

## Corporate Governance Policies

### Risk Management and Internal Compliance and Control



The Board, on the advice of the Audit and Risk Committee (Committee), determines the Company's risk management profile based on recommendations from management and the Committee. Management is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

The Company's process of risk management and internal compliance and control includes:

- establishing the Company's goals and objectives, and implementing and monitoring strategies and policies to achieve these goals and objectives;
- continuously identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;
- formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies and internal controls; and
- monitoring the performance of, and continuously improving the effectiveness of, risk management systems and internal compliance and controls, including an ongoing assessment of the effectiveness of risk management and internal compliance and control.

Within the identified risk profile of the Company, comprehensive practices are in place that are directed towards achieving the following objectives:

- effectiveness and efficiency in the use of the Company's resources.
- compliance with applicable laws and regulations.
- preparation of reliable published financial information.

The Board oversees an ongoing assessment of the effectiveness of risk management and internal compliance and control.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required by the Board to report back on the efficiency and effectiveness of risk management.

The risk profile of the Company contains both financial and non-financial factors including material risks arising from commodity price and currency movements, operational efficiency and investments in new projects.

To mitigate these risks, the Company has in place a range of risk management policies and procedures including competent management in all disciplines, a management information system, an active exploration programme, an experienced

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Board, regular Board meetings, annual financial audits and rigorous appraisal of new investments and advisors familiar with the Company.

The Chief Financial Officer is responsible for the ongoing management of risk with standing instructions to inform the Audit and Risk Committee and the Board of changing circumstances within the Company and within the international business environment.

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**Policy history**

Established: April 2009  
Last review: July 2018  
Next Review July 2019  
Review frequency: Annually  
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