



NOBLEOAK

The smarter way to insure your life

Risk Management Policy

Approved by the NobleOak Board

26 May 2021 (Version 1)

Endorsed by the Risk Management Committee 17 May 2021

NobleOak Life Limited

ABN: 85 087 648 708

AFS License Number: 247302

Table of Contents

1. Introduction.....	3
2. Risk oversight	3
3. Role of Management.....	4
4. Identified risks	5
5. Review of risk management	5
6. Review of, and amendments to, this policy.....	6
7. Approved and adopted.....	6



1. Introduction

- 1.1 NobleOak Life Limited ACN 087 648 708 (**Company** and, together with its controlled entities, the **Group**) views effective risk management as key to achieving and maintaining its operational and strategic objectives.
- 1.2 This Risk Management Policy is designed to ensure, among other things, that risks taken by the Group:
 - (a) are appropriately aligned to the Group's operational and strategic objectives; and
 - (b) seek to deliver returns to shareholders of the Company.

2. Risk oversight

- 2.1 The directors of the Company are responsible for reviewing and ratifying the risk management structure, processes and guidelines which are to be developed, maintained and implemented by the Company's Chief Risk Officer and senior management team (**Management**). The active identification of risks and implementation of mitigation measures is also the responsibility of Management.
- 2.2 The Board Audit Committee (BAC or Audit Committee) and the Risk Management Committee (RMC or Risk Committee) of the Company's board of directors (**Board**) or Management may also refer a particular matter or financial risk management issue to the Board or a separate risk committee for consideration and direction.
- 2.3 To assist the Board in discharging its financial responsibility in relation to risk management, the Board has delegated certain activities to the Audit Committee and the Risk Committee. The objectives of the Audit Committee and the Risk Committee include, among other things:
 - (a) promoting a culture of compliance within the risk appetite set by the Board for the Group;
 - (b) maintaining and improving the quality, credibility and objectivity of the financial accountability process (including financial reporting on a consolidated basis);
 - (c) providing a forum for communication between the Board and Management in relation to audit and compliance matters affecting the Group;
 - (d) ensuring effective internal audit (if any) and external audit functions and communication between the Board and the internal auditor (if any) and external auditor; and
 - (e) reviewing and commenting on Management's plans for managing the key risks faced by the Group.
- 2.4 To achieve these objectives, the responsibilities of the Audit Committee and the Risk Committee in relation to risk management and internal compliance and control systems include among other things:
 - (a) overseeing the establishment and implementation of risk management and internal compliance and control systems and ensuring that there is a mechanism for assessing the ongoing efficiency and effectiveness of those systems;
 - (b) monitoring Management's performance against the Group's risk management framework, including whether it is operating within the risk appetite set by the Board;

- (c) reviewing (at least annually) and approving policies and procedures on risk oversight and management to establish an effective and efficient system for:
 - (i) identifying, assessing, monitoring and managing risk; and
 - (ii) disclosing any material change to the Group's risk profile;
- (d) receiving reports from Management concerning the Group's material risks and the risk controls and mitigation measures that Management has put in place to deal with those risks, in order to assess the internal processes for determining, monitoring and managing these risks and to monitor the risk profile of the Group;
- (e) if the Group has established an internal audit function:
 - (i) appointing or removing the head of internal audit;
 - (ii) determining the scope and adequacy of the internal audit work plan; and
 - (iii) ensuring the objectivity and performance of the internal audit function;
- (f) receiving reports from internal audit (if any) on its reviews of the adequacy of the Group's processes for managing risk;
- (g) reviewing the Group's risk management procedures to ensure that the Group complies with its legal obligations, including to assist the Chief Executive Officer (**CEO**) or Chief Financial Officer (**CFO**) of the Company to provide the declarations in relation to each of the Group's financial reports required by Recommendation 4.2 of the *ASX Corporate Governance Principles and Recommendations (4th edition)* published by the ASX Corporate Governance Council; and
- (h) if the Group's remuneration policies cover payments to bodies where:
 - (i) the primary role of the body is to provide risk management, compliance, internal audit, financial control or actuarial control services to the institution; or
 - (ii) the services provided by the body, either individually or collectively with like services provided by other bodies, may affect the financial soundness of the Group and, under the services contract with the Australian Prudential Regulation Authority-regulated institution, a significant portion of the total payment of the body is based on performance,

acknowledging, addressing and overseeing the risks to which the payment incentives may give rise.

