



## Policy for Risk Management

Negri direction is to enhance stakeholder value through continuous improvement in our management of risk.

*Negri assesses Risk as: "the uncertainty of achieving our business objectives"*

Effective risk management facilitates the anticipation of uncertainties that could impact us tomorrow. By recognising and managing risk, we are able to make the most out of opportunities to create shareholder value and deliver on our commitments to customers, employees, the environment and the community.

At Negri, formal risk management processes are embedded within day-to-day management of the business. We aim to ensure a common culture throughout Negri that promotes awareness of potential exposures and opportunities created by risk.

Negri's approach to risk management is guided by the International Standard on Risk Management ISO 31000. In addition to operational and financial risk, the categories of risk given particular focus are legal and compliance risk and Health, Safety and Environmental (HSE) risk.

Our goal in relation to legal and compliance risk is to meet the Australian Standard on Compliance Programs, AS3806. In relation to HSE risk, we aim to achieve a workplace free of incidents, injury and fatalities consistent with our incident & injury free philosophy and to be a leading fully integrated property solutions provider delivering environmentally responsible property solutions that generate sustainable social and economic returns.

### **Our Policy ensures the:**

- use of an Enterprise Risk Management approach to identify, evaluate, treat, monitor, quantify and report significant risks to the Risk Management and Audit Committee
- embed the management of risk as a central part of planning and management processes
- provide the training, facilities and motivation necessary for our people to implement and maintain effective risk management practices
- balance risks and business objectives when developing risk treatments and risk transfer arrangements and
- encourage the adoption of Negri risk management practices by our through our civil engineering and plant hire divisions

*As Director, Quality of Negri I am accountable for the implementation of this policy and I encourage you to commit personally to the principles that drive our success*

Director, Quality  
**E. A. Negri Pty Limited**  
**Hamilton Civil Plant Limited**  
1 January 2003