
RISK MANAGEMENT POLICY

The Board determines the Company's "risk profile" and is responsible for establishing, overseeing and approving the Company's risk management framework, strategy and policies, internal compliance and internal control.

Until such time as an audit and risk committee is established, the Board retains responsibility for implementing the risk management system.

The key responsibilities associated with the Company's risk management system include::

- (a) oversee and periodically review the Company's risk management framework, systems, practices and procedures 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;
- (c) assess whether the Company is required to publish any reports in accordance with the Recommendations; and
- (d) review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

The Company's process of risk management and internal compliance and control includes:

- (a) identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;
- (b) formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls; and
- (c) monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control.

To this end, comprehensive practises are in place that are directed towards achieving the following objectives:

- (a) compliance with applicable laws and regulations;
 - (b) preparation of reliable published financial information;
 - (c) verifying the integrity of the Company's periodic reports which are not audited or reviewed by an external auditor, to satisfy the Board that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions; and
 - (d) implementation of risk transfer strategies where appropriate eg. insurance.
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The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report, at least annually, to the Board or the audit and risk committee, if established.

The Board will review assessments of the effectiveness of risk management and internal compliance and control at least annually.

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:

- (a) continues to be sound;
 - (b) ensures that the Company is operating with due regard to the risk appetite set by the Board; and
 - (c) deals adequately with contemporary and emerging risks such as conduct risk, digital disruption, cyber-security, privacy and data breaches.
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