Enterprise Risk Management & Assurance Policy

CLEANAWAY
Making a sustainable future possible together

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1. Purpose

This policy describes Cleanaway's approach to Enterprise Risk Management (ERM) and Assurance.

Our growth and success depend on our ability to understand and respond to the challenges of an uncertain and changing world. This uncertainty generates risk, with the potential to be a source of both opportunities and threats. By understanding and managing risk, we provide greater certainty and confidence for all our shareholders. Cleanaway also requires that a sound assurance approach is in place, which provides confidence that business objectives will be achieved within our desired risk appetite.

2. Scope

This policy applies to all employees and directors of Cleanaway.

3. Policy Principles

Cleanaway requires a consistent approach for the recognition and management of risks that have the potential to materially impact the achievement of Cleanaway's strategy and business objectives by:

- Articulating Cleanaway's appetite and tolerance to risk in a Risk Appetite Statement (RAS) approved by the Board;

- Applying a structured and comprehensive ERM process, with a clear understanding of intent, language, and methodology;

- Ensuring that our understanding of risks considers all potential consequences and impacts;

- Monitoring and reporting risks to appropriate levels of Cleanaway, providing confidence that risks are being effectively managed;

- Ensuring controls are in place that manage the risk in a balanced and pragmatic way; and

- Ensuring controls are operating as intended through the conduct of assurance activities in accordance with Cleanaway's Assurance Standard.

4. Policy Statements

To achieve our objectives, a Risk Structure & Governance Framework, Methodology, Reporting Regime and Assurance Framework have been adopted.

4.1 Structure & Governance

Cleanaway has embedded an ERM Structure and Governance Framework, approved by the Board, which mandates accountability and oversight responsibility for Strategic, Emerging and Entity Level risks across Cleanaway.

4.2 Methodology

Cleanaway adopts and implements an Enterprise Risk Management (ERM) Methodology based on adherence to the International Standard on Risk Management, ISO 31000:2018. Adoption of a robust methodology supports our desire to operate within a sound system of risk oversight and management.

4.3   Reporting Regime

Minimum reporting obligations have been established to ensure visibility of risks, the controls in place to mitigate the risk and any additional risk treatment plans designed to further mitigate the risk.

4.4   Assurance Framework

Cleanaway adopts and implements an Assurance Framework based on the Institute of Internal Auditors 'Three Lines of Defence Model.