

Ambertech Limited

Risk Management Policy



1. Policy Statement

Ambertech is committed to integrating risk management practices into all business processes and operations to drive consistent, effective and accountable action, decision making and management practice. Ambertech recognises that risk is inherent in the business and seeks to provide a framework to manage material risks central to delivering on corporate objectives.

2. Scope

Identification and management of material risks is considered a part of key business processes, including planning and budgeting, decision making, monitoring and reporting, project management and internal controls. Risk manifests itself in many forms. Examples of material business risk categories that are covered by this policy include:

- Operational
- Environmental
- Sustainability
- Compliance
- Strategic
- Ethical
- Reputation
- Technological
- Health and safety
- Financial reporting
- Market related

Material business risks are incorporated and monitored in a dynamic risk matrix.

3. Objectives

Effective risk management has a number of objectives, including:

- Promote a group wide approach, thereby:
 - including risk management as a component of strategy development and evaluation;
 - providing consistency in methodology, assessment and management; and
 - recognising that diversification of the business may provide natural stability in expected outcomes as well as the ability to quickly and effectively respond to change and optimise opportunity.
- Recognise that risk is inherent in all our business activities and that the underlying risk appetite is key to effective decision making.
- Allow the recognition of external factors and anticipate future occurrences that may affect the achievement of our strategy.
- Provide confidence in operations, management decisions and certainty regarding expected outcomes.

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- Generate assurance to shareholders, customers, employees and the community.
- Provide an understanding of the nature of risk to effectively mitigate downside whilst optimizing and realising upside.
- Support innovation and maximize value from assets, ventures and opportunities.
- Provide appropriate, consistent and transparent ownership and accountability structures.
- Enable the design and implementation of controls that:
 - are structured to promote effective realization objectives;
 - provide appropriate assurance; and
 - are cost effective.
- Recognise that timely and accurate monitoring, review and communication and reporting of risks is critical to:
 - providing early warning mechanisms for the effective management of risk occurrences and consequences;
 - providing assurance to management, the Board and shareholders;
 - providing a solid platform for growth; and
 - generating and maintaining a sound corporate history.
 - Integrate risk management processes with audit, insurance and specialist risk functions.

4. Responsibilities

4.1 Board of Directors

The Board of Directors has the ultimate responsibility for overseeing the performance of Ambertech, including monitoring of risk management and internal control systems. In order to assist it in discharging its responsibilities the Board has established the Audit and Risk Management Committee.

4.2 Audit and Risk Management Committee

The primary objective of this Committee is to assist the Board of Directors in fulfilling its responsibilities relating to the accounting, accountability, and risk management and reporting practices of the Company and each of its subsidiaries.

More specifically, the committee is responsible for:

- Assessing the internal processes for determining and managing key risk areas;
- Ensuring the company has an effective risk management system and that macro risks to the entity are reported at least annually to the Board;
- Addressing the effectiveness of the company's internal control system with management and external auditors;
- Assessing the effectiveness of and compliance with the corporate code of conduct; and,
- Review and monitor related party transactions

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4.3 Management

The Managing Director and Chief Operating Officer are responsible for:

- Promoting the Ambertech Risk Management Policy, guidelines and expectations for the management of risk;
- Ensuring that risk is assessed in a consistent manner in accordance with the guidelines and that appropriate action is taken to optimise outcomes in a cost-effective manner;
- Escalating risk issues and opportunities;
- The design and implementation of cost effective risk management and internal control systems in accordance with the guidelines to manage risk, encourage efficiencies and take advantage of opportunities;
- Continuous monitoring and reporting of the effectiveness of risk controls; and,
- Monitoring compliance, investigating breaches, recommending and/or approving improvement opportunities.

4.4 Employees

It is the responsibility of all Ambertech employees to:

- Comply with all legislative, regulatory and company policies;
- Report to their supervisor any real or perceived risks to the health, safety and working environment of Ambertech employees;
- Report any real or perceived risks that may significantly affect the profitability, performance or reputation of Ambertech or that may leave Ambertech exposed to legal or regulatory action; and,
- Look for opportunities to improve operational efficiencies and optimise outcomes.

5. Related Policies

The Ambertech Risk Management Policy is supported by a framework of specific policies as issued from time to time, including, but not limited to:

- Code of Conduct
- Health & Safety Policy
- Securities Trading Policy
- Accounting Policies and Procedures
- Continuous Disclosure and Communications Policy

6. Review

This policy is to be reviewed annually. All changes must be approved by the Board of Directors.