

# VOCUS GROUP LIMITED

# RISK MANAGEMENT POLICY

## 1. INTRODUCTION

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Vocus is committed to the sound and effective management of risks that are material to the achievement of its strategic objectives. The Vocus Risk Committee has adopted a Risk Management Framework as a means to identify and manage such risks on an on-going basis.

## 2. OBJECTIVE

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The objective of this policy is to formalise the Company's response to risk management and oversight. This policy allocates various aspects of the risk management system to different levels of the Company including reporting, monitoring, review and maintaining a risk management framework appropriately to the level of risk considered acceptable by the Board and management (having regard to the interests of shareholders), which will be based on International Standard for Risk Management AS/NZ ISO 31000:2009. The framework also meets the requirements of Principle 7 of the ASX Corporate Governance Principles and Recommendations.

## 3. STRATEGY

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The risk management strategy implemented by the Company includes the following processes:

- a. effective mechanisms for the assessment, identification and reporting of risks;
- b. greater transparency in decision making and management in relation to identified risks;
- c. regular review and updating of the Company's risk profile;
- d. regular assessment of the effectiveness of the Company's risk management systems; and
- e. processes (i.e. Risk Management Framework) to encourage a better understanding of the Company's risk profile throughout all levels of the Company.

## 4. RESPONSIBILITIES

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### 4.1 BOARD

The Board is ultimately responsible for the oversight and establishment of effective and consistent systems to address risk. The Board must review and approve the framework recommended by the Risk Committee and each of the material risks identified. The Board must summarise the risk process and policy, and report on compliance with Principle 7 of the ASX Corporate Governance Principles in the Annual Report.

The Board has delegated responsibility to manage risk on an ongoing basis to the Risk Committee.

### 4.2 COMPANY

The Company's management as a whole is responsible for the day to day identification, assessment and management of risks. The Chief Risk Officer will arrange meetings of a dedicated Executive Risk Committee to monitor and assess all material identified risks. Risk assessment and risk management systems will be integrated throughout all levels of the business. All employees of the Company will be made aware of this policy and the importance of reporting any risks they identify in their day to day duties, including any suggested mechanisms for managing such risks. The effectiveness of this policy relies on active participation from all levels of the Company.