

Risk Management Policy

Risk and Assurance
Monadelphous Group Limited

i. Purpose

This document forms part of the Monadelphous Group Limited (MGL) Corporate Governance Framework and details the Company’s approach and policy with respect to the management of risk.

ii. Scope

This document applies to all Monadelphous Group entities.

Risk Management Policy

Overview

In conducting its business, Monadelphous Group Limited (Monadelphous) takes commercial and business risks to achieve its objectives and deliver shareholder value. In so doing, risks are proactively identified and managed through our people, the most important resource within the organisation. To assist this process, Monadelphous has developed the Risk Management Policy which articulates the general principles thereof and provides the context for the integration of risk management into day-to-day decision making.

Personal Responsibility

Monadelphous encourages, promotes and supports enterprising, prudent and robust decision making by its management and operational personnel. This principle applies at all levels across the whole organisation. As a part of this approach to managing the resources of the organisation, Monadelphous requires its personnel to apply discretion and sound decision making when managing risks. Processes and systems are in place to support our people and to facilitate the business philosophy of treating risk taking and risk management as “part of the job” for all employees.

Risk Appetite and Risk Tolerance

In order to achieve its business objectives, Monadelphous recognises that it will accept certain business risks. The organisation aims to take on business risks in an informed and proactive manner, such that the level of risk is commensurate with the potential business rewards.

The Board is responsible for setting the strategic direction of the organisation and for creating and maintaining the environment and structures within which risk management practices can operate effectively. The Board also sets the organisation’s appetite for risk taking and risk tolerance and the organisation manages its risk exposures within these limits.

Continuous Improvement

The effectiveness and appropriateness of the processes and systems employed to manage risk taking in decision making are regularly monitored to ensure that they deliver commercially sound outcomes and long term shareholder value.



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Chairman of the Board