

G8 Education Limited

Risk Management Framework

Reviewed November 2022





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1. Introduction

1.1 Purpose

This Framework provides practical advice on the management of risks, links to all relevant tools and templates within G8 Education Limited (“G8” or “Company”) that may assist team members to understand their responsibilities, access the resources necessary to manage risk and continually improve the management and communication of risk across the organisation.

The Framework is intended to be a useable document that provides a summary of the risk management activities that occur within G8. It is designed to build the understanding among team members of the importance of risk management and provide practical direction on how to comply with the intent of G8’s Risk Management Policy.

G8 team members should feel enabled, not constrained, by the Framework. It is not intended to comprehensively capture all the risk management activities across the organisation but to provide guidance and support to enhance, embed and further integrate sound risk management practices and culture across G8.

1.2 Intended use of the framework

In order for G8 to appropriately manage risk across all areas of operations, it is necessary for the Framework to outline four distinct levels of risk management activities: strategic, functional area, operational and project. This brings together each element of risk management relevant to G8’s strategic context. A multi-layered approach to managing risk and effective control environments is dependent on a process that recognises specific ‘objectives’ at each level.

This Framework therefore incorporates:

- At the **Board and Executive** levels, a focus on risks related to achieving G8’s strategic objectives;
- At the **Executive Leadership** level, a focus on risks related to functional areas and the delivery of business wide functional requirements;
- At the **operational level**, a focus on operational risks related to the day-to-day operation of G8 early education and childcare centres; and
- As part of **project** delivery, a focus on risks related to the delivery of project outputs within scope, time, budget and quality requirements.

1.3 What is risk?

‘AS/NZS ISO 31000:2018 Risk Management – Principles and Guidelines’ defines risk as: “the effect of uncertainty on business objectives”. This definition addresses both the upside and downside of risk (i.e. preventing bad things from happening or failing to ensure good things happen). For G8’s purposes, for an event to be considered a risk, it must meet certain criteria, including the following:

- the event has the potential to negatively impact objectives, be they strategic, operational or otherwise;
- there is the potential for loss due to the event;
- there is uncertainty as to the outcome, i.e. it is an event in the future that may or may not occur;



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- a decision is required i.e. to accept or reject the risk or identify a course of action to influence either the likelihood of the event occurring or the consequence if it were to occur; and
- present an opportunity to achieve objectives, and if not assessed appropriately would be considered to be a lost opportunity.

Risk Management, therefore, is the systematic application of policies, procedures and practices that identify the likelihood or consequence of risk events to enable informed decision making.

1.4 Risk appetite

G8's risk appetite supports the achievement of its business objectives by establishing the highest level expectations and tolerances for the management of business risks as developed and approved by the G8 Board. It ensures there is alignment of strategy and decision making in the context of risk and compliance management, enabling the achievement of strategic objectives while operating within agreed parameters.

G8's Risk Appetite Statement is attached as Annexure 1 and is to be reviewed by the Board at least annually.

1.5 Risk Management Framework

This Risk Management Framework is one part of the policy and procedural guidance that supports risk management activity at G8. Enabling this framework is a suite of other risk management materials, designed to guide and/or operationalise its various components.

These include:

- **Risk Management Policy** – Introduces G8's vision and objectives for the management of business risks. It sets the tone for risk management and is a reflection of the Board's intent.
- **Strategic Risk Register and Dashboard** – A tool for collecting, reporting and monitoring G8's strategic risks.
- **Functional Risk Register**– A tool for collecting, reporting and monitoring the risks of the functional areas within G8 (People & Culture, Finance, Marketing etc.).
- **Centre Based Risk Assessment** – A tool that identifies the risks faced by a centre , assesses the risk, implements controls and reviews the control measures to manage those risks.
- **Project Risk Registers** - A tool for collecting, reporting and monitoring the risks of each strategic project.
- **Risk Management Training**
- **Governance Committee, escalation and meeting forums**
- **Legal, Quality and Risk reporting processes and internal audit activities**

2. Risk management at G8

It is important for G8 to apply rigorous risk management processes at all levels of the business. G8 is firmly dedicated to the duty of care it holds to its people, children attending its centres or other stakeholders in



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the conduct of its business; and its commitment to robust risk management is part of this dedication. The sector within which G8 operates is, and will continue to be, in the public spotlight, as operators continue to strive towards making Early Childhood Education and Care safe and secure environments for children, educators, visitors and volunteers that support children to be the best they can be.

Additionally, robust risk management processes are key to successfully managing G8's operations and understanding the threats that the business faces. The dynamic, geographically dispersed way in which G8 operates, further adds to the importance of this mechanism. G8's operating model requires a strong culture of risk awareness and fit-for-purpose risk monitoring mechanisms, to keep the business abreast of potential risk exposures.

2.1 Risk culture

Risk culture is the glue that binds all elements of risk management together. Risk culture is the reflection of G8's values, goals, practices and mechanisms that embed risk into decision making and operating processes. Risk culture is everyone's responsibility, starting with a constant and consistent tone from the Board and Executive Leadership Team.

A positive risk culture is one where team members at every level appropriately manage risk as an intrinsic part of their day-to-day work. Such a culture supports an open discussion about uncertainties and opportunities, encourages team members to express concerns, and maintains processes to elevate concerns to appropriate levels.

Through the application of quality principles and risk management processes, G8 aims to have "no surprises" at strategic, operational, functional area or project level.

Operationally, critical to the success of implementing and embedding any centre level change is the G8 network of Regional Managers and Area Managers. As the conduit for information flow between support office and Centre Managers, and mentors for how practical risk management might occur, the operational Regional Manager and Area Manager network is crucial in enabling and guiding a risk focused culture.

Quality Assurance Partners and People & Culture Business Partners will provide support and guidance to Regional Managers, Area Managers and Centre Managers with respect to operational level risk management.

The practical steps that G8 has implemented to build and maintain a positive risk management culture are:

- The adoption of expected risk management practices. Operationally, this includes use of the Centre Based Risk Assessments. For support office, this includes use of the Functional Area Risk Register and Strategic Risk Register;
- Establishing regular forums (at all levels of the organisation) for the discussion of risks, controls and treatment actions;
- Reviewing data and reports at defined forums to ensure decision making, action and evaluation within a continuous improvement program that includes escalation of communication protocols; and
- Continuous monitoring of what is or isn't working, with gradual improvement in the way in which G8 manages and reports on risk.

