

Seven Group Holdings – Risk Management Policy

Seven Group Holdings Limited ("SGH") is engaged in a diverse range of business activities which expose the company to a wide range of uncertainties and risks from both internal and external factors. Failure to effectively identify, assess and manage these uncertainties and risks may result in significant impacts to our people and shareholders and the overall performance of SGH.

SGH is committed to strengthening its risk management capability in order to protect and enhance shareholder value.

The Risk Management Policy ("the risk policy") seeks to:

- ensure there is a consistency to the methods used in assessing, monitoring and communicating risks throughout SGH and that risk management efforts are aligned with SGH's strategic and business objectives.
- promote a balanced approach to risk and return and to ensure that the Board knows in advance the risks of the business.

The risk management approach defined under the risk policy is consistent with the Australian and New Zealand Standard on Risk Management, AS/NZS ISO 31000:2018.

The risk management process is based on the risk assessment process and is part of the business planning cycle and integrated into regular management activities.

The objective of the risk assessment process is to identify and assess the material risks that could affect the achievement of SGH's strategic objectives, and the controls that are, or need to be put in place to manage the risks. The assessment is carried out in the context of the environment in which SGH operates.

A high-level overview of the risk assessment process for SGH is shown below:



The Board ultimately determines the level of risk that is acceptable, based on information provided by management and the context in which SGH operates. The level of risk accepted constitutes SGH's risk appetite and will be one that trades off the risk reward relationship between the given risk exposure against the drivers of shareholder value.

The Board is committed to maintaining sound risk management to safeguard shareholders' investment, other stakeholders' interests and SGH's assets, to prevent breaches in applicable laws or regulation, and to ensure appropriate opportunities are pursued. The Board acknowledges that sound risk management systems reduce, but cannot eliminate the possibility of human error, poor judgement in decision making, the deliberate override of controls or the occurrence of unforeseeable circumstances. The Board has ultimate responsibility for approving the risk policy, reviewing the effectiveness of the risk management process and confirming SGH's risk appetite, and the oversight and management of risk for SGH.

The Audit & Risk Committee ("the Committee") has been constituted with the function of assisting the Board to ensure that its corporate governance and oversight responsibilities are fulfilled in relation to risk management and compliance with applicable laws or regulation.

The activities of the Committee are governed by its Charter, which incorporates requirements for the membership and attendance of the Committee, the frequency of its meetings and its

duties and responsibilities. The charter also sets out both the information and reporting that the Committee requires, and the nature of the Committee's reporting on its meetings to the Board.

The Committee is also responsible for assessing the company's risk, internal control and compliance systems as they relate to the external and internal audit plans as approved from time to time.

SGH identifies and assesses material risks to the achievement of their strategic plans and objectives, considering how these in aggregate change SGH's risk profile and consequently SGH's risk exposure and appetite. Risks associated with climate change are considered in accordance with the framework provided by the Task Force on Climate-Related Financial Disclosures.

The risk management process includes a periodic risk assessment and is part of the business planning cycle and integrated into regular management activities.

The objective of the risk assessment process is to identify and assess the material uncertainties and risks that could affect the achievement of SGH's strategic objectives, and the controls that are, or need to be put in place to manage the risks. The assessment is carried out in the context of the environment in which SGH operates. Risks may be identified across different risk categories including operational, safety, reputation, brand, technological, environmental, strategic, financial reporting and compliance.

Action plans shall be instigated to mitigate risk where appropriate. Action plans may consider avoidance, changing the likelihood, changing the consequences or sharing of the risk.

Management are responsible for implementing action plans and reporting progress against these action plans. Where Internal Audit identify risks that are not being addressed or actions that are not being undertaken, appropriate escalation will occur through to the Executive Management and the Board where necessary.

The risk policy supports and complies with the disclosure requirements under the Corporations Act (295A) and regulatory principles on risk management; in particular with the Australian Securities Exchange Principles of Good Corporate Governance.

The risk policy shall be reviewed as appropriate to ensure it reflects the current context of SGH, and the markets in which it operates, and to ensure it can be continuously developed to improve SGH's approach to risk management.