of organizational objectives are identified and treated in a timely manner.

### 2 Application

This Policy applies to all employees, including contractors, and outlines expectations for Risk Management in Scatec.

### 3 Policy implementation

This Policy is supported by Scatec's Risk Management Procedure, SCA-PRC-PRO-010, and implements principles set out in ISO 31000:2018.

### 4 Objectives

The key objectives with the Risk Management in Scatec are to:

- Develop and integrate a culture of effective risk management.
- Provide the appropriate tools and guides to support with uniformed and organized risk management process.
- Facilitate achievements of strategic and operational objectives by minimizing threats and maximizing opportunities.
- Support with timely informed decisions.

### 5 Principles

Risk Management principles in Scatec:

- **Integrated** – in all parts of organizational activities.
- **Systematic, structured, and timely** – by contributing to efficient and consistent risk management process, comparable and reliable risk results.
- **Customized and tailored** – to the Operational Model within Scatec's organization by aligning existing processes.
- **Involving** – includes all relevant stakeholders.
- **Dynamic, iterative, and responsive to change** – embeds periodic risk reviews and promotes culture of proactive risk management.
- **Data driven** – based on the best available information (such as historical data, analysis, expert judgement, forecasts, and observations).
- **Inclusive** – considering societal and cultural aspects influencing the risk picture.
- **Knowledge management** – promotes continuous learning from risk performance across the organization in the form of Lessons Learnt, Risk Reporting, KPIs and Improvement Ideas.

## 6 Risk Management Process

The Risk Management Process in Scatec is described in detail in the Risk Management Procedure, SCA-PRC-PRO-010, and is based on the following aspects:

- **Context definition** – the scope and objectives of the Risk Assessment, including alignment to organizational objectives.
- **Risk identification** – finding, recognizing, and describing the risks that could affect the achievement of objectives.
- **Risk analysis** – understanding the nature, sources, causes and impact of the risks to estimate the level of risk (qualitatively or/and quantitatively).
- **Risk evaluation** – comparing risk analysis results against pre-defined risk tolerability criteria.
- **Risk treatment** – selecting and implementing risk treatment or mitigating actions as a control to manage the risk.
- **Risk reporting and communication** – defined routines to ensure the communication of the overall risk landscape in the organization at different operational levels.
- **Risk ownership** - person or entity that has been given the authority to manage a particular risk and is accountable for doing so.

Output from the Risk Management activities is used as a source for continual improvement in the organization.

## 7 Roles and responsibilities

Risk Management is an integral activity within Operating System processes, not an independent function. The framework is owned by EVP Operations on behalf of the management team who are responsible for ensuring that the necessary resources are available for carrying out Risk Management activities. The management team will also act to ensure that conflicting objectives do not arise, which could impact the way individual functions manage risks.

The Management Team is accountable for overseeing the development, facilitation, and implementation of the Risk Management policy.

All employees are responsible for applying risk management in daily activities and systematically; identifying, analyzing, evaluating, treating, and reporting risks consistently and predictably.

**CEO Terje Pilskog**