2.2 G8 risk management hierarchy

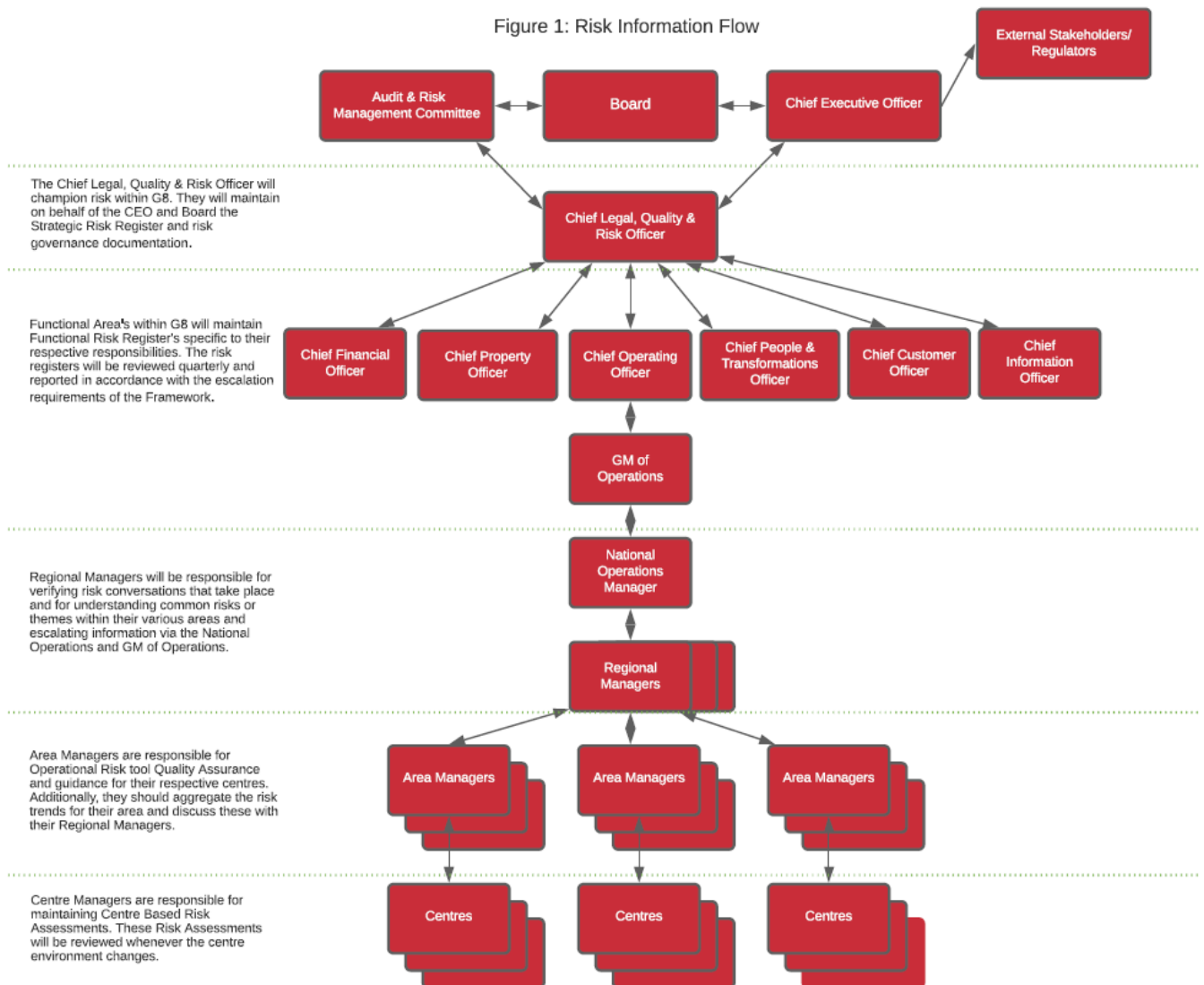
The G8 risk management framework is comprised of a top down and bottom up process that links strategic, functional areas, operational and project risk assessments. The flow of risk information in both directions



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ensures that risk is appropriately recognised and treated at all levels across G8. This effective information flow allows all levels of G8 operations from Centre Managers to the Board to make informed decisions that support G8's strategic and operational objectives.

Figure 1 (below) illustrates the risk reporting and monitoring requirements across the operational, project, functional and strategic risk environments.



2.3 Risk Management accountabilities

The following section outlines the baseline expectations and accountabilities of roles across G8 that incorporate risk management accountabilities.

Centre Managers - Each centre will maintain Centre Based Risk Assessments. The Risk Assessments will be reviewed whenever the centre environment changes. Environmental changes can stem from a number of events, such as regulatory or staff changes, and should not be thought of as only changes to the physical environment of the centre. Centre Managers will maintain copies of their completed Risk Assessments on file and will make them available to Area Managers and Quality Assurance Partners (as part of the audit review process) who will deliver feedback and guidance.

Area Managers - Area Managers have two primary roles within the risk management process:

- quality assurance over adequate completion of the Centre Based Risk Assessments; and
- providing training, development and risk management cultural guidance to Centre Managers.

Area Managers will review Centre Based Risk Assessments, providing guidance and feedback in order to ensure the risk assessment completed by Centre Managers meets the quality standards of G8. Additionally, Area Managers are to conduct training and development for Centre Managers, to ensure they are continually learning and developing their risk assessment capability. Area Managers should regularly discuss risk management activity with their network of Centre Managers, forming a view of 'risk trends' that can be shared with their respective Regional Managers.

Regional Managers - The role of Regional Managers is to coordinate regular meetings with their respective networks of Area Managers, Quality Assurance Partners, P&C Business Partners and Practice Partners and, through risk-based discussion, form a view of:

- new risks identified within the region;
- new or existing risks that are rated high or extreme across the areas within the region; and
- allow Area Managers, Quality Assurance Partners, P&C Business Partners and Practice Partners to share better practice on additional controls utilised, to contribute to knowledge sharing across the network.

Regional Managers should provide high level feedback to the GM Operations Network regarding the effectiveness of the operational risk management process and inform them of the new extreme and high risks within their respective regions which are to be escalated through the General Manager of Operations to the Chief Operating Officer.

Executive Leadership Team - Each functional area of the business will maintain a risk register for their area, specific to their functional objectives and accountabilities. The purpose of the Functional Risk Register's is to allow each Functional Area Executive to effectively communicate the risks, controls and additional treatments that effect their specific objectives. This in turn informs organisational decision making and allows for the appropriate allocation of resources in accordance with G8's risk appetite. The contents of Functional Area Risk Registers will assist the Chief Legal, Quality & Risk Officer in maintaining the Strategic



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Risk Register, with significant risks identified within the functions to be included in the Strategic Risk Register. Functional Risk Registers are to be reviewed and reported to the Chief Legal, Quality & Risk Officer a minimum of quarterly.

Chief Legal, Quality & Risk Officer – The Chief Legal, Quality & Risk Officer is responsible for championing risk management within the organisation and guiding the rest of the Executive in following the requirements of the G8 Risk Management Framework. At the strategic level, this activity includes following up members of the Executive on updates to risks within the strategic risk register, eliciting information on status, control effectiveness and progress in implementing further treatments. The Chief Legal, Quality & Risk Officer is also responsible for reporting to the Board on a monthly basis any material changes to, or new emerging, strategic risks, reporting to the ARMC on a quarterly basis with an updated strategic risk management dashboard, and otherwise summarising the strategic risk environment of G8 for the CEO, ARMC and Board, as appropriate.

