



Risk Management Policy Statement

Shaw Contracting (Aust) recognises that risk is present in all business activities. In order to manage these risks, we have developed a Risk Management Framework to ensure that Shaw integrates the process for managing risk into the company's overall policies, governance, strategy and planning, management, and reporting processes. By effectively managing risk, Shaw will increase the likelihood of meeting its business objectives and improve stakeholder value, confidence and trust.

The approach used by Shaw shall be based on ensuring that each of its projects and the company as a whole:

- Identify and generate a comprehensive list of all potential risk and hazard exposures which covers all possible outcomes under the various risk categories;
- Develop an understanding of the risk and hazard which involves consideration of the causes and sources, their positive and negative consequences and the likelihood those consequences can occur; existing controls and their effectiveness and efficiency are also taken into account;
- Prioritise the list of risks and hazards related to the overall Shaw environment and flag for treatment;
- Consider options to treat significant and high risk and hazard exposures, evaluate the options and develop and document a risk management strategy or plan for implementation.

Everyone at Shaw is responsible for the effective management of risk. All managers and workers are responsible for identifying potential risks, hazards, developing risk mitigation plans, and implementing risk reduction strategies. Key roles include:

- Board of Directors and the Shaw Senior Management Team- ultimately responsible for the overseeing and implementation of the organisation's system of risk management;
- Operational Heads- responsible for the day to day identification and assessment of risk applicable to their operations and the implementation of risk management policies and procedures appropriate for their area;
- People and Systems- Responsible for the development, maintenance and distribution of the Risk Management Framework.

Shaw is committed to the effective management of risk and will allocate the necessary resources to those responsible for managing this process.

A handwritten signature in black ink, appearing to read 'Joe Luttrell', is written over a light blue circular stamp.

Joe Luttrell
Chief Executive Officer
Date: July 2019