



Risk Management Policy

Qube Holdings Limited

ACN 149 723 053

1. Background

The Qube Board assumes ultimate responsibility for the risk management of Qube. The Board has established a risk management framework which incorporates a formal, Board-approved Risk Appetite Statement (RAS) setting the parameters within which the Board expects management to operate.

In accordance with the risk management framework, the Board has delegated the oversight responsibility for risk management and internal control of major risks of Qube to the Audit and Risk Management Committee and, in respect of risks relating to safety, health, environment and operational matters, to the Safety, Health and Environment Committee.

Each of the Audit and Risk Management Committee and the Safety, Health and Environment Committee will meet regularly to review the effectiveness of Qube's risk management systems, processes and internal controls and will report its findings to the Board.

2. Risk Management

2.1 Operating level

To build a culture of risk awareness and a sense of ownership of risk, each of the operating business units controlled by Qube (**Qube Businesses**) will have its own risk management committee.

Each risk management committee is responsible for maintaining and reviewing the risk profile of its business on a regular basis and is responsible for reporting to each of the Audit and Risk Management Committee and the Safety, Health and Environment Committee twice per year (or more regularly at the request of either of these Committees).

2.2 Identification of risks

Each Qube Business is responsible for identifying, assessing and managing material risks to their business through their risk management committee in accordance with the RAS. These include financial risks and non-financial risks such as environmental and social sustainability risks.

The risk management committee for each Qube Business includes senior managers of the relevant Qube Business with a strong understanding of the relevant business and who are best equipped to identify the risks associated with the relevant business.

Each Qube Business provides for reporting on risk management in its regular reporting. On a periodic basis the risks for each Qube Business, as set out in divisional and material associate risk registers, are formally reviewed and consolidated into an overall group risk register. These registers are assessed by the Managing Director, in consultation with senior management, to ensure that each division and material associate has an effective risk management process in place and that the risk registers accurately reflect all current key risks of the Qube Group and its associates.

2.3 Internal controls

Qube has a number of accountability checks and balances in place to ensure effective internal control across the Qube Businesses. These include a rigorous budgeting and review process and monthly Qube Business management meetings with significant involvement from Qube's head

office. In addition, Qube has an internal audit function that presents reports on the findings of its internal audit reviews to the Audit and Risk Management Committee on a regular basis.

A number of functions across all Qube Businesses, and the risks associated with those functions, are overseen by either a Board-convened committee or an executive committee. This task is currently undertaken by the Board-convened Audit and Risk Management Committee. At least twice each year, management presents updated divisional, group and material associate risk registers to the Audit and Risk Management Committee which in turn reports to the Board.