Risk Management Policy

The Company is committed to effective management of risk and has established a risk management framework to ensure the ongoing recognition and management of risks and opportunities affecting the achievement of financial and non-financial objectives. Risk management is vital to establishing business resilience and maximizing shareholder value.

The Board determines the Company's risk appetite and risk tolerance and is responsible for establishing, overseeing and approving the Company's risk management framework, which is defined in the risk management plan.

The objectives of the risk management plan are to:

(a) ensure appropriate mechanisms are in place to maintain an effective risk management framework and ensure material risks are recognised and managed in accordance with Board expectations;

(b) define risk management roles and responsibilities;

(c) embed risk management in Company decision making, strategic planning and day -to-day operations; and

(d) outline the approach to foster a risk aware culture which is objective, transparent, iterative, and repeatable.

The Board has delegated to the audit and risk committee responsibility for implementing the risk management plan. The audit and risk committee will submit particular matters to the Board for its approval or review. Among other things it will:

(a) oversee and periodically review the Company's risk management plan and risk register to ensure effective risk identification and management and compliance with the risk appetite set by the Board, internal guidelines and external requirements;

(b) assist management to determine the key risks to the businesses and prioritise work to manage those risks; and

(c) review reports by management on the efficiency and effectiveness of the risk management process.

The risk management process refers to the systematic approach to identify, analyse, evaluate, control, treat, monitor, communicate and report risks.

The responsibility for executing the risk management process is delegated to management. The risks and associated assessment are recorded on a risk register and reported to the audit and risk committee at least annually.

The Company has completed a strategic risk assessment to formally identify, collate and prioritise material business risks and has adopted a framework for risk management that covers the following areas:

(a) ongoing assessment of the Company's tolerance to risk;

(b) material risk identification;

(c) material risk assessment;

(d) management of material risks;

(e) establishing and maintaining a material risk register; and

(f) regular reporting on mitigation strategies and updates on the Company’s risk profile.

The Company must disclose at least annually whether the Board (or a committee of the Board) has completed a review of the Company’s risk management framework to satisfy itself that the framework:

(g) continues to be sound;

(h) ensures that the Company is operating with due regard to the risk appetite set by the Board; and

(i) deals adequately with contemporary and emerging risks such as conduct risk, digital disruption, cyber-security, privacy and data breaches, sustainability and climate change.

The Company will disclose if it has any material exposure to environmental or social risks (as those terms are defined in the Recommendations) and if it does, how it manages, or intends to manage, those risks.