2.4 Four Lines of Defence

The Risk landscape of any organisation constantly changes. It is important for any mature risk management function therefore to assign appropriate accountabilities for monitoring the effectiveness of its risk management practices. G8 has adopted the following four lines of defence model, which outlines accountabilities for the governance and improvement of risk management.

| LINE | WHO IS RESPONSIBLE | RESPONSIBILITIES |
|-------------|--|---|
| First Line | Leadership Teams (CM, AM, RM, NOM, SLT) | <ul style="list-style-type: none">Accountable for managing the risk monitoring and reporting obligations associated with their activities within the approved risk process. |
| Second Line | ELT | <ul style="list-style-type: none">Implementation and maintenance of the risk management framework.Provide advice to leadership teams regarding the management and reporting of risk.Verification and oversight of the first line, that risks are being managed against agreed processes and controls.Provide transparent reporting on the management of risk to the Board.Provide assurance that compliance mechanisms are in place.Monitor risk registers for alignment within the approved risk appetite and strategy. |
| Third Line | ARMC and the Board | <ul style="list-style-type: none">Establishment and maintenance of the risk management framework.Provide advice to ELT regarding the management and reporting of risk.Verification and oversight of the second line, that risks are being managed against agreed processes and controls within the approved risk appetite and strategy.Develop and refine risk appetite statements, risk framework and policy. |

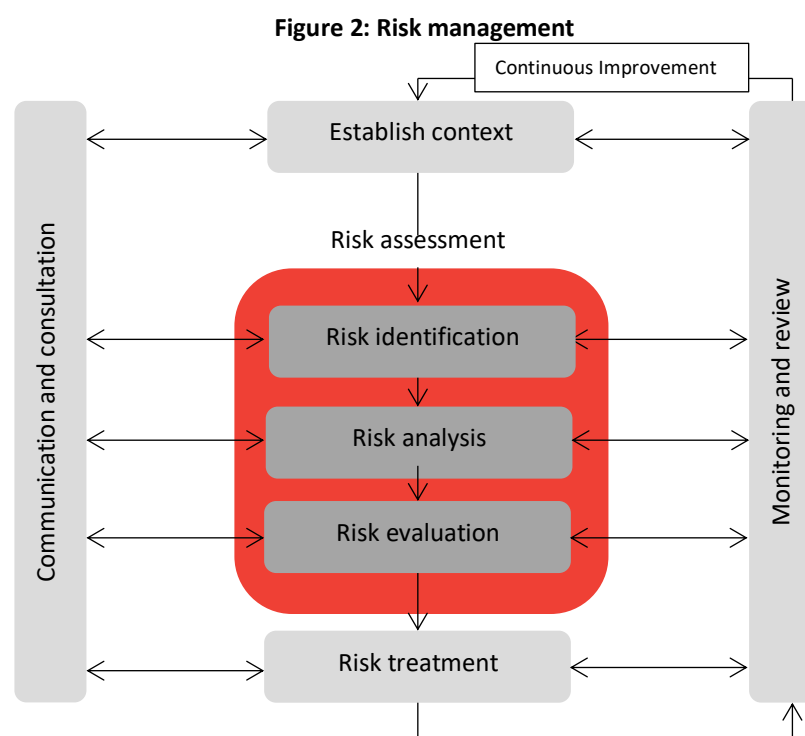


| | |
|-------------|---|
| Fourth Line | <p>External audit / Internal audit</p> <ul style="list-style-type: none"> • Provide independent review, monitoring and testing that business units and operational functions comply with risk policies and procedures. • Independent evaluation of the design, adequacy and effectiveness of the risk management framework and internal control framework. • Internal Auditor to assess and report on the management of risks and key internal control systems to the Audit & Risk Management Committee and to meet periodically with the Chair of the Audit & Risk Management Committee. • External Auditor to report directly to the Chair of the Audit & Risk Management Committee. |
|-------------|---|

3 Risk management Process

3.1 Methodology

Risk management processes at G8 are based on an internationally accepted process: the standard for risk management (AS/NZS ISO 31000:2009 Risk management - Principles and guidelines) shown in Figure 2 below:



The activities which must be undertaken within each of these steps are detailed below:

3.2 Communication and consultation

Communication and consultation is a continual activity across all stages of the risk management process to provide, share or obtain information, and to engage in dialogue with internal and external stakeholders regarding the management of risk.



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Consultation with relevant stakeholders should take place during all stages of the risk management process to ensure those accountable for implementing the risk management process understand the basis on which decisions are made and the reasons why particular actions are required.

This will also ensure:

- the interests of stakeholders are understood and considered;
- risks are adequately identified; and
- endorsement and support for risk control/treatment plans.

G8 values the view and opinions of team members and has established both formal and informal consultation and communication structures, with informal processes empowering and encouraging the team to report risk issues or ideas directly to their Team Leader.

The communication and consultation forums include the following which incorporates natural escalation hierarchies:

- **Team forums**
 - Centre Based Team meetings
 - Area Managers Meetings
 - Regional Manager Meetings
 - National Operations Meetings
 - Support Office Team meetings
- **Project Forums**
 - Business Transformation Office Team Meetings
 - Project Working Group Meetings
 - Project Sponsor Meetings
 - Project Steering Committees
 - Executive Steering Group Meetings
- **Strategic Forums**
 - Weekly Executive Leadership Team Meetings (Performance/Key Risk Dashboard)
 - Monthly Executive Leadership Team Meetings
 - Quarterly off-site ELT Meetings (Strategic Risk Review)
- **Governance Forums/Committees**
 - Board
 - Audit & Risk Management Committee
 - People & Culture Committee
 - Nominations Committee
 - Property Working Group Committee

The G8's risk reporting and communication framework provides for formal consultation and communication and ensures Team Members at all levels and locations have a forum in which to raise issues, receive and to share information and express their views and opinions to assist management in making informed and justifiable decisions.



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The Governance Committees are in place to ensure compliance to G8 systems through the analysis of data including quality, risk, compliance and audit outcomes to identify opportunities for improvement.

Furthermore, the communications framework ensures consistent messaging and prioritisation of communications that also provides a formal record of communication and action that is required to be undertaken as a result of the communications. Any safety alert to be addressed is filtered through the communications framework.

3.3 Establish context

Risk management is integrated in management processes to ensure the goals and objectives of G8 are met. Therefore, risk management must be placed into both a strategic and operational context and consideration must be given to both internal and external factors.

Strategic context

Strategic risk identification involves the relationship between G8 and the broader internal and external environment. A range of issues should be considered in examining the strategic content, including:

- Opportunities and threats associated with the local, regional, state and global economic, social, political, cultural, financial, technological, regulatory and competitive environments;
- Relationships with and values of external stakeholders;
- Key drivers and trends having impact on the objectives of the organisation; and
- Strengths and weaknesses of the organisation in attaining corporate objectives and exercising a state of influence in the industry environment.

Operational context

Operational risk identification involves gaining an understanding of the organisation's capabilities, goals, objectives, strengths and weaknesses by considering:

- Governance, organisational structure and culture;
- Geographic/demographics;
- The identity and nature of interaction with key stakeholders;
- The existence of any operational constraints;
- Objectives and key performance indicators;
- Relevant issues relating to recent change management, performance or audit reviews;
- Relevant stakeholder community concerns or requirements;
- Organisational roles, responsibilities and accountabilities;
- Resource and knowledge capabilities;
- Standards, guidelines and models adopted by the organisation;
- Regulatory and contractual requirements and constraints;
- Business management systems; and
- Annual budgeting, capital expenditure business cases and operational performance margins.

Project context

All strategic projects are managed through the G8's Business Transformation Office (**BTO**) to provide project governance and the consistent application of a G8's project management methodology, based on the PRINCE2 method, to support the achievement of project objectives and ensure any risk of achievement is minimised.

This is undertaken through a number of processes, including project concept planning and Executive Steering Group approval that leads to detailed project scoping and objective specification to ensure G8 knows what success looks like.

Project documentation and process ensure:

- adequate resource planning;
- scheduling and project alignment;
- risk identification and mitigation; and
- decision approvals through 'stage gates' of project development and execution.

Regular working group (as well as the use of consultation and pilots with Centres where appropriate), Steering Committee meetings and Executive Steering Group approvals and reporting provides oversight and ensures a focus on alignment and delivery of strategic projects.