2.5 Further detail in relation to the responsibilities of the Audit Committee and the Risk Committee are contained in the Audit Committee and the Risk Committee Charter which is available on the Company's website at www.nobleoak.com.au.

3. Role of Management

- 3.1 Management is responsible for designing and implementing risk management and internal compliance and control systems which identify the material risks facing the Group. These compliance and control systems are designed to provide advanced warning of material risks before they eventuate.
- 3.2 Management must regularly monitor and evaluate the effectiveness of these processes and risk plans and the performance of employees implementing them, including through the procedures listed in Schedule A. In addition, Management

must promote and monitor the culture of risk management within the Group (having regard to the risk appetite set by the Board for the Group) and compliance with internal risk systems and processes by employees.

- 3.3 All employees are responsible for implementing, managing and monitoring these processes and risk plans with respect to material business risks, as appropriate.
- 3.4 Management must report on risk management to the directors at Board meetings and to the Audit Committee and the Risk Committee (as appropriate) and Audit Committee meetings and Risk Committee meetings (as appropriate). The reporting must identify the Group's key risks and the extent to which:
 - (a) the Company's ongoing risk management program effectively identifies all areas of potential risk, including with respect to licensing and regulatory issues;
 - (b) adequate policies and procedures have been designed and implemented to manage identified risks;
 - (c) a regular program of audits is undertaken to test the adequacy of and compliance with prescribed policies; and
 - (d) proper remedial action is undertaken to redress areas of weakness.

4. Identified risks

There are a number of risks that are inherent to the business activities that the Group undertakes. These risks may change over time as the external environment changes and as the Group expands its operations. The risk management process requires the regular review of the Group's existing risks and the identification of new and emerging risks facing the Group, including financial matters and non-financial matters such as conduct risk (ie, the risk of an inappropriate, unethical or unlawful behaviour on the part of the Group's management or employees), digital disruption, cybersecurity, privacy and data breaches, sustainability and climate change. It also requires the management, including mitigation where appropriate, of these risks.

5. Review of risk management

- 5.1 The division of responsibility between the directors, the Audit Committee, the Risk Committee and Management aims to ensure that specific responsibilities for risk management are clearly communicated and understood by all.
- 5.2 The reporting obligations of Management ensure that the directors, the Audit Committee and the Risk Committee are regularly informed of material risk management issues and actions. This is supplemented by the Audit Committee and the Risk Committee (as applicable):
 - (a) receiving reports from Management concerning the Group's material risks in order to assess the internal processes for determining, monitoring and managing these risks and to monitor the risk profile for the Group; and
 - (b) reviewing and ratifying Management's processes for ensuring and monitoring compliance with laws, regulations and other requirements relating to the external reporting of financial and non-financial information.
- 5.3 When considering the Audit Committee's review of financial statements for a financial period, the directors must request to receive a written statement, signed by the CEO and the CFO, that in their opinion the Company's financial reports give a true and fair view, in all material respects, of the Company's financial position and performance and comply in all material respects with relevant accounting standards. If requested,

the statement may also confirm that the Company's financial statements are founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks.

- 5.4 Similarly, when reviewing risk management reports, the directors may request a separate written statement from the CEO confirming that the Company's risk management and internal control systems have been operating effectively in relation to all material business risks for the relevant accounting period and that nothing has occurred since the period-end that would materially change this position.

6. Review of, and amendments to, this policy

- 6.1 The Audit Committee, the Risk Committee and/or the Board will review this policy annually or as often as it considers necessary to satisfy itself that it continues to be sound and that the Group is operating with due regard to the risk appetite set by the Board.
- 6.2 The Board may amend this policy from time to time by resolution.

7. Approved and adopted

This policy was approved and adopted by the Board on 26 May 2021.