



## Risk Management Policy

### Scope

This Risk Management Policy (the **Policy**) is a group-wide policy and applies to T&G Global Limited (the **Company**) and all its majority-owned or controlled subsidiaries (together **T&G** or the **Group**). It applies to all territories in which T&G does business. T&G also encourages its joint venture companies to follow the Policy. This policy is effective from 19 June 2017, with changes as per Policy Update table.

### Purpose

Risk Management is the identification, assessment, and prioritisation of risks followed by coordinated and economical application of resources to minimise, monitor, and control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities (ISO 31000:2009 Risk Management).

This Policy and the supplementing [Risk Management Guideline](#) provide guidance for the design, implementation, and maintenance of risk management processes throughout the T&G Group. For the purpose of this policy all T&G employees, contractors and Directors are treated as staff.

### Risk Management

The Board have overall responsibility for ensuring risks are managed effectively and in exercising this function delegates responsibility for oversight of risk management activities to the Finance, Risk and Investment Committee (FRIC). Within this remit, the FRIC has the responsibility for ensuring that management has established a risk management framework which includes policies and procedures to effectively identify, treat and monitor key business risks.

The CEO and the Executive team have the responsibility for ensuring risk management is undertaken across the Group and their business unit on an ongoing basis.

#### *Three Lines of Defence Model*

T&G manages risks with the Three Lines of Defense Model which highlights the importance of segregation of roles and responsibilities across governance, management, and day-to-day operations while also highlighting relationships between the different areas.

The Board sets and monitors T&G's Risk Appetite captured in the [Risk Appetite Statement \(RAS\)](#), which expresses T&G's position to pursue, retain or take risks. The Risk Appetite is reflected in business policies regularly reviewed and approved by the Board.

## *Risk Management Framework*

The T&G Risk Management Framework is intended to assist in the identification of strategic, project, climate change and operational risks, and to support the delivery of T&G's business objectives and strategy within T&G's Risk Appetite.

It comprises the following:

- Risk assessment through identification, analysis, and evaluation by using the [T&G Risk Matrix](#) defining T&G's risk tolerance from low to extreme
- Residual risk analysis and treatment with an assessment to be made to either accept, reduce, transfer, or eliminate the risk
- Monitoring and review of risks, mitigation, and controls to determine the ongoing validity of the assumptions made
- Communication and consultation with internal and external stakeholders, including reporting to the Executive Team, the Finance Risk & Investment Committee (**FRIC**), the Sustainability Committee (**SC**) and the Board.
  - T&G's Principal Risks – those that may prevent T&G from achieving its strategic objectives – are presented to the FRIC and the Board twice a year
  - T&G's climate-related risks and opportunities are presented to the FRIC, SC, and the Board on an annual basis.
- Escalation of risks to the Board follow the escalation procedures described in the Risk Management Guideline.

## *Responsibilities*

Each level of T&G is responsible for managing and reporting risks they own or might have an impact on their business unit. Decisions to accept the level of risk necessary to achieve business objectives are made within the respective delegated authorities and the Board-approved risk appetite.

## *Policy Framework*

Development, implementation, and maintenance of operational and business policies are key to a sound control environment and support T&G's Risk Management Framework.

Significant actual breaches or likely breaches must be reported to the chair of the FRIC as soon as possible, ensuring that corrective actions have been taken to rectify a breach or likely breach and that preventive measures have been taken.

## Review and Approval

The Board of Directors initially reviewed and approved this Policy and associated guidelines on 19 June 2017, with updates made as per the below schedule.

## Policy Updates

Date of approval	Approver	Amendments completed by	Details of changes
11 December 2023	FRIC & Board	Bianca Verbeek	Addition of Climate-related risk management, alignment with changes made to the Risk Management Guideline.
16 September 2022	FRIC & Board	Bianca Verbeek	Simplification of the Policy, alignment with changes made to the Risk Management Guideline and changes to reporting timing
19 June 2017	FRIC & Board	Bianca Verbeek	Development of the Risk Management Policy and supplementing Risk Management Guideline