A Project Risk Register is maintained for each project with each register being managed by the relevant program manager for that stream of work. Risk ratings aligning with the organisational Risk Matrix which rates risks based on consequence and likelihood from low to extreme. A project-specific Risk Matrix has been developed which covers the key project-related categories of time, budget and scope.

For each risk identified, ratings are given across both the project and strategic risk areas, which provides oversight for management action across both project and enterprise risk management processes.

Each project will escalate risks internally as appropriate based on the ratings as followed:

- **Project moderate risk rating** – raised with program manager, discussed at project team meetings.
- **Project high or extreme risk rating** – included on regular (fortnightly) steering committee pack for ELT oversight.
- **Project high or extreme risk rating with no mitigation/controls noted** – mandatory inclusion as discussion point at steerco for ELT oversight.

Context and Categories of risk

The following broad categories of risk are used to enable appropriate summarising and consideration of the context in which the particular risk is being identified and assessed:

- Health & Safety:
 - Child Safety
 - Team Safety
 - Environmental protection
- Org Structure, Culture & Capability;
- Financial Risks;
- Systems & Information Management;

- Cyber & Emerging Technology Risks;
- Changes to Regulations & Government Funding;
- Customer Expectations;
- Government, Ethics, Legal and compliance;
- Competition;
- Stakeholder Management & Reputation; and
- M&A/ Growth Strategy.

3.4 Risk Assessment

Risk assessment is a structured process that includes the following three steps:

- **Identification of Risk and Opportunities:** Enabling an understanding of how particular objectives may be impacted by risk.
- **Risk Analysis:** Assessment of risk in terms of the likelihood and consequences or a particular impact.
- **Risk Evaluation:** Assessing the results of risk analysis against acceptance or risk tolerance criteria.

When assessing risk it is necessary to ensure:

- there is an adequate understanding of the risk and its potential impact on objectives;
- adequate information is being provided to decision makers;
- the issues that contribute to risk is clearly identified, therefore assisting to identify system deficiencies or weakness;
- information is provided that will help evaluate whether risk should be accepted when compared to risk tolerance or acceptance criteria; and
- risk control, treatment of improvement action contributed toward adverse incident prevention based upon incident investigation results.

Risk assessment seeks to answer the following fundamental questions:

- What can happen and why?
- What are the consequences?
- What is the likelihood, or probability of any future occurrence, or recurrence in the event of an incident?
- Are there factors or control measures in place that mitigate the consequence of the risk, or that can reduce the likelihood of the event occurring?
- What is G8's risk appetite, particularly for taking opportunities?
- Is the risk tolerable or acceptable, within predefined limits?
- Do further control measures need to be implemented?
- Have previously planned control measures or actions been completed?
- Are the current control measures effective? This may be determined from monitoring of trend data, internal audit results, key performance indicators, targets and tolerances.
- Has industry best practice principles been applied?

The outcomes of the risk assessment process provides an input to various decisions including:

- Whether an activity should be undertaken.
- How to maximise opportunities.
- Whether risks need risk control and choosing between and prioritising risk control options.
- System monitoring, outcome reporting and internal audit processes requirements.
- Resource requirements.
- Further strategies or projects.

3.4.1 Risk identification

A risk that has not been identified cannot be managed. Risk identification is a critical activity at both a strategic, functional, project and operational level. It needs to be comprehensive and include the significant sources of risk, including those beyond G8's control. The aim of the risk identification step is not to create an onerous and lengthy list of all possible risks, but to identify all significant risks that might create, enhance, prevent, degrade, accelerate or delay the achievement of G8's objectives and to document these risks in a register. If a risk is not identified, there can be no strategy to defend against it. The descriptions need to include detailed causes and impacts of each identified risk.

How to identify risks

Risk can be identified through:

- Formal workshops;
- Focus groups (using brainstorming approaches, SWOT, PESTLE analysis techniques or What If Analysis, service offering categories or broad business categories);
- Process mapping, flowcharts, critical path analysis, cause and effect analysis, past experience and industry knowledge;
- Discussions with stakeholders (e.g. internal and external, including legal advisors, consultants and technical advisors);
- Industry trends;
- Media coverage;
- Economic and social factors;
- Incident reporting;
- Receipt of customer feedback, including complaints and opportunities from compliments
- Hazard reports;
- Non- compliance to Standards;
- Internal and External Audit;
- Workplace and environmental inspections;
- Monitoring activities including analysis of attainment of key performance indicators or metrics;
- Reporting, trend and Business Intelligence insights;
- Innovation ideas and continuous improvement actions;
- Technical and topical risk assessments;
- Demographic analysis;
- Competitor analysis;
- Consideration of Change Management processes;
- Monitoring changes to legislation and measuring compliance;
- Project planning, monitoring and outcome analysis; and
- Procurement and external contracting processes.

Enterprise-wide strategic risks are identified and reviewed at least annually by the Board, with monthly reporting to the Board regarding any changes to strategic risk ratings or new strategic risks. The Executive Leadership Team review the strategic risks at least quarterly to verify they still accurately reflect the organisational risk environment.

The Chief Legal, Quality & Risk Officer will hold the Executive Leadership Team accountable for ongoing Functional Area risk reviews to assist in the development and maintenance of their respective Functional Area Risk Registers (and associated treatment plans).

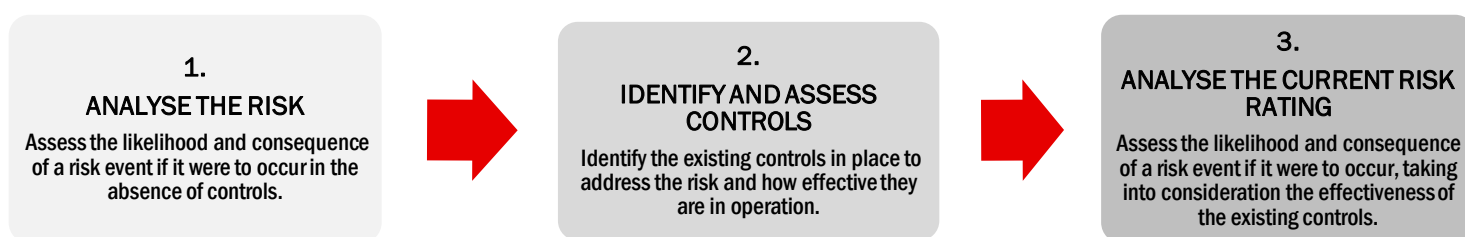
Additionally, a formal risk assessment is required whenever material decisions are made. For example:

- The decision to undertake a new business activity or strategy;
- Project management activity;
- Legal contracts/agreements/licenses;
- Upgrading or the acquisition or development of new facilities;
- Design changes or modifications that could in any way impede the safety, reliability or operating performance of a business system; and
- Changes in an operating method or process.

3.4.2 Risk analysis and evaluation

As a component of risk assessment, risk analysis is about developing an understanding of the risk. It provides an input to the decision-making process about whether risks need to be controlled and the most appropriate control strategies or risk treatments methods.

