



RISK MANAGEMENT POLICY

Webcentral Group Limited
ACN 073 716 793

1. PURPOSE

The purpose of this document is to provide an overview of Webcentral's approach to risk management oversight and control, implemented to ensure that risk is managed effectively in order to facilitate the achievement of its strategic and operational objectives.

Webcentral is committed to integrating risk management practices into core operating activities, properly resourcing risk management requirements and supporting a risk aware culture that promotes open and honest communication, so that key risk messages reach the required destination.

2. SCOPE

This Policy applies to all employees of Webcentral and its subsidiaries, unless otherwise stated.

3. WEBCENTRAL'S APPROACH TO RISK MANAGEMENT

Webcentral's system of risk management is aligned with ISO 31000:2018 Risk Management – Guidelines.

Webcentral 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. The risk registers are also revised periodically for each business and functional unit through the business planning, budgeting, forecasting, reporting and performance management processes.

Webcentral assesses risk against all relevant areas of material business risk. These may include:

- strategic
- operational
- regulatory / compliance
- technological
- product or service quality
- reputation or brand
- market-related risks
- financial reporting
- human capital
- environmental
- sustainability, and
- ethical conduct.

Webcentral's formal risk management processes are embedded within day-to-day management of the business, via such means as regular focus groups which meet across

the business, regular meetings between the Risk and Compliance Manager and Executive management, and rotational risk reviews which aim to cover all main businesses areas at least annually.

Through these activities, Webcentral is focused on embedding a risk-aware culture in all operations of Webcentral, so that risks, their mitigations, accountabilities and communication lines are clear.

4. RISK MANAGEMENT – ROLES & RESPONSIBILITIES

4.1 Board

The Board is ultimately responsible for guiding and monitoring Webcentral 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 Webcentral's strategic and organisational objectives.

One key function of the Board is to ensure that robust and contemporary risk management systems and internal controls are in place, and that these systems are operating effectively. To fulfil this function, the Board delegates this responsibility to a sub-committee: the Audit and Risk Committee ("ARC").

4.2 Audit & Risk Committee

In carrying out its delegated responsibilities, the Audit and Risk Committee:

- Reviews the risk management policies, processes and systems for managing risk and internal control to ensure they remain appropriate and effective;
- Ensures that an up-to-date risk register is maintained that appropriately describes the risks facing the organisation;
- Ensures that an assurance program is in place that monitors the effectiveness of controls and processes managing the key risks facing the organisation; and
- Ensures that the Board receives reports whenever an area of material business risk or exposure is identified.

The ARC also receives regular updates from the Risk and Compliance Manager on the progress of risk mitigation actions assigned to Executive management throughout the year.

Further duties of the ARC are described in the Audit and Risk Committee Charter.

4.3 Management

Management 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 manager is required to review the effectiveness of the risk oversight and management processes relevant to the material risk issues affecting their

business or functional unit.

4.4 Employees

All employees have a responsibility to ensure that risks in their areas of responsibility are identified, managed and appropriately communicated within their team.

4.5 Risk and Compliance Manager

The Risk and Compliance Manager is responsible for:

- the review, ongoing development and implementation of an effective and appropriate risk management framework;
- the execution of an ongoing risk oversight program;
- reporting, as required, the effectiveness of risk and control activities to Management and the ARC; and
- providing risk management support and expertise across Webcentral.

The Risk and Compliance Manager exercises these responsibilities under the direction of the ARC and conducts the risk management program over the areas of material business risk for Webcentral.

5. REPORTING

In accordance with Principle 4 of the ASX Corporate Governance Principles and Recommendations (Fourth 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 Webcentral 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 Webcentral, 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 on the basis of a sound system of risk management and internal control which is operating effectively.

6. REVIEW

This Policy is reviewed annually by the ARC to ensure it meets current good practice standards and the requirements of the Webcentral Group business.

7. DATED

25 May 2021