

## RISK MANAGEMENT

Treasury Group Limited has established and documented an enterprise risk management program for the oversight and management of Treasury Group's material business risks.

This enterprise risk management program is based on the International Risk Standard AS/NZS ISO 31000:2009 and is complemented by an internal control program based upon the principles set out in the Australian Compliance Standard AS 3806:2006.

Treasury Group has also established a Business Continuity Management Program, based on the Standards Australia handbooks HB 292 and 293, as well as a Complaints Handling Program, based upon the international standard (AS ISO 10002-2006). Both of these programs are designed to better enable Treasury Group to manage its risk on an enterprise basis.

Treasury Group has fully documented a common risk language through which it considers internal and external risks.

Internal risks include:

- Corporate Governance Risk
- Human Resources Risk
- Operational Risk
- Technology Risk
- Legal Risk
- Workplace Safety Risk

External risks include:

- dealings with key stakeholder
- macro environmental issues such as a natural disaster or economic event beyond our control.

In assessing our material business risks, each identified risk is individually assessed in terms of the likelihood of the risk event occurring and the potential consequences in the event that the risk event was to occur.

Treasury Group has an on-line governance, risk and compliance software system which allows material business risks to be linked to mitigating controls so that the performance of Treasury Group's enterprise risk and compliance programs can be monitored continuously.