

# Risk Management Policy

## Document Description

The purpose of this document is to provide an overview of Field Solutions Holdings Limited and all its related corporate bodies (Field Solutions, the Company, or the Group) approach to risk management oversight and control, and its approach to the development of risk management policies, to ensure that risk is managed effectively in achievement of strategic and operational objectives.

## Scope

Field Solutions policies on risk management oversight apply to all employees of Field Solutions and all business units within the Group, unless otherwise stated.

## Field Solutions' approach to risk management

Field Solutions formally assesses its risk profile and risk registers annually in conjunction with developing strategic and operational plans, and reviews the status of these risks at least every quarter. These registers are also revised periodically for each business and functional unit through the business planning, budgeting, forecasting, reporting and performance management processes.

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.

## Risk Management – roles, responsibilities and reporting

### BOARD

The Board is ultimately responsible for guiding and monitoring Field Solutions on behalf of its shareholders. It sets the company's risk appetite and tolerance to ensure there is an appropriate balance between managing risk and capitalising on opportunity in striving to achieve organisational objectives.

One key function of the Board is to ensure that proper risk management systems and internal controls are in place, and that these systems are operating effectively. The Board has delegated responsibility to manage risk on an ongoing basis to the Audit and Risk Committee. In carrying out this function the committee:

- a) review risk management policies together with processes and systems for managing risk and internal control to ensure they remain appropriate and effective;
- b) ensure that an up to date risk register is maintained that appropriately describes the risks facing the organisation;
- c) ensure an assurance program is in place to monitor the effectiveness of controls and processes managing the key risks facing the organisation; and
- d) receive reports whenever an area of material business risk or exposure is identified.

The Board also receives regular updates from the Executive team on the progress of risk mitigation actions assigned to the Executive management throughout the year.

## MANAGEMENT

The Company's management as a whole is responsible for ensuring that risks in their areas of responsibility are identified, managed and reported upon, and for ensuring that a sustainable control environment is maintained and promoted. Each Executive is required to review the effectiveness of the risk oversight and management processes relevant to the material risk issues affecting their department.

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.

## Reporting

Aspects of risk management were addressed in most Board meeting agenda during the Financial Year ended 30 June 2017 and this policy will continue going forward.

In accordance with Principle 4 of the ASX Corporate Governance Principles and Recommendations (3rd Edition) and the Corporations Act 2001 (Cth), the Chief Executive Officer and the Chief Financial Officer provide a statement to the Board that, in their opinion, the financial records of Field Solutions have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Field Solutions, in respect of each financial reporting period.

This declaration states that the opinion of the Chief Executive Officer and the Chief Financial Officer has been formed based on a sound system of risk management and internal control which is operating effectively.

## Review

This policy and risk management framework is reviewed annually and as appropriate by the Board to ensure it remains appropriate for the risks facing Field Solutions.

## Adopted

ADOPTED BY THE BOARD ON 23 JUNE 2017.