

# Risk Management Policy Statement



## AusNet Services is committed to understanding and managing risk

The effective management of risk is central to the continued growth and success of AusNet Services. By understanding and managing risk, we can provide greater certainty for our shareholders, employees, customers and suppliers and the communities in which we operate. Being well informed and decisive, we have increased confidence to move to achieve our purpose of empowering communities and their energy future.

By understanding and responding to the sources of uncertainty for our strategic objectives, we ensure our existing business becomes more resilient so that we can lead network transformation and embrace change. Effective risk management will also help us become more agile and responsive, to support the growth of commercial energy services. Importantly effective risk management will generate trust and respect from our key stakeholders and customers, by encouraging a culture capable of driving efficiency and effectiveness in all of our business activities.

Throughout the company, we adopt a structured and consistent process for recognising, understanding and responding to risk. All employees are responsible for the management of risk in accordance with the Risk Management Policy and Risk Appetite Statement. This responsibility includes ensuring that emerging conditions and key controls are identified and monitored so that any early warning of failure leads to pre-emptive action.

We operate under one framework that enables the management of risk to become fully integrated into all our critical systems and processes for making decisions. This enables us to challenge assumptions and preconceptions before decisions are made and then take appropriate actions to reduce uncertainty that our objectives will be achieved. All Divisions will be responsible for developing and implementing their plans for this integration, based on their strategic and operational needs.

Information about risks and their treatments will be documented in the Risk Management Information System and kept up to date through regular review. Tools, training and guidance are available to support consistent risk management activities.

We identify and prepare response and recovery plans for potential disruptive events that may seriously threaten our business. After events and incidents occur, we use systematic processes to learn about our successes and failures. In this way, we drive continuous improvement in the way we manage risk.

Good corporate governance will be assured through the regular measurement and reporting of our risk management performance to the Group Risk Committee, the Audit and Risk Management Committee and the Board.

We will commit the necessary resources to ensure that this policy is satisfied.

A handwritten signature in black ink, appearing to read "Nino Ficca".

**Nino Ficca**

Managing Director