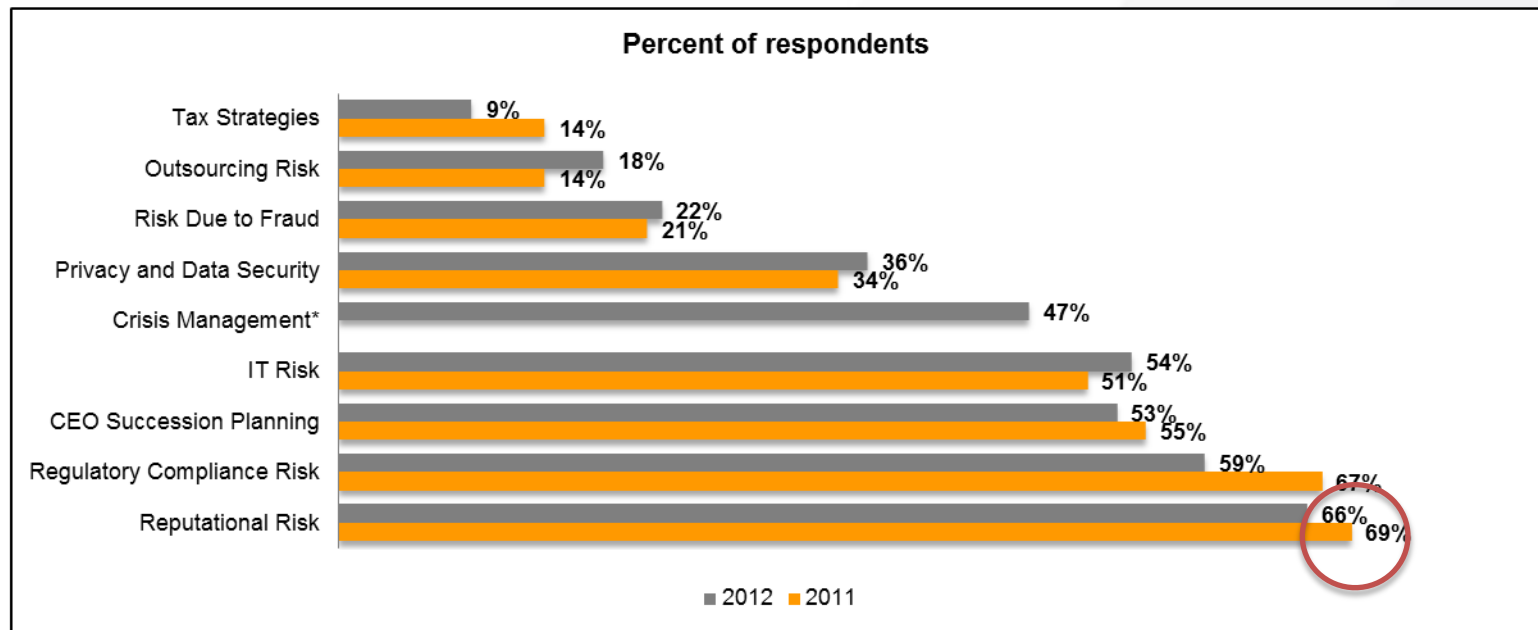


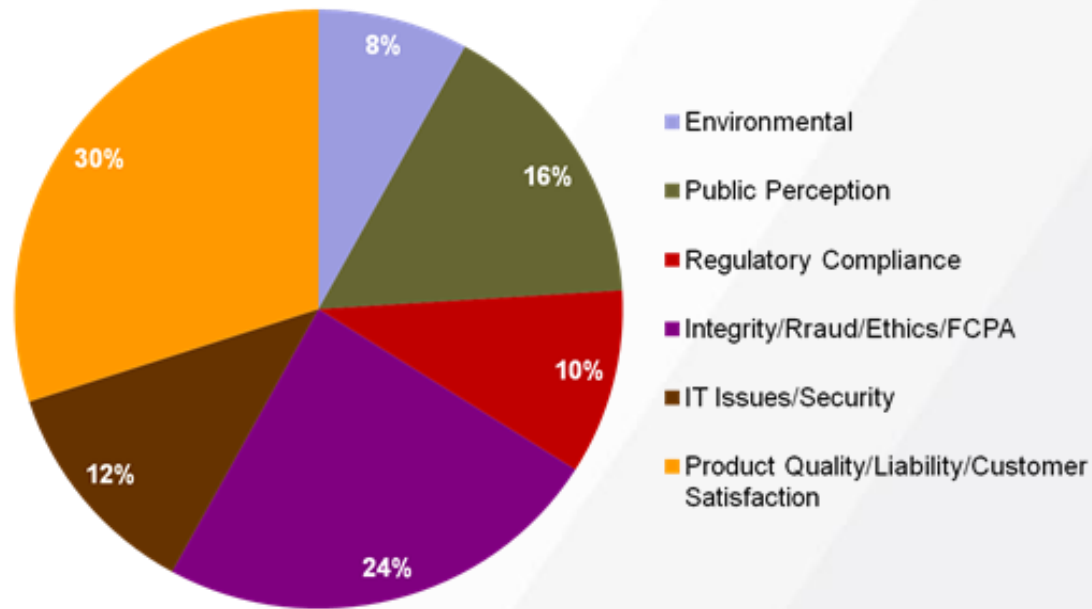
COMMUNICATION RISK MANAGEMENT

Aside from Financial Risk, which of the other areas of risk management are most important for your boards?



