



Bradken Standard

Risk Management Standard

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1 Commitment

Bradken manufactures and supplies a range of cast and fabricated items that support mining and other industries. The process of manufacture and fabrication has the potential to impact employees, the community and the environment. If our products do not perform as designed, there is also potential for impact to our customers and their employees. In addition, the internal and external environment in which Bradken operates is subject to constant change that can impact profitability and other aspects of business performance.

Risk based thinking while taking and managing risk, is a fundamental part of being in business and growing shareholder value. Consequently, Bradken is responsible for and committed to the effective management of Risk.

Bradken's approach is to effectively and efficiently manage Risk by identifying, analysing, evaluating, treating, controlling, monitoring, reviewing and communicating Risks that can materially affect its business. This approach will also ensure that Risk is appropriately balanced against rewards.

By implementing this approach, Bradken:

- Provides a safe and healthy working environment;
- Maintains the highest level of integrity for the products and services it provides;
- Safeguards its reputation and assets;
- Creates an environment where all employees assume responsibility for identifying and managing the potential impacts of risk;
- Preserves and improves its ability to meet its short and long term profitability targets, funding requirements and operational capacity; and
- Can withstand Material Risk events.

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2 Scope

This standard and associated documents (see references) are applicable to all Bradken activities and functions and apply to all personnel, including Managers, Employees and Contractors involved in undertaking risk management activities across all Risk Categories as outlined in the Bradken Risk Management Ranking Matrix (BKN Doc C00009)

3 Risk Management Principles

For Risk Management to be effective Bradken will at all levels comply with the following principles:

- Risk Management creates and protects value;
- Risk Management is an integral part of all organisational processes;
- Risk Management is part of decision making;
- Risk Management explicitly addresses uncertainty;
- Risk Management is systematic, structured and timely;
- Risk Management is based on the best available information;
- Risk Management is tailored;
- Risk Management takes human and cultural factors into account;
- Risk Management is transparent and inclusive;
- Risk Management is dynamic, iterative and responsive to change;
- Risk Management facilitates continual improvement of the organisation.

4 Roles and Responsibilities

4.1 The Board of Directors

Is responsible for ensuring the establishment and verifying the implementation of a risk management system, reviewing the effectiveness of the Company's implementation of the system and ensuring investors are informed of material changes to the Company's risk profile.

4.2 Audit & Risk Committee

The Board is assisted in this process by the Audit, & Risk Committee. The Committee assists the Board to confirm the implementation of this policy by ensuring that a policy and procedures are in place, reviewing identified risk assessments and management plans, periodically reviewing this policy and by emphasising risk oversight, management and control. The Committee oversees the establishment of policies on risk oversight and management in accordance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, specifically Principle 7 which provides guidance on the recognition and management of risk.

4.3 The Executive Leadership Team

Is responsible for:

- providing a system of ongoing risk review that is capable of responding promptly to new and evolving risks;

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- providing the necessary tools and resources to manage and administer the program;
- monitoring the effectiveness of the system of risk identification and control application and management; and
- providing periodic assurance to the Committee and Board regarding the extent of the Company's compliance with this policy.

4.4 The Chief Operating Officer

Or designated representative is responsible for ensuring that a Risk Management Report is prepared as and when required.

4.5 Line Management

For their area of responsibility, Line Management are accountable for the implementation, operation and assurance of the Risk Management process and to ensure that Material Risks exceeding the nominated Risk Threshold are escalated appropriately.

4.6 All Bradken Personnel

This includes Managers, Employees and Contractors, have a responsibility to identify and report all activities, processes or circumstances which could potentially result in adverse:

- Financial (including Taxation) Consequences;
- Human Consequences;
- Consequences to our Customers;
- Business Interruption Consequences;
- Environmental Consequences; and/or
- Reputation and Image Consequences.

5 References (including any internal and external documents)

The inclusion of Bradken controlled reference documents will facilitate the automatic linkage so that any impacting changes to either documents would be highlighted in the draft and approvals stages

Table 1. Reference Table

Number	Name
C00473	D0047222 Risk Management Policy (superseded by this document)
C00007	Risk Management Framework
C00008	Risk Management Work Instruction
C00009	Risk Management Matrix
C00472	Risk Management Guidelines (superseded)
C00233	D0000603 2 BK ST CG Audit & Risk Committee Charter
C00044	Bradken, Inc. Audit and Risk Committee Charter

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R01453	D0072279 1 HCM ST CG Group Policy Basic Principles and Guidelines on Compliance and Risk Management
R03369	D00725601 HCM ST CG Policy Basic Principles and Guidelines on Compliance and Risk Management
ISO 31000:2018	Risk Management – Principles and Guidelines
ISO 9001:2015	Quality management systems – Requirements
ISO 14001:2015	Environmental management systems – Requirements
ISO 45001:2018	OHS management systems – Requirements
ASX CGC	ASX Corporate Governance Council 2019, Corporate Governance Principles and Recommendations, 4th edn

6 Revision Summary

This table will show a summary of all changes made to this document. It must be detailed enough to clearly outline the changes and the rationale for the changes.

Table 2. Revision Summary

Revision	Date Released	Clause/Section Revised	List of Changes	Revision By:	Approved By:
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0	23-Jun-21	Full Revision	Original Release. This document supersedes D0047222 Risk Management Policy (BKN Doc C00473).	mcowley	BKN Board