Risk analysis involves the consideration of the causes and sources of risk, their positive and negative consequences, and the likelihood that the risk event may occur. Controls represent any process, policy, device, practice or other actions taken by management which reduce the likelihood of a risk occurring and/or the potential damage arising from the risk. The risk analysis process follows these steps:



Measuring likelihood

The table below is used to determine the likelihood of a risk event occurring.

| RATING | DESCRIPTION (QUALITATIVE ESTIMATE) | LIKELIHOOD |
|--------|------------------------------------|------------|
|--------|------------------------------------|------------|



| | | |
|-------------------------|--|---------------------|
| 5 Almost Certain | Is expected to occur in most circumstances | <yearly |
| 4 Likely | Will occur in most circumstances; not surprised if it happens | 1-2 years |
| 3 Possible | Might occur in some circumstances | 2-5 years |
| 2 Unlikely | Could occur in some circumstances; surprised if it happens | 5-10 years |
| 1 Rare | May occur in exceptional circumstances; may happen but it would be highly unexpected | >10 years |

Measuring consequence

Consequence analysis determines the nature and type of impact which could occur and provides a simple description of the outcomes. The consequence criteria is set out in the consequence table (Part of the G8 Risk Matrix - Appendix 2). The descriptors are applied across a number of 'consequence categories' that reflect the different ways in which risks could impact G8's operations. These are listed in the 'categories of risk' part of this document, in section 3.1.3.

3.5 Risk treatment

Risk treatment involves identifying the options for treating each risk (to reduce the risk rating to the 'target risk rating', evaluating those options, assigning accountability, preparing risk treatment plans, implementing, and monitoring them. Assumptions, methods, data sources and reasons for decisions should all be recorded. The records of such processes are an important part of good corporate governance. Risk treatment plans must be recorded in the Risk Register and assigned a person responsible for completing the action and a due date.

The following options are available for treating risks and may be applied individually or in combination, with due consideration of risk appetite:

| TREATMENT OPTION | ACTION/OUTCOME |
|--------------------------|---|
| Avoid the risk | <ul style="list-style-type: none">• Not to proceed with the activity or choosing an alternative approach to achieve the same outcome.• Note: Aim is risk management, not aversion. |
| Reduce/Mitigate | <ul style="list-style-type: none">• Reduce the likelihood - Improving management controls and procedures.• Reduce the consequence - Putting in place strategies to minimise adverse consequences, e.g. contingency planning, Business Continuity Plan, liability cover in contracts. |
| Share/ Transfer the risk | <ul style="list-style-type: none">• Shifting responsibility for a risk to another party by contract or insurance. Can be transferred as a whole or shared.• Note: contractual transference of risk is rarely absolute - there will commonly be some impact to G8. |
| Retain/ Accept the risk | <ul style="list-style-type: none">• Controls are deemed appropriate.• These must be monitored, and contingency plans developed where appropriate. |

The risk of an undesirable outcome (consequence) should be reduced wherever practicable, irrespective of the overall risk rating. In all cases, if the consequences of an incident or event are significant to people



(i.e. safety) then all feasible measures should be adopted so that the likelihood of such an event or incident occurring is made low. This necessitates the identification of all contributors to the resultant risk and the consequences of each potentially undesirable outcome. The assessment process should address the adequacy and relevancy of controls as they relate to each risk contributor.

Risk owners should seek endorsement and support for their treatment plans, particularly where those plans impact or require involvement from stakeholders. Combinations of treatment plans should be considered and a mechanism to evaluate the success of risk treatments should be included in each plan. Selecting the most appropriate option involves balancing the costs of implementation of each option against the benefits derived.

Specific controls required for Work Health and Safety risk

When considering options to control health and safety hazards and risk the "Hierarchy of Control", as outlined below is required to be followed as a legal obligation to ensure risk has been controlled so far as is reasonably practicable. It aims to ensure the hazards are removed in the first instance therefore removing both the risk likelihood and consequence. Lower order controls are less effective on actually reducing the risk level, with often a number of different measures being required to effectively reduce the risk, where the hazard cannot be eliminated.

| Hierarchy of Control | ACTION/OUTCOME |
|-------------------------------|--|
| Elimination | <ul style="list-style-type: none">• Eliminate the hazard preventing the risk. If eliminating the hazard or preventing the risk is not possible, minimising the risk must be considered in the following order. |
| Substitute | <ul style="list-style-type: none">• Substitute the hazard with equipment, processes or substances that presents lower and more manageable risk. |
| Isolate | <ul style="list-style-type: none">• Isolate or separate the hazard from the person or the person from the hazard. |
| Engineer or Redesign | <ul style="list-style-type: none">• Engineer or Redesign the area which involves changing the design of the workplace, equipment or work processes.<ul style="list-style-type: none">> Altering the design and layout of the workplace> Altering the nature of the load> Altering the nature of the items used> Altering the working environment> Altering work practices and work organisation |
| Administrative Controls | <ul style="list-style-type: none">• Administrative controls may minimise exposure through the use of Policies, procedures, training, supervision and instruction.• Does the work procedure or practice need to be altered?• Do people need more or better training?• Is a better maintenance program required?• Can the work be rotated amongst other team members? |
| Personal Protective Equipment | <ul style="list-style-type: none">• Personal Protective Equipment• What PPE is required? What training and maintenance is required? |

Prioritising Risks and Action Required

The purpose of risk evaluation is to assist in making decisions based on the outcomes of risk analysis, as to the risks that need treatment, and the implementation priority for these treatments. The following matrix guides the communication escalation and risk management actions required for risks based on their overall risk rating.

The G8 risk tolerance, or risk appetite has been outlined in the Risk Appetite Statement in Appendix 1.

In summary:

1. **Extreme Risk** is intolerable whatever the benefits of the activity may be and risk control is necessary to reduce the risk to a more tolerable level.
2. **High risk** will require risk control strategies, as will **medium** level risk, however the extent of which may depend on the cost benefit analysis of both the activity and the control measures.

| RISK RATING | NEWLY IDENTIFIED RISK OR EXISTING RISK RATING CHANGES | |
|-------------|---|---|
| | NOTIFICATION | ACTION |
| Extreme | Reported immediately to the CEO and Chief Legal, Quality & Risk Officer who will then notify the Board within 24 hours (as appropriate) | <ul style="list-style-type: none"> • Immediate and urgent Executive management action required. • Monitor daily. • Cease activity until risk can be reduced to an acceptable level. Activity shall not be undertaken without the express approval from CEO, ratified by the Chair of the Board within a reasonable time. |
| High | Reported to relevant Executive within 48 hours who will notify the CEO and Chief Legal, Quality & Risk Officer | <ul style="list-style-type: none"> • Executive Leadership attention required immediately. • Weekly monitoring. • The activity shall not be undertaken without the express approval of Executive Leadership. |
| Moderate | Reported to the responsible manager then Reported to the Chief Legal, Quality & Risk Officer at the next risk meeting | <ul style="list-style-type: none"> • Executive Management attention required. • Action plans developed and implemented, and accountability specified. • Manage by routine procedures and business-as-usual processes. |
| Low | Reported to the responsible manager | <ul style="list-style-type: none"> • Manage by routine procedures and business-as-usual processes. • Unlikely to need specific application of resources. • Monitor as appropriate |

3. Risk that has been determined **low** may be regarded as negligible and managed at an operational level and may not warrant further risk control strategies, however, for child safety or work health and safety risks there is a requirement to reduce the risk so far as is practicable.

Risk Action Response and Escalation Table

3.6 Monitoring and Review

Monitoring, measuring, reviewing and evaluating risk is a component of good management and ensures G8 maintains an understanding of risk and changing risk profile to enable adequate and informed responses to a changing and dynamic operating environment. The intervals in which risk is reviewed and evaluated is determined when undertaking the initial assessment and is adjusted when new information becomes available from various monitoring activities. The parameters in which risk is managed including the risk consequences and risk tolerance levels may also change in response to various factors including strategic planning obligations, opportunities that may present, incidents or events that have eventuated.

