

INFINITY
DEVELOPMENTS

DUBAI · ZANZIBAR

GOVERNANCE & BUSINESS ETHICS

RISK MANAGEMENT FRAMEWORK

CORPORATE GOVERNANCE & COMPLIANCE POLICY

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OWNING DEPARTMENT
Enterprise Risk Management

APPROVED BY
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1. Introduction

Infinity Developments L.L.C. operates large-scale, capital-intensive residential and hospitality developments across multiple jurisdictions, including the United Arab Emirates and the United Republic of Tanzania. This exposes the Company to a wide range of risks - from construction and market risk to regulatory, climate and geopolitical risk. This Risk Management Framework (the “Framework”) establishes a structured, consistent approach to identifying, assessing, managing, monitoring and reporting risk across the organisation, so that risk-taking remains deliberate, informed and aligned with the Company’s strategic objectives and risk appetite.

2. Objective

- Provide a common language and methodology for identifying and assessing risk across all business units and projects.
- Define the Company’s risk appetite and tolerance, and ensure risk-taking remains within approved limits.
- Establish clear accountability for risk ownership, mitigation and escalation at every level of the organisation.
- Integrate risk management into strategic planning, investment appraisal, project delivery and day-to-day operations.
- Ensure timely and accurate risk reporting to senior management, the Audit & Risk Committee and the Board.

3. Scope

This Framework applies to all Infinity Developments entities, business units, functions and projects, and covers strategic, financial, operational, compliance, reputational and environmental/social risks arising from the Company’s activities in all jurisdictions in which it operates.

4. Risk Philosophy and Appetite

Infinity Developments accepts that measured risk-taking is inherent to real estate development and necessary to deliver returns to stakeholders. The Company will not, however, accept risks that could compromise the safety of its people, breach the law, cause serious and irreversible environmental or heritage damage, or threaten the Company’s financial stability or reputation. The Board Audit & Risk Committee reviews and approves the Company’s risk appetite statement annually, and material decisions - including new project approvals and market entry - are assessed against it.

5. Risk Categories

Category	Illustrative Risks
Strategic	Market entry decisions, portfolio concentration, competitive positioning, brand and partnership risk.
Financial	Liquidity, funding and refinancing risk, currency risk (AED/USD/TZS exposure), interest rate risk, cost overruns
Construction & Operational	Contractor performance, delivery delays, quality defects, supply chain disruption, health & safety incidents.
Market	Property price volatility, demand shifts, tourism and hospitality-demand fluctuations.
Regulatory & Compliance	Changes in planning, land, tax, labour or foreign-investment law across UAE and Tanzania; licensing risk.
Geopolitical & Country	Political, currency-convertibility and operational risk associated with operating in multiple jurisdictions, including Zanzibar/Tanzania.
Environmental, Social & Governance	Climate and coastal-erosion risk, heritage and community impact, labour standards, governance failures.
Reputational	Adverse publicity, stakeholder trust, quality or ethical failures affecting the Infinity Developments brand.
Technology & Information Security	Cyber-attack, data breach, business system disruption.
Fraud & Financial Crime	Bribery, corruption, procurement fraud, money laundering, misappropriation of assets.

6. Three Lines of Defence

Role	Responsibility
First Line — Business & Project Teams	Own and manage risk day-to-day within their function or project, implement controls, and escalate emerging risks promptly.
Second Line — Risk, Compliance & Legal	Set risk policy and methodology, provide oversight and challenge, monitor risk exposure against appetite, and coordinate Company-wide risk reporting.
Third Line — Internal Audit	Provides independent assurance on the design and effectiveness of risk management and internal controls, reporting directly to the Audit & Risk Committee.

7. Risk Management Process

5.1 Fair Competition

Wherever practicable, the Company obtains multiple competitive bids and evaluates them against clearly defined technical, commercial and compliance criteria communicated to all bidders in advance. Bid evaluation is documented and retained for audit purposes.