66% of executives believe that it is Reputational Risk*

What Are the Top 3 Types of Reputational Risk That Concern Your Boards the Most?





"Within week one [of arriving in the London office] I met a junior guy who was 24, 25 years old and the first thing he'd told me was that he had just traded a sophisticated derivative with a 'muppet client' who'd paid the firm an extra million dollars because the client was so trusting that he didn't check the price with other banks," Smith recalled. "Now you could think to yourself, is this some rogue guy who is just talking callously about clients, but his boss who's a managing director was sitting right next to him nodding and chuckling along".
Greg Smith (former employee)



Goldman Sachs Business Principles
(abridged)

Our clients' interests always come first. Our experience shows that if we serve our clients well, our own success will follow.

Who is responsible?

**PR PEOPLE
NOT
FIREFIGHTERS**

Crisis management weakness

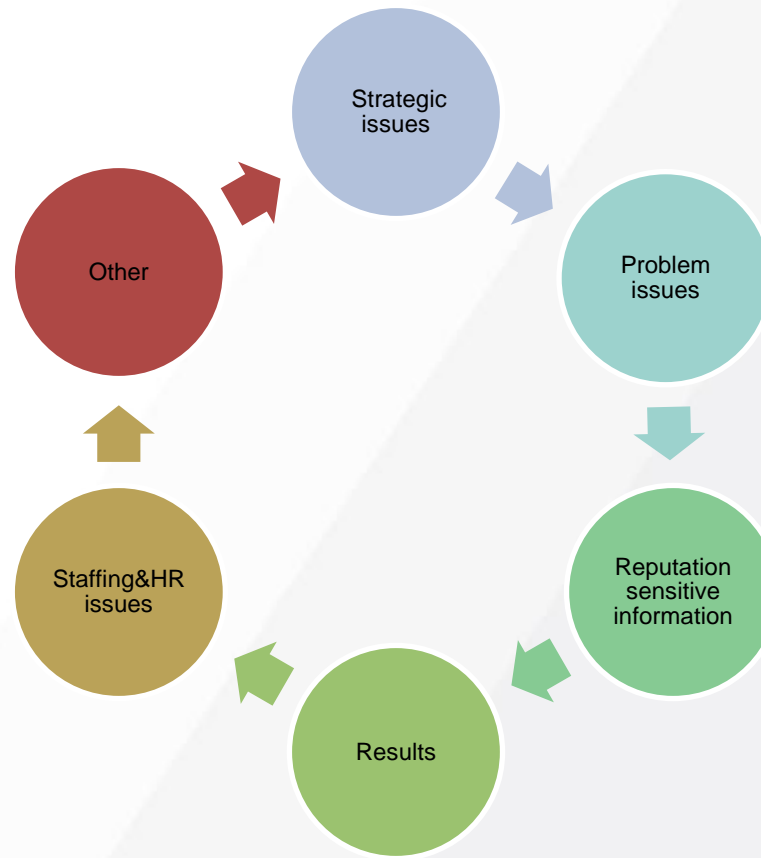
- Short term performance
- Unclear how the problem will affect the company's reputation
- Lack of control over the issue
- Inflation scandal by the media



Develop structured system for reputational risk evaluation/reporting

- 🔴 Develop easy to use reporting tool (description, prioritisation, evaluation)
- 🔴 Incorporate tool into existing planning and response work

Absolut Bank Key Controls & Zero Tolerances Corporate Communication Guideline.
(Ratification of Guideline was executed by Board of Directors).

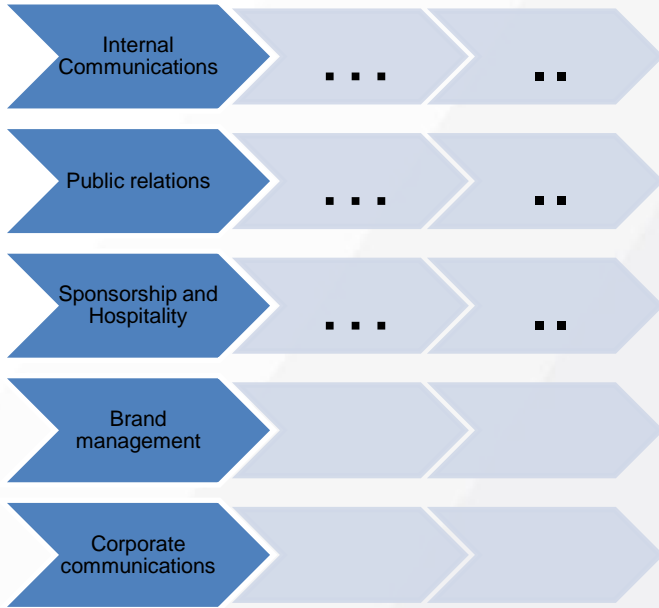


Herewith described key communication risks which can affect the bank's reputation and financial results as:

