



RISK MANAGEMENT POLICY

1.0. PURPOSE

This policy is part of Glad Group's Risk Management Framework and sets out the principles, objectives and approach that have been established to maintain Glad Group's commitment to Risk Management and good corporate governance.

2.0. SCOPE

This policy applies to all directors and employees in all the following entities of Glad Group:

- Glad Group Pty Ltd | ABN 62 092 928 115
- Glad Cleaning Service Pty Ltd | ABN 43 054 617 891
- Glad Security Pty Ltd trading as Glad Group Services | ABN 122 097 590
- Glad Maintenance Pty Ltd | ABN 85 127 522 481
- Glad Indigenous Pty Ltd | 13 648 519 957
- Auxus Pty Ltd | 12 655 147 292
- Stratium Global Pty Ltd trading as Unifyd Tech | 86 923 901 715
- Glad Group NZ Limited | NZBN 9429 047 106 437
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3.0. POLICY STATEMENT

Glad Group's Risk Management approach incorporates people, processes, culture and systems to enable the organisation to realise potential opportunities whilst managing adverse effects.

Glad Group recognises that:

- Effective Risk Management is a key component of good corporate governance
- Risk Management is fundamental to achieving strategic and operational objectives
- Risk Management is an enabler of business
- Risk Management provides key information for decision makers, including enabling and justifying priorities across the business
- By understanding and efficiently managing risk, the business can create and protect value and provide greater comfort for stakeholders including employees, business partners, suppliers and the communities in which Glad operates.

Glad Group's Risk Management objectives include the following:

- Fostering a risk-aware culture
- Reinforcing employee responsibilities for identifying and managing risk on a timely and consistent basis

- Ensuring the ownership of risks and controls at all levels of the business
- Prioritising key risks to enable the business to make informed decisions and take appropriate action
- Supporting the business to validate the effectiveness of key controls
- Promoting the adoption of Glad Group's Risk Management practices by associated entities and business partners.

Risk Management is everyone's responsibility.

3.1. Risk Management Framework

Glad Group has a Risk Management Framework in place. It is a comprehensive approach to how Glad Group's identifies and manages its risks.

Glad Group's Risk Management Framework consists of the following:

- A Risk Rating Methodology – see Appendix A
- A Master Risk Register, which Glad Group's key risks are recorded in
- a risk identification and assessment process
- policies, procedures, tools and organisational arrangements that embed Risk Management at Glad Group

Glad Group's Risk Management Framework is consistent with the international standard AS/NZS ISO 31000:2018: Risk Management.

GladGroup's Risk Management Framework is also required for our Integrated Business Management System (IBMS).

3.1.1. Risk Identification and Assessment Process

Glad Group performs risk identification and assessments on a regular basis, in accordance with the process identified in the international standard AS/NZS ISO 31000:2018: Risk Management. Through this process, Glad Group identifies, assesses, evaluates and monitors its risks.

Through this process, a risk owner is identified for each risk and the risk is assessed using Glad Group's Risk Rating Methodology before controls (inherent risk assessment) and after controls (residual risk assessment).

Controls to mitigate the risks are designed, embedded and assessed, with appropriate owners assigned.

Where appropriate, Glad Group also identifies actions to address and treat the remaining risk if that remaining risk is not considered acceptable.

Glad Group also performs risk assessments at site level annually, or more frequently where there is:

- A significant change to a site (eg refurbishment)
- A change in services provided at a site (eg to service a new area such as a car park)
- A specific risk identified (perhaps as the result of an incident)

Risk assessments are also completed at site level prior to setting up a new site.

4.0. ROLES AND RESPONSIBILITIES

The below table summarises the key roles and responsibilities

ROLE	RESPONSIBILITY
Glad Group Advisory Board	The Advisory Board is ultimately accountable for corporate governance and the appropriate management of risk across the Glad Group of companies. The Board oversees Glad Group's risk profile to ensure activities are consistent with the strategy and values of the organisation.
Glad Indigenous Advisory Board	The Glad Indigenous Advisory Board is ultimately accountable for corporate governance and appropriate management of risk in relation to Glad Indigenous.
Governance Committee	The Governance Committee is responsible for overseeing and reviewing the effectiveness of Glad Group's Risk Management Framework, as defined in the Governance Committee Charter.
Senior Management Team	The Senior Management Team supports the Risk Management Framework and culture of Risk Management at Glad Group, and each member is accountable for developing and promoting this within their business area. The Senior Management Team is responsible for appropriately managing key risks and for the ongoing maintenance of the control environment.
Risk Owner	A Risk Owner owns and is responsible and accountable for a risk. At Glad Group, this is a Senior Management Team Member.
Control Owner	A Control Owner is any person within the business who is accountable for a particular process or activity which is a control.
Risk & Compliance Team	The Team is predominantly responsible for designing the Risk Management Framework and ensuring it is operating as intended. The Risk & Compliance team also assists the business to identify and assess their risks and monitors and reports on risks and controls to provide transparency and confirmation that the risk profile is aligned to the business's risk appetite, strategy and values.
All Employees	Employees are responsible for ensuring they comply with all legislative, regulatory and company policy requirements including reporting identified risks to the appropriate management in a timely manner.

ROLE	RESPONSIBILITY
	<p>Glad Group is committed to effective Risk Management and recognises it as a core capability. All employees are expected to be risk managers and will be trained to build their knowledge and capability.</p> <p>Employees who knowingly and recklessly operate outside of the Risk Management Policy or Framework will be subject to disciplinary action.</p>

5.0. DEFINITIONS

- Risk: Risk is about the effect of uncertainty in relation to achieving our objectives. A risk is a potential future event affecting Glad Group's operations or objectives which is assessed for its likelihood of occurring and the impact if it were to occur
- Control: A control is a measure that maintains and / or modifies (eg mitigates) a risk
- Risk Management: a set of coordinated activities to direct and control an organisation with regard to risk

6.0. RELATED POLICIES, PROCEDURES AND GUIDELINES

- Risk Management Procedure – WHS 001
- WHS Policy

7.0. CONTACT FOR QUESTIONS

Please contact the Head of Risk & Compliance if there are any questions relating to this policy.

8.0. LOG OF CHANGE

DATE	AMENDMENTS	AUTHORISED BY	REVISION
27 May 2022	Initial policy draft	Head of Risk & Compliance	1.0
27/5/2022	Initial policy document	Chief Operating Officer, National Sustainability Manager & Head of People & Culture	1.1

Authorised by:
Steven Iloski
Executive Director



9.0. APPENDIX A – RISK RATING METHODOLOGY

Glad has a Risk Rating Methodology which has been developed with the support of the Senior Management Team.

Glad's current Risk Rating Methodology can be found [here](#).

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