



**HANSEN**  
TECHNOLOGIES

RISK MANAGEMENT

June 2018

## INTRODUCTION

Hansen operates in a complex and constantly changing environment where risk is encountered and managed as part of its day-to-day operations. Risk management is about understanding and managing a company's risk environment and taking measures, where necessary, to ensure those risks are contained to acceptable levels. This document sets out a high level the companies approach to managing the risk process.

## OBJECTIVE

The objective of the Hansen Risk Management Approach is to ensure the implementation of an effective Risk Management Framework ("The Framework") that is consistent with the Company achieving its policy and operating objectives. In doing so, it follows accepted standards and guidance for managing risk.

Risk management is an integral part of the management function in the organisation and, as such, it is clear responsibility of management.

Hansen is committed to ensuring that a consistent and integrated approach to managing risk is established and operated though out the company and is key to the organisation achieving it core objectives.

## PROCESS

### Risk Appetite

Hansen seeks to manage its risk profile carefully. The Board is ultimately responsible Hansen's risk appetite and for ensuring risk management processes have been established and are operating effectively as well as ensuring that the CEO with the Executive Management Team manage and embed risk management practices throughout the Company.

The Audit and Risk and Committee (ARC) is responsible for overseeing the Company's ongoing risk management program including the Framework and any key supporting policies and procedures and ensuring that risk management processes are maintained and operating effectively.

### Framework for Managing Risk

Hansen's Framework endeavours to cover the full spectrum of risks faced by evaluating risk from both an enterprise and business perspective. This Framework is based on the principles contained in AS/NZ ISO 31000:2009 Risk Management Principles, and comprises several important steps:

- Identifying and analysing the main risks facing the Company.
- Evaluating those risks - making judgements about whether they are acceptable or not.
- Implementing and Documenting appropriately designed control systems to manage these risks.
- Treating unacceptable risks - formulating responses following the identification of unacceptable risks, including action plans to reduce the probability or consequences of an event occurring.
- Ongoing monitoring, communication, and review.

The Framework outlines the responsibilities for risk management at all levels in the organisation from the Board delegation to individual staff members. The Framework also supports these responsibilities by defining a risk reporting structure, expectations and the resources and tools required.

The risk management process outlined in the Framework includes risk assessment methodology with identification, analysis, evaluation and treatment in the following key areas:

- Strategic
- Financial
- Reputational
- Technological
- People
- Legal & Regulatory

## COMMUNICATION

This document has been published on Hansen's website and intranet. It is reviewed at least annually by Management and the Audit and Risk Committee to ensure its effectiveness, continued application and relevance.