

ENTERPRISE RISK MANAGEMENT (ERM) POLICY

PanAust recognises that identifying and managing risk is integral to business management, improves the Company's Long-term profitability and protects and creates value

This policy applies to all of the activities of the Company.

Consistent with the Company's vision and values PanAust is committed to:

- Proactively considering risks (and opportunities) in the making of every material business decision.
- Complying with all applicable laws, regulations, internal policies and contractual obligations at a minimum.
- Maintaining an effective ERM system consistent with the ISO31000.
- Integrating risk management principles into the organisational culture, policies, procedures, governance, and reporting processes.
- Implementing the ERM system uniformly across all PanAust activities, and throughout the business life cycle.
- Utilising the ALARP ("as low as reasonably practical") method for appropriately treating risk.
- Understanding the Company's risk profile at any given time, including each material risk and its risk treatment priority.
- Monitoring and reporting on material risks and critical controls to ensure that the risk profile is aligned with the Company's risk appetite, strategy and values.
- Deploying adequate resources to educate and train managers and employees so that they understand their obligations and responsibilities.
- In relation to decisions to support growth, the Company will not be risk averse but will assess its ability to manage non-financial risks in the context of potential returns.



Adrian Bell
Executive General Manager – Site Support Services



Dr Fred Hess
Managing Director

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