RISK MANAGEMENT POLICY

1. Purpose

The Company considers ongoing risk management to be a core component of the management of the Company. The Company's ability to identify and address risk is central to achieving its corporate objectives.

This Policy outlines the program implemented by the Company to ensure appropriate risk management within its systems and culture.

2. The Risk Management Program

The Company's risk management program comprises a series of processes, structures and guidelines which assist the Company to identify, assess, monitor and manage its business risk, including any material changes to its risk profile.

To achieve this, the Company has clearly defined the responsibility and authority of the Board to oversee the risk management program, while conferring responsibility and authority on the Audit and Risk Committee to develop and maintain the risk management program in light of the day-to-day needs of the Company. The Audit and Risk Committee is governed by the Audit and Risk Committee Charter, a copy of which is available on the Company's website.

Not all aspects of risk management can be formalised, and the Company places considerable reliance on the skill, experience and judgment of its people to take risk managed decisions within the framework of this Policy and to communicate openly on all risk related matters.

Communication and review of risk management practice provides the Company with important checks and balances to ensure the efficacy of its risk management program.

The key elements of the Company's risk management program are set out below.

3. Risk Identification

In order to identify and assess material business risks, management defines risks and prepares risk profiles in light of its business plans and strategies. This involves applying a disciplined process to risk identification, risk assessment and analysis, risk treatment and monitoring and reporting.

Management presently focusses on the following types of material risks, including but not limited to:

3.1 intellectual property;

3.2 regulatory and compliance;

3.3 reputational;

3.4 IT risks including cyber security;

3.5 reliance on key customers and customer contracting;

3.6 supply chain;

3.7 development and launching of new products;

3.8 conduct of business; and

3.9 key personnel.

4. Responsibilities of the Board

The Board acknowledges that it is responsible for the overall system of internal control but recognises that no cost-effective internal control system will preclude all errors and irregularities.

The Board has delegated responsibility for reviewing the risk profile including material business risks and reporting on the operation of the internal control system to the Audit and Risk Committee. However, the Audit and Risk Committee and management may also refer particular risk management issues to the Board for final consideration and direction.

The Board will review the effectiveness of the Company's risk management framework and internal control system annually to satisfy itself that it continues to be sound and that the entity is operating within the stated risk appetite.

5. Responsibilities of the Audit and Risk Committee

The Audit & Risk Committee will, annually, review the effectiveness of the risk management system in relation to the processes, structures and culture established to identify, assess, treat and monitor risk to support the achievement of the Company's objectives.

The Audit & Risk Committee will consider whether the risk management system continues to be sound and that the entity is operating with due regard to the risk appetite recommended by management and approved by the Board. This includes satisfying itself that the risk management framework deals

adequately with financial and non-financial risk and contemporary and emerging risks such as conduct risk, digital disruption, cyber-security, privacy and data breaches, and sustainability.

6. Responsibilities of Management

The Company's management will be responsible for designing and implementing risk management and internal control systems which identify material risks for the Company and aim to provide the Company with warnings of risks before they escalate. Management must implement the action plans developed to address material business risks across the Company.

Management is responsible for establishing procedures which provide assurance that major business risks are identified, consistently assessed and appropriately addressed. Management should regularly monitor and evaluate the effectiveness of the action plans.

In addition, management should promote and monitor the culture of risk management within the Company and compliance with the internal risk control systems and processes. Management should report at least twice a year to the Audit and Risk Committee regarding the status and effectiveness of the risk management program.

7. Review of Risk Management Program

Management regularly evaluates the effectiveness of its risk management program to ensure that its internal control systems and processes are monitored and updated on an ongoing basis. The division of responsibility between the Board, the Audit and Risk Committee and management aims to ensure that specific responsibilities for risk management are clearly communicated and understood. The reporting obligations of Audit and Risk Committee ensure that the Board is regularly informed of material risk management issues and actions.