7.1 Identification

Risks are identified through structured workshops, project reviews, investment appraisals, incident reporting, audit findings, and ongoing monitoring of the external operating environment in each market.

7.2 Assessment

Identified risks are assessed for likelihood and impact using a consistent 5x5 scoring methodology, producing an inherent and residual risk rating that reflects the effectiveness of existing controls.

7.3 Response and Mitigation

Avoid — cease or decline the activity giving rise to the risk.

Reduce — implement additional controls to lower likelihood or impact.

Transfer — share or transfer the risk, for example through insurance or contractual allocation.

Accept — knowingly retain the risk within approved appetite, with appropriate sign-off.

7.4 Monitoring and Reporting

Risk owners monitor their risks continuously and update the risk register at least quarterly. Material and emerging risks are escalated immediately, outside the normal reporting cycle, to the relevant member of senior management and, where significant, to the Audit & Risk Committee.

8. Risk Register and Escalation

Enterprise Risk Management maintains a consolidated risk register capturing each risk's category, owner, inherent and residual rating, mitigation plan and status. Risks rated as high or critical are reported to the Audit & Risk Committee at each scheduled meeting; risks rated as severe trigger immediate escalation to the Chief Executive Officer and Committee Chair outside the regular cycle.

9. Roles and Responsibilities

Role	Responsibility
Board of Directors	Sets the overall risk appetite, approves this Framework, and holds ultimate responsibility for the adequacy of the Company's risk management.
Audit & Risk Committee	Oversees the risk management framework on behalf of the Board, reviews the consolidated risk register, and monitors the effectiveness of mitigation.
Chief Executive Officer	Ensures risk management is embedded in strategic and operational decision-making and that adequate resources are allocated to manage key risks.
Chief Financial Officer	Owns financial, liquidity and currency risk management and oversees insurance and financial controls.
Enterprise Risk Management	Facilitates risk identification and assessment, maintains the risk register and methodology, and coordinates Company-wide risk reporting.
Legal & Compliance	Manages regulatory and compliance risk and advises on legal exposure across jurisdictions.
Internal Audit	Provides independent assurance on risk management effectiveness and reports findings to the Audit & Risk Committee.
Project & Function Heads (Risk Owners)	Identify, assess and manage risks within their area, implement agreed mitigations, and escalate material issues promptly.
All Employees	Understand risks relevant to their role, follow established controls, and report emerging risks or control weaknesses.

10. Business Continuity and Crisis Management

Infinity Developments maintains business continuity arrangements for its critical functions and assets, including hospitality operations, to enable an effective response to significant disruptions such as extreme weather events, security incidents or major system outages. Crisis response protocols define escalation paths, communication procedures and roles for senior management during a significant incident.

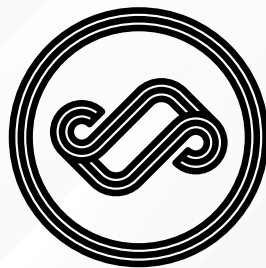
11. Ownership, Administration and Review

Field	Detail
Policy Owner	Enterprise Risk Management, under the oversight of the Board Audit & Risk Committee
Review Cycle	Annually, or sooner following a material risk event or significant change in the business
Approving Authority	Board of Directors
Related Policies	Anti-Bribery & Anti-Corruption Policy, Whistleblower Policy, Sustainability Policy, Procurement Policy

Questions regarding this Framework may be directed to Enterprise Risk Management at info@infinitydevelopments.ae.

12. Glossary

Term	Definition
Inherent Risk	The level of risk before considering the effect of existing controls.
Residual Risk	The level of risk remaining after existing controls are taken into account.
Risk Appetite	The amount and type of risk the Company is willing to accept in pursuit of its objectives.
Risk Owner	The individual accountable for managing a specific risk and its mitigation plan.
Risk Register	The consolidated record of identified risks, their ratings, owners and mitigation status.
Three Lines of Defence	A governance model separating risk-taking (first line), risk oversight (second line) and independent assurance (third line).



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