

Risk Management Charter

Enterprise Risk Framework

Purpose

To define the framework through which GlobalDot Bank identifies, measures, monitors, and mitigates risks.

Governance Hierarchy

- **Board Risk Committee (BRC):** Defines overall risk appetite
- **Chief Risk Officer (CRO):** Implements risk policy and oversight
- **Operational Risk & Credit Risk Units:** Daily monitoring and reporting

1. Risk Categories

Credit Risk

- Counterparty analysis, exposure limits, collateral management
- Basel III credit concentration controls

Market Risk

- Interest rate, FX, and liquidity risk modeling
- Daily VaR and stress-testing routines

Operational Risk

- Incident reporting, loss data collection, root cause analysis
- Internal fraud detection and cyber risk mapping

Compliance Risk

- Regulatory change tracking across all jurisdictions
- Independent testing and monitoring protocols

Reputational Risk

Managed through transparent client communication and ethical standards.

2. Reporting

- Monthly enterprise risk dashboards to the BRC
- Quarterly stress test simulations
- Immediate escalation of threshold breaches to the Board