Monitoring and Review Schedule

| Risk Category | MONITORING SCHEDULE |
|------------------------|--|
| Strategic Risks | <ul style="list-style-type: none"> • ELT to raise and discuss any material changes to Strategic Risk Register at Monthly ELT meeting or at One on One meetings with Chief Legal, Quality & Risk Officer • Monthly reporting to Board of material changes to Strategic Risk Register (Extreme/High) • Quarterly review by ELT of Strategic Risk Register • Quarterly report to ARMC of proposed changes to Strategic Risk Register & Action Plans • Annual review by ARMC of with recommendation to the Board of enterprise wide risk management documents (Policy, Framework, Matrix, Appetite, Risk Registers) |
| Project Risks | <ul style="list-style-type: none"> • Reviewed at monthly Steerco Meeting for each project • Quarterly review by Executive Steering Group of each Project Risk Register |
| Functional Areas Risks | <ul style="list-style-type: none"> • Reviewed at monthly Departmental meetings • Quarterly review by ELT of Extreme and High Functional Risk Register risks |
| Operational Risks | <ul style="list-style-type: none"> • Quarterly review by GM of Operations Network and Chief Operations Officer |

Appendix 1 – Risk Appetite Statement

G8 EDUCATION LIMITED - RISK APPETITE STATEMENT

1. Introduction

G8 Education Limited actively manages risk with a view to optimising the balance between risk and reward.

The Board has set out below the level of risk that the Board considers tolerable taking into account the strategic objectives of G8 Education and the current economic environment. This level of risk is the risk acceptable prior to the mitigation and treatment of that risk, and therefore the level of applicable risk should be reduced following implementation of those controls.

This Risk Appetite Statement (**RAS**) is a useful tool to ensure that the Executive Leadership Team are in alignment with regard to risk and communicates the Board's appetite to decision-makers across the Group to assist them in making risk-based decisions.

2. Principles

The following principles provide context for management and team members in applying the RAS to business activities:

- Risk Categories and their associated appetite statements do not operate in isolation to each other. Decisions will need to be taken with due consideration of all relevant appetite statements.
- The Board acknowledges that in some circumstances the appetite statements may appear to be conflicting. Where this is the case, a trade-off in risk will be required in order to achieve a beneficial outcome.
- The RAS is not an exhaustive list that addresses every eventuality, but provides general guidelines. Management and team members are expected to apply common sense and good judgement in interpreting the appetite statements to make sensible, risk based decisions in the best interests of the business and its stakeholders.
- As a general principle, risk should be managed at a level as low as reasonably practicable and on a cost/benefit basis with a financial and business outcome focus.

3. RAS as a component of the Risk Management System

Deploying an effective risk management framework is ideally established by first considering the Group's risk appetite. Risk appetite provides the context and foundation for the development of appropriate risk categories, risk assessment criteria and the setting of delegations and other risk limits within policy and procedural guidance.

The RAS should be read and reviewed in conjunction with G8's Risk Management Policy and Risk Management Framework.



4. Definitions





| Low | Moderate | High |
|---|--|--|
| All reasonable practical and affordable measures to minimize and, where possible, eliminate the risk must be taken. | Risk taking in order to gain reward, provided that effective measures are in place to monitor the risk and limit adverse outcomes. | Eager for risks to be taken in order to gain highly valued reward. Focus is on achieving the reward. |

5. Risk Appetite & Tolerances

G8 Education has **no appetite** for **safety risk** exposure that could result in major injury or loss of life to its people, children attending its centres or other stakeholders in the conduct of its business. Safety drives all major decisions in the organisation. All safety targets are set with a view to achieving improvement year-on-year.

Extreme Risk is intolerable whatever the benefits of the activity may be, and risk control is necessary to reduce the risk to a more tolerable level.

The following sets out the Group's overall attitude to risk against each of the Risk Categories.

| Ref | Category | Description | Overall Rating | | |
|-----|--|---|---|---|------|
| | | | Low | Moderate | High |
| 1. | Health & Safety | Failure to sustain safe business environments and work practices to protect the wellbeing of our children, team members, families, contractors and other visitors to our premises and failure to operate as a Child Safe Organisation. |  | | |
| 2. | Org Structure, Culture & Capability | Failure to execute upon the business strategy as a result of inefficient and misaligned organizational structure and/or organizational capability; inappropriate culture and values environments and a lack of agility to manage and grow the business. | |  | |
| 3. | Financial Risks | Risks associated with achievement of financial targets, financial viability, profitability and capital structure, along with macro-environmental impacts to the business. | |  | |
| 4. | Systems & Information Management | Risks relating to the ongoing confidentiality, integrity and availability/continuity of core business systems, relevant, quality and | |  | |



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| Ref | Category | Description | Overall Rating | | |
|-----|--|---|---|---|------|
| | | | Low | Moderate | High |
| | | availability of information to support business decisions. | | | |
| 5. | Cyber & Emerging Technology Risks | Failure to respond effectively to new and emerging technology risks including Cyber threats and/or a failure to protect private, sensitive and commercial in confidence information. | |  | |
| 6. | Changes to Regulations & Government Funding | A material change to the regulatory landscape including increased wages, child care funding which is not anticipated or able to be addressed by the company. | |  | |
| 7. | Customer Expectations | Failure to understand and effectively respond to changing customer expectations and a failure to meet customer expectations when delivering the customer experience. | |  | |
| 8. | Governance, Ethics, Legal & Compliance | Risks relating to the ongoing governance of the Group (performance, delegations, accountabilities, risk management) and proper business conduct (fraud, misconduct, social, ethical, legal and regulatory requirements). |  | | |
| 9. | Competition | Failure to effectively respond to changes in the competitive landscape, including disruptive business models and/or not having usable competitor/supply impact information or other critical market or industry information. | |  | |
| 10. | Stakeholder Management & Reputation | Failing to effectively manage its relationships or reputation with key stakeholders, including Government, financiers, regulators, investors, team members, families, proxy advisors and interest groups, including via mismanagement of serious incidents. |  | | |
| 11. | M&A / Growth Strategy | Risks relating to management of planned corporate expansion and diversification activities and/or risks relating to organic growth activities. | |  | |