Reputational Risk

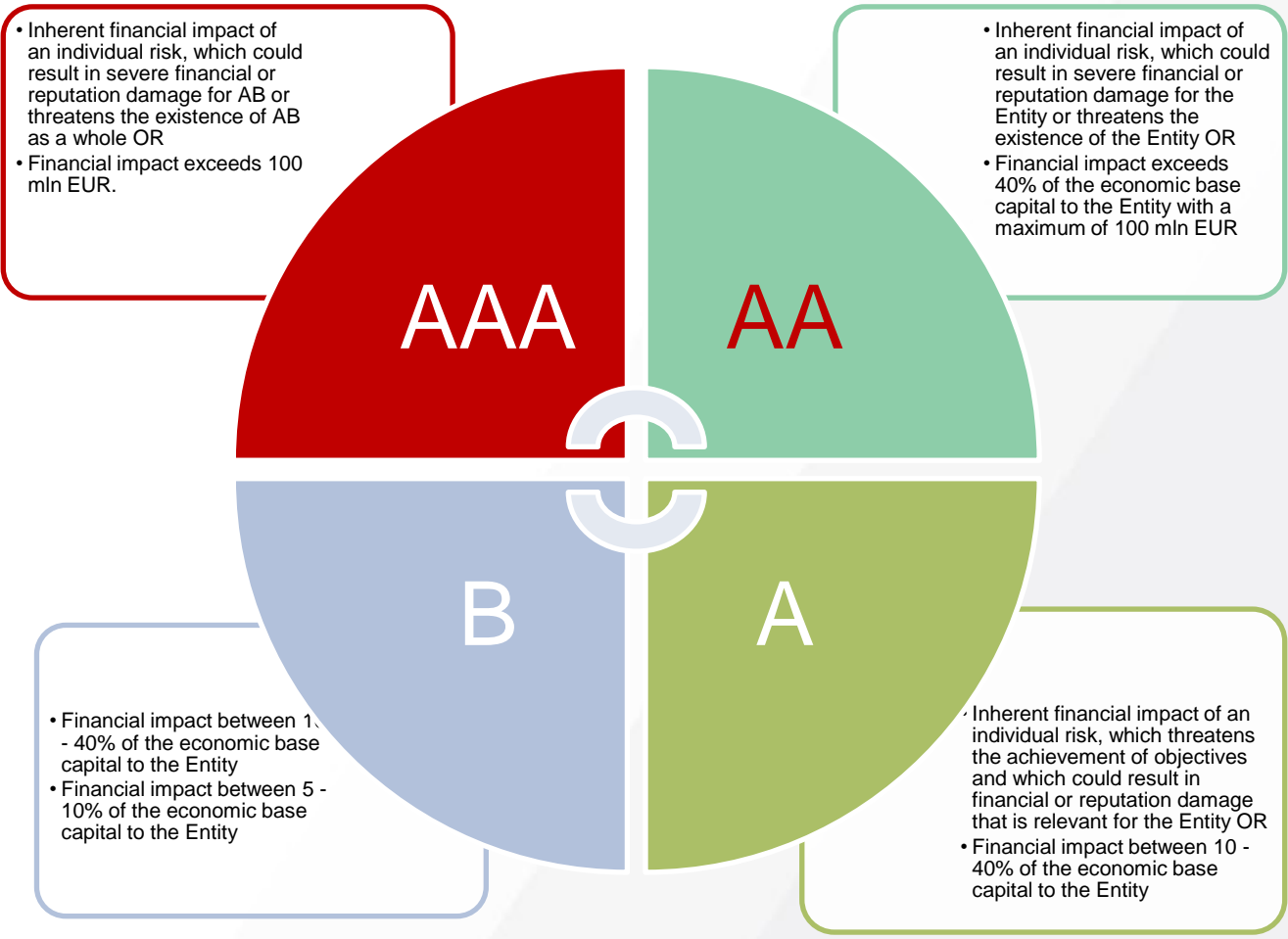
The risk arising from the loss of confidence by or negative perception on the part of stakeholders (see definition 'stakeholder') – be it accurate or not - that can adversely affect a company's ability to maintain existing, or establish new, business / client relationships and have continued access to sources of funding.

Absolut Bank Key Controls & Zero Tolerances Corporate Communication Guideline



Inappropriate corporate communication

Key Risk	Inappropriate corporate communication (e.g. using the wrong language, or offensive, stigmatizing or discriminating terms, etc.) to AB's stakeholders may lead to serious reputational damage, legal fines and / or losses.
Key Control	Communication department define which internal & external corporate communication first must be reviewed by linguistic experts and legal advisors before the actual communication.
Key Control	Communication department organize regular communication skills & competencies trainings (e.g. media training (initiation & updates), etc.) for authorized AB employees & representatives that are representing AB about market & reputational sensitive corporate communication.



High professionalism of
PR&Communication expert is the stable
good reputation of the company