

# Risk Management Policy

## Overview:

Wilson Transformer Company (WTC) considers Risk Management fundamental to good management practice and corporate governance. Effective management of risk will provide an essential contribution towards the achievement of WTC's strategic and operational objectives.

## Framework:

WTC has established a comprehensive and effective Risk Management framework which forms part of our Integrated Management System (IMS). It is an integral part of WTC's decision making process at all levels of the business, whether it be for strategic planning or operational matters. The primary objectives of our Risk Management framework are to:

- (a) Communicate our commitment to risk management with our stakeholders to assist in achieving our strategic and operational objectives;
- (b) Provide a common approach throughout our business processes for risk management;
- (c) Ensure that all significant risks to WTC are identified, assessed and treated where necessary; and
- (d) Assign accountability for the management of risks.

## Risk Methodology:

We have developed a Risk Methodology to identify and document our process for managing risk. A Risk Priority Number (RPN) is determined by taking into consideration the severity, occurrence, detection and control measures already in place. Risk treatment plans and actions are then developed in alignment with the level of risk WTC is prepared to accept (Risk Appetite).

## Risk Appetite:

The Risk Methodology provides guidance on our Risk Appetite and is integrated with our operating framework to assign responsibility and accountability for managing risks to the various levels of the business depending of the assessed level of risk. Our goal is to ensure that WTC manages risk appropriately, by maximising potential opportunities and minimising the adverse effects of risk.

## Risk Governance and Control:

The effectiveness of our Risk Management framework shall be continually reviewed and improved by various strategic and operational management groups of the business.

<b>Board</b>	Provides policy, oversight and review of risk management
<b>Executive Leadership Team</b>	Drives culture of risk management and signs off on annual risk attestation
<b>Risk &amp; Compliance Committee</b>	Oversees regular review of risk management activities
<b>Managers</b>	Ensure employees comply with the risk management policy and foster a culture where risks are identified, managed and escalated



**Ed Wilson**  
Managing Director



**Robert Wilson**  
Executive Chairman



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