Appendix 2 – Risk matrix

| Risk Consequences | | | | | | | Consequence | Level of Risk Calculator Likelihood | | | | |
|--|--|---|---|---|--|--|--|---|--|-----------------------------------|---|---|
| NOF Compliance | Child Safety | Performance/ Operations | Reputation | Financial | Legal, Regulatory & Compliance | People | | (1) Rare | (2) Unlikely | (3) Possible | (4) Likely | (5) Almost Certain |
| National systemic non-compliance identified by regulators resulting in >20% of Centres sanctioned or closed | ≥ 1 of the following occurring: - fatality of any person - child kidnapped - systematic or organised child sexual or physical abuse | One or more of the following occurs: - System wide occupancy drops by >10% - Market share drops > 10% - Share price drops by >20% | International/ permanent impact concerns expressed at an international level by public/ media. Total loss of stakeholder and shareholder trust and confidence. Permanent loss of reputation. | One or more of the following occurs: - Earnings impact of >\$30M - Financial loss of >\$100M - Insolvency or liquidation event | Long term legal action. Government inquiry. Significant penalties. Prosecutions with potential jail term. | Large scale loss of critical employees, a large number of complaints from all areas of the business One or more employee fatalities or multiple serious injuries | (5) Catastrophic | High (5) | High (10) | High (15) | Extreme (20) | Extreme (25) |
| Systemic non-compliance identified by regulators resulting in >10% and less than 20% of Centres sanctioned or closed | Child or team member suffering a serious illness or injury resulting in a permanent disability | One or more of the following occurs: - System wide occupancy drops by >5% and <10% - Market share drops by >5% and < 10% - Share price drops by >15% and < 20% | National impact, concerns expressed at a national level by public / media. Loss of stakeholder and shareholder trust and confidence for a prolonged period of time >3 years. Loss of reputation lasting >1 year | One or more of the following occurs: - Earnings impact of <\$30M and >\$3M - Financial loss of <\$100M and >\$5M - covenant breach or review event which is not resolved | Regulatory body imposing maximum statutory penalty Considerable prosecution and penalties. Major breach of the law. | Loss of multiple members of the Board. Severe turnover, dissatisfaction in majority of workforce, sustained complaints within a particular business area. One or more employee permanent or debilitating injuries or illnesses. | (4) Major | Moderate (4) | Moderate (8) | High (12) | High (16) | Extreme (20) |
| Systemic non-compliance identified by regulators resulting in >5% and less than 10% of Centres sanctioned or closed, or subject to consistent Breach Notices or fines Non-compliance identified internally that affects > 5% of Centres that requires remedial action | Child or team member illnesses or physical injuries resulting in hospitalisation and or > 5 days where the child/team member is unable to return to the centre/work | One or more of the following occurs: - System wide occupancy drops by >2% and <5% - Market share drops by >2% and <5% - Share price drops by >10% and <15% | State level impact Concerns expressed by public / media. Loss of stakeholder trust and confidence for moderate period of time >1 year. Loss of reputation for moderate period of time >3 months. | One or more of the following occurs: - Earnings impact of <\$3M and >\$2M - Financial loss of <\$5M and >\$2M | Regulatory body requires investigation/ report. Serious breach of law. Prosecution and/or possible moderate penalty. | Loss of multiple members of the Senior Leadership Team Above average turnover, moderate dissatisfaction in specific business area, infrequent complaints Employee serious injury or illness resulting in hospitalisation and or > 5 days loss of work. | (3) Moderate | Low (3) | Moderate (6) | Moderate (9) | High (12) | High (15) |
| Individual non-correlated centres having non-compliance identified by regulators resulting in centre fines and/or closures | First aid or medical treatment required resulting in <5 days where a child or team member is unable to return to the centre/work with no ongoing complications experienced | One or more of the following occurs: - System wide occupancy drops by <2% - Market share drops by <2% - Share price drops by <5% | Regional level adverse public/media concern. Loss of stakeholder trust and confidence for short period of time < 3 months. Loss of reputation for moderate period of time <3 months. | Earnings impact or Financial loss of <\$2M and >\$500,000 | Regulatory body imposing a low statutory penalty. Low cost implications. Moderate, non-deliberate, breach of procedural operating licence or regulatory obligations. | Loss of staff causing a functional line to become ineffective. Specific localised morale issues, some key staff turnover. Employee receiving minor injury or illness resulting in <5 loss of work with no ongoing complications experienced. | (2) Minor | Low (2) | Low (4) | Moderate (6) | Moderate (8) | High (10) |
| Individual non-correlated non-compliance resulting in remedial action plans | Incident requiring reporting resulting in symptoms requiring no treatment or first aid treatment only | Occupancy of localised centres drops below the expected level but is not noticeable at a company level. - Market share is lost in a localised area and does not spread outside of a single area. - Share price drop is not likely to be correlated to incident. | Local public awareness may exist but no public concern. No measurable impact politically. Minor loss of reputation <1 month. | Earnings impact or Financial loss of <\$500,000 | Minor, non-deliberate, breach of procedural operating licence or regulator obligations. Little or no cost implications. | Increased perceived staff desire to seek unemployment Minor injury or illness resulting in first aid treatment with no loss of work or ongoing treatment. | (1) Insignificant | Low (1) | Low (2) | Low (3) | Moderate (4) | Moderate (5) |
| | | | | | | | | (1) Rare | (2) Unlikely | (3) Possible | (4) Likely | (5) Almost Certain |
| <p>Risks will usually have more than one level of risk; however for the purposes of scoring the risk, the highest level of risk number should be used. Where there are multiple occurrences of Levels of Risk with the same numerical value use the combination with the highest Consequence.</p> <p>EXAMPLE: Consider a work practice that causes injury to workers and children and causes community concern. This risk has multiple dimensions across people, child safety and reputation areas of impact. The levels of risk scores take the following form:</p> <p>People: A single serious injury (3) is likely (4) = 12 A single minor injury (2) is almost certain (5) = 10</p> <p>Child safety: Child injury resulting in hospitalisation (3) is unlikely (2) = 8 Child injury resulting in permanent disability (4) is rare(1) = 4</p> <p>Reputation: Regional level community concern (2) is almost certain (5) = 15</p> <p>In this example, after considering the consequences of the risk from different angles we have arrived at five different levels of risk scores; however it is appropriate to use the highest of the risk scores, so we would use High (15) as the overall level of risk.</p> | | | | | | | Definition (qualitative estimate of probability) | May occur in exceptional circumstances; may happen but it would be highly unexpected | Could occur in some circumstances; surprised if it happens | Might occur in some circumstances | Will occur in most circumstances; not surprised if it happens | Is expected to occur in most circumstances. |
| | | | | | | | Frequency | >10 years | 5-10 years | 2-5 years | 1-2 years | <yearly |
| | | | | | | | Escalation Required | | | | | |
| | | | | | | | Low | <ul style="list-style-type: none"> Manage by routine procedures and business-as-usual processes. Unlikely to need specific application of resources. Monitor as appropriate. | | | | |
| | | | | | | | Moderate | <ul style="list-style-type: none"> Senior Management attention required. Action plans developed and implemented and accountability specified. Manage by routine procedures and business-as-usual processes. | | | | |
| | | | | | | | High | <ul style="list-style-type: none"> Senior Leadership attention required immediately. Weekly monitoring. The activity shall not be undertaken without the express approval by member of Senior Leadership team. | | | | |
| | | | | | | | Extreme | <ul style="list-style-type: none"> Immediate and urgent Executive management action required. Monitor daily. Cease activity until risk can be reduced to an acceptable level. Activity shall not be undertaken without the express approval from CEO, ratified by the Chair of the Board within a reasonable time. | | | | |

