

## 1. PURPOSE

The purpose of this Risk Management Policy (this Policy) is to ensure the management of business risks to a tolerable level by achieving a balance between acceptable levels of risk and reward through the effective and efficient use of resources. This Policy:

- Enables risk management to form an integral part of all decision making and is adopted throughout SunWater as a prudent management practice
- Communicates responsibilities and accountabilities to provide assurance to the Board, Executive Leadership Team and Workers that SunWater is maintaining its risk management obligations
- Provides direction to guide SunWater's Risk Management Framework to enable the Board, Executive Leadership Team and Workers to engage and fulfil their obligations in respect to risk management standards and processes.

## 2. SCOPE

The Policy applies to the SunWater Group, which includes SunWater Limited and its wholly owned subsidiaries.

## 3. ACCOUNTABILITY AND RESPONSIBILITY

The Board is accountable for:

- Defining SunWater's risk appetite and thresholds
- Providing oversight and governance on SunWater's risk management system, risk profile and management of enterprise risks
- Reporting SunWater's strategic performance, corporate governance arrangements and risk profile to shareholders.

The Chief Executive Officer is accountable for:

- Promoting a culture of risk awareness and management
- Reporting to the Board on enterprise risk management status and business performance
- Providing sufficient resources to achieve objectives in line with risk appetite.

The Executive Leadership Team is accountable for:

- Development and implementation of work programs to achieve SunWater's business objectives and managing any risks to achieving objectives
- Implementing control systems to achieve and maintain SunWater's risk appetite
- Management of resources to implement agreed risk control strategies and work programs
- Monitoring and reporting of enterprise risks and emerging risks.

The Risk and Resilience Manager is accountable for:

- Development and management of systems and processes relating to enterprise risk management
- Facilitating and supporting the Executive Leadership Team and all levels of risk hierarchy in fulfilling their obligations.

Line Management is accountable for:

- Ensuring staff are adequately trained in risk management processes
- Management of any risk within scope of influence and delegation

- Escalation and reporting of any risks that are outside scope of influence and delegation, including enterprise and emerging risks
- Promoting an open and accepting workplace culture in relation to risk management activities.

All Workers are accountable for:

- Performing risk assessments and having risk awareness, including integrating risk management into everyday activities
- Management of any risk within scope of influence and delegation
- Escalation and reporting of any risks that are outside of scope of influence and delegation
- Compliance with all policies, procedures, guidelines and practices related to risk within their area of responsibility.

## 4. PRINCIPLES

SunWater Group will manage its risk management responsibilities in accordance with the following objectives:

- Providing and maintaining a risk management system that integrates with the business planning framework to support strategic and operational performance
- Providing value to shareholders by effective and efficient utilisation of resources to consistently manage SunWater's risk profile to align with risk appetite
- Promoting a culture of risk awareness throughout the Group and ensuring that all employees understand and fulfil their responsibilities.

## 5. POLICY STATEMENT

SunWater Group recognises its obligations to achieve and deliver shareholder value through the sustainable and efficient operation of the company, sound risk management practices and corporate governance. The SunWater Risk Management Commitment document incorporates SunWater's values with our risk management commitments.

### We Value People

- We support our people to be engaged in risk management practices and empowered to make risk-based decisions
- We encourage our people to manage risks within their scope of influence and delegation, and to escalate risks where appropriate

### We Work Together

- We promote an open and accepting workplace culture in relation to risk management activities to ensure the effective and efficient escalation and management of risks
- We implement continuous improvement to the risk management approach to support organisational agility

### We Take Responsibility

- We take responsibility for supporting our teams to develop and contribute to our organisational goals
- We make our decisions collaboratively with due consideration of our risk appetite and business priorities

- We will always operate with full transparency and be prepared to explain our strategies, decisions and performance as a responsible and accountable organisation

## 6. SUNWATER GROUP POLICY PRIORITIES

- A risk management approach integrated with all business activities targeted at balancing risk and reward in accordance with risk appetite
- Provide a culture of transparency and collaboration and ensure a consistent approach to risk management within SunWater
- A commitment to continually improve our performance through regular reviews and monitoring

## 7. REVIEW

This Policy will be submitted to the Board for review at least every two years.

This Policy will be submitted to the Board for review in the event that there is a material change to relevant regulations or standards.

The CEO and Company Secretary may make administrative revisions to this Policy to keep it up to date provided no changes in the nature of the policy are made.

## 8. DEFINITIONS

Board	The Board of SunWater Limited
CEO	Chief Executive Officer of SunWater Limited
Company	SunWater Limited
Company Secretary	Company Secretary of SunWater Limited
Executive Leadership Team	Executive Leadership Team of SunWater Limited
Line Management	Person who directly manages other employees
Risk	The effect of uncertainty on business objectives
Risk Appetite	The amount and type of risk that SunWater is prepared to accept or be exposed to at any point in time in pursuit of objectives
Risk and Resilience Manager	Risk and Resilience Manager of SunWater Limited
Risk Profile	The documented and prioritised overall assessment of a range of specific risks faced by the agency
SunWater Group	The Company and its wholly owned subsidiaries
Workers	Person who undertakes work at the request of the SunWater Group and includes employees, contractors and consultants