

# Risk Management Policy

## Purpose

- This document outlines the practices of Ampol Limited and the Ampol Group (Ampol) for risk oversight and the management of material business risks.
- The oversight and management of material business risks plays an important part in ensuring that Ampol protects the health and wellbeing of its people, understands and complies with its obligations to the community, and continues to protect shareholder value.

## Risk Management Framework

- Ampol has developed a risk management framework based on the International Standard for Risk Management (ISO 31000). This framework is designed to proactively and systematically identify, assess and address events that could potentially impact business objectives. This framework integrates the consideration of risk into activities so that risks are identified, control measures are evaluated and, where potential improvements in controls are identified, improvement plans are scheduled and implemented.
- Under Ampol's Risk Management Process, which supports the risk management framework, each department must identify and document key risks as part of the annual business planning process. In addition, a consistent project development and execution process is used to manage risks for Ampol's major initiatives and projects.
- For each material business risk identified through the risk management framework, the control measures in relation to those risks must be identified and documented and their effectiveness regularly assessed. Where a control is assessed as ineffective, improvements in the control must be scheduled.
- Material risks are regularly reported to the Board and its Committees. These reports include the status and effectiveness of control measures relating to each material risk. The Board, the Audit Committee, the Safety & Sustainability Committee and the Human Resources Committee each receive reports on material risks relevant to their responsibilities.
- Risks involving progressively lower impacts are reported to the Ampol Leadership Team and departmental leadership teams.

## Roles and Responsibilities

- The Ampol Board's role in relation to risk management includes:
  - setting the risk appetite for material business risks to guide behaviours and decisions around competing objectives
  - reviewing Ampol's risk management framework with management at least annually to satisfy itself that it continues to be sound
  - representing and protecting shareholder and stakeholder interests by monitoring the material business risks facing Ampol (including any changes) and the strategies in place to manage them
  - overseeing the status of material business risks facing the company and the adequacy and effectiveness of key controls in relation to those risks to ensure that they remain within the risk appetite set by the Board
  - approving the delegations of authority in relation to Ampol's day to day operations
  - periodically reviewing the Ampol Risk Management Policy and other specific risk policies (e.g. Environment, Health and Safety, Human Rights, Securities Trading), and management's compliance with these policies

- To assist the Board with these responsibilities, the Board operates (as standing committees) an Audit Committee, a Human Resources Committee and a Safety & Sustainability Committee. Ampol does not have a separate risk committee and the Board retains ultimate oversight of Ampol's risk management framework.
- To drive risk management across the whole of Ampol, the Ampol Leadership Team is responsible for approving (where applicable) compliance and risk policies, strategies and systems and overseeing their implementation. The Ampol Leadership Team comprises the CEO and direct reports.
- Management at Ampol is responsible for cultivating an appropriate risk management culture within their teams.
- Ampol has a dedicated internal audit function which provides an independent and objective assessment to the Board and management regarding the adequacy, effectiveness and efficiency of Ampol's risk management, control and governance processes. Internal audit conducts audits in accordance with audit plans approved by the Audit Committee (for financial risks) and the Safety & Sustainability Committee (for occupational health, safety and environmental risks), and provides regular reports to those Committees and to senior management.
- All Ampol employees are required to comply with all risk management policies.

## Financial Controls and Reporting

- The Audit Committee considers the appropriateness of Ampol's accounting policies, financial risk management practices and the integrity of financial reporting so that financial reports present a true and fair view of Ampol's financial performance and position. The responsibilities of the committee are set out in its charter, which is available from the Ampol website ([www.ampol.com.au](http://www.ampol.com.au)).
- Financial statement control questionnaires are completed by all relevant management and members of the Ampol Leadership Team. The questionnaires support the certifications made to the Board by the CEO and Chief Financial Officer in relation to the half year and full year financial reports.
- The Ampol Board receives assurance from the CEO and the Chief Financial Officer that the declaration provided under section 295A of the Corporations Act is founded on a sound system of risk management and internal control, and that the system is operating effectively in all material respects in relation to financial reporting risks.

## Review

The Board will review this policy at least every two (2) years.

## Publication

This policy is available on the Ampol website ([www.ampol.com.au](http://www.ampol.com.au)).

## Document change history

Version number	Conducted by	Approved by	Date	Description of changes
1		Board	12/10/2017	
2	Secretariat	Board	14/05/2020	Update references from Caltex to Ampol
3	Group Risk Manager	Board	19/02/2021	Consolidate Risk Management Summary and Policy into one policy.