Appendix 3 - Glossary of terms

| | |
|----------------------------------|---|
| Consequence | G8's assessment of the impact or outcome of an event. There can be more than one consequence from one event. Consequences can range from positive to negative. Consequences can be expressed qualitatively or quantitatively. Consequences are considered in relation to the achievement of objectives. |
| Control | Any process, policy, device, practice or action taken by management, the Board, and other parties to manage risk and increase the likelihood that established objectives and goals will be achieved. |
| Cost | Of activities both direct and indirect, involving any negative impact, including money, time, labour, disruption, and goodwill, political and intangible losses. |
| Contingency | Budget (cost benefit) or time (duration) that may be used in the event of a risk occurrence. |
| Strategic risk | Risks which have the ability to impact the achievement of the organisation's strategic objectives. |
| Event | An incident or situation, which occurs in a particular place during a particular interval of time. The event can be certain or uncertain. The event can be a single occurrence or a series of occurrences. |
| Frequency | A measure of the rate of occurrence of an event expressed as the number of occurrences of the event in a given time. See also Likelihood and Probability. |
| Hazard | A source of potential harm or a situation with a potential to cause loss. |
| Incident Management | Systems and processes that provide for an organisational structure capable of responding to all levels of emergency from simple to complex. |
| Likelihood | Used as a qualitative description of probability or frequency of a risk occurring. |
| Loss | Any negative consequence financial or otherwise. Can be differentiated as follows: <ul style="list-style-type: none"> • Maximum foreseeable loss- highest possible loss after considering controls • Maximum possible loss – highest possible loss without considering controls |
| Monitor | To check, supervise, observe critically, or record the progress of an activity, action or system on a regular basis in order to identify change. |
| Organisation / Enterprise | Group of people and facilities with an arrangement of responsibilities, authorities and relationships. In this document, 'organisation' or 'enterprise' refers to G8 Education. |
| Policy | G8 documented policy including overarching governance principles and approach. |
| Probability | The likelihood of a specific event or outcome, measured by the ratio of specific events or outcomes, to the total number of possible events or outcomes. |



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| Procedure | G8's documented procedures including flowchart of steps/tasks, timing of steps/tasks, who is responsible for steps/tasks. All G8's procedures are linked to and reference a G8 Policy. |
| Reasonable Assurance | The concept that enterprise risk management, no matter how well designed and operated, cannot guarantee that an entity's objectives will be met. This is because of inherent limitations in all risk management systems. |
| Risk | The effect of uncertainty on objectives. Risk may have a positive or negative impact. Risk is measured in terms of impact and likelihood. |
| Risk acceptance | An informed decision to accept the consequences, and the likelihood of, a particular risk. |
| Risk acceptance criteria | Management's formal establishment of criteria or boundaries designed so that the residual risk does not exceed the selected range of financial and operating outcomes. |
| Risk analysis | A systematic use of available information to determine how often specified events may occur and the magnitude of their consequences. |
| Risk appetite | The amount of risk, on a broad level, that G8 is willing to accept in pursuit of objectives. |
| Risk assessment | The overall process of risk identification, analysis and evaluation. |
| Risk avoidance | An informed decision not to become involved in a Situation or activity that presents risk. |
| Risk category | Commonly grouped risks, e.g. reputation, operations, financial. |
| Current risk | The remaining risk after management has taken action to alter the risk's likelihood or impact. The rating of risk once existing controls have been taken into account. |
| Risk evaluation | The process used to determine risk management priorities by comparing the level of risk against predetermined standards, target risk levels or other criteria. |
| Risk identification | The process of determining what can happen, why, when, where and how. |
| Risk Management | Co-ordinated activities to direct and control an organisation with regard to risk. |
| Risk Management Framework | The set of elements of an organisation's management system concerned with managing risk. Also, the document established by policy which provides the detailed explanation of processes, tools and roles and responsibilities. |
| Risk Management Process | The systematic application of policies, procedures and practices to establish context, identify, analyse, evaluate, treat, monitor and communicate risk. |
| Risk Management System | The totality of the culture, structures, methodology, procedures and definitions that an organisation has chosen to use to implement its Risk Management processes. |



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| Risk Register | The summary report of all individual risks within each assessment, which include; risk ratings (current and target), level of control, risk decision, risk owner and summary of key controls and/or mitigating actions. |
| Risk Tolerance | The maximum level of risk that is acceptable to the board or management. This may be set for the organisation as a whole, for different groups of risks or at an individual risk level. |
| Risk Treatment | Process of selection and implementation of measures to modify risk. |
| Stakeholders | Those people and organisations who may affect, be affected by, or perceive themselves to be affected by, a decision or activity. |
| SWOT | Strengths, Weaknesses, Opportunities and Threats. |
| Target risk | The level of risk G8 plans to achieve with the implementation of additional or different controls. |



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Appendix 4 - Risk accountabilities and responsibilities

| PARTY | ROLES |
|--|--|
| Board | <ul style="list-style-type: none"> Review and approve strategic risks annually. Approve strategic opportunities annually. |
| Audit and Risk Management Committee (ARMC) | <ul style="list-style-type: none"> Oversee the development and implementation of the enterprise-wide risk management framework. Oversee the system of risk management and internal controls that management has established, including safety, health, environment and quality practices. Review and endorsement of the Risk Management Policy. Monitor strategic risks and opportunities and <i>extreme</i> and <i>high</i> group risks and emerging, new and amended risks. |
| Chief Executive Officer | <ul style="list-style-type: none"> Set the tone for the Group to assist in embedding the risk management approach. Hold Executive Leaders accountable for implementing the enterprise-wide risk management framework within their functional area, strategic projects and as an executive team responsible for delivery of the strategy. |
| Chief Legal, Quality & Risk Officer | <ul style="list-style-type: none"> Champion the organisation-wide risk management framework implementation. Support and enable risk management reporting to the Executive Leadership Team and Board. Review (and provide comment to ARMC and/or Board on) strategic risks and functional area extreme risks, including action plans for improved mitigation. |
| Executive Leadership Team | <ul style="list-style-type: none"> Implement the enterprise-wide risk management framework. Approve functional risks, including any action plans for improved mitigation. Ensure strategic risks and functional area risks are appropriately managed and reported with action plans for improved mitigation implemented. Ensure that controls that mitigate risk are in existence, being used and are rated appropriately within risk assessments. Note and endorse the Risk Management Policy. Review the status of action plans for improved mitigation. Notify and report to the Chief Legal, Quality & Risk Officer any new/emerging or changes to the risk rating of strategic, functional or project risks (as applicable). |
| Risk Owners | <ul style="list-style-type: none"> Have accountability and authority to manage risks. Chief Executive Officer or Executive Leadership Team member for strategic risks. Direct report to the Executive Leadership Team member for functional risks. Describe and assess risks. Identify controls and confirm existence, usage and effectiveness. Ensure risks are appropriately managed, including adequate testing of incident related controls. Implement action plans for improved mitigation. |
| Control Owners | <ul style="list-style-type: none"> Develop and apply the internal control environment in the course of daily work to mitigate risk. |



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| | <ul style="list-style-type: none"> • Provide accurate information to risk owners about control existence, usage and effectiveness at reducing risk. |
| Regional Managers | <ul style="list-style-type: none"> • Champion risk culture in their respective region and drive positive risk culture. • Discuss risk trends at monthly meetings with Area Managers and GM Operations Network respectively. • Collect new or changing risks and controls from Area Managers and communicate those which may be applicable to other regions to GM Operations Network. |
| Area Managers | <ul style="list-style-type: none"> • Champion risk culture in their respective area and drive positive risk culture. • Discuss risk trends at monthly meetings with Centre Managers and Area Managers respectively. • Collect new or changing risks and controls from Centre Managers and communicate those which may be applicable to other areas or regions to the Regional Manager. • Provide risk assessment quality assurance and development to Centre Managers. |
| Centre Managers | <ul style="list-style-type: none"> • Champion risk culture in their respective centre and drive positive risk culture. • Discuss risk trends at monthly meetings with their Area Manager. • Identify new or changing risks and controls in Centre Based Risk Assessments. • Review Centre Based Risk Assessments when the environment changes. Sign and send the reviewed tool to Area Managers monthly. |

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