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# OPENN NEGOTIATION LIMITED (ACN 612 329 754)

## Risk Management Policy

Adopted: 10 May 2021

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### 1. Introduction

Openn Negotiation Limited (**Company**) recognises that risk management is an integral part of the Company's business operations and is a continuous process demanding awareness and proactive measures to reduce the occurrence and impact of risk events.

### 2. Objectives

The objectives of this document are to:

- provide a framework for identifying, assessing, monitoring and managing risk;
- communicate the roles and accountabilities of participants in the risk management system; and
- highlight the status of risks to which the Company is exposed, including any material changes to the Company's risk profile.

### 3. Role and Responsibilities

The Board of Directors (**Board**) of the Company is responsible for:

- risk management and oversight of internal controls;
- establishing procedures which provide assurance that business risks are identified, consistently assessed and adequately addressed; and
- overseeing such procedures.

### 4. Risk Management and Internal Controls

Risk management and compliance includes the following key elements:

- Oversight of the Company's financial affairs will be the responsibility of the Board.
- All major capital expenditure must first receive the approval of the Board.
- The Company will adhere to a thorough due diligence process in relation to any proposed business relationship or asset acquisition.
- The Board will ensure that procedures and systems are in place to effectively manage and protect/preserve the Company's intellectual property and trade secrets/confidential information.

- The Company will monitor and manage all issues relating to occupational health and safety.
- All potential exposures to illness or injury will be managed.
- The Company's computer systems will be regularly maintained for the protection of electronic records, including a comprehensive back-up routine involving off-site storage.

## **5. Risk Analysis and Evaluation**

### **5.1 Risk evaluation**

The Board will formulate a procedure for analysing and evaluating risk.

A risk evaluation will be carried out by senior management and communicated to the Board before the proposal is approved. Proposals regarded as significant may include:

- major fundraising activities;
- new business relationships;
- product or service offering development activities;
- new acquisitions;
- registration of intellectual property rights;
- operating in a new country;
- major capital procurement; and
- out-sourcing, partnering or shared service arrangements of functions.

### **5.2 Risk management plan**

The risk evaluation will be documented in a manner that:

- describes the internal and external risks;
- evaluates the impact of the risks; and
- includes any necessary risk management plan.

A risk management plan will identify each risk, specify acceptable thresholds and specify action to be taken in the event that a threshold is exceeded.

Additional risk management plans may be created for each project or operation (e.g. for an operation in a particular area or with a particular contractor).

## **6. Risk Monitoring and Review**

If after consideration of the risk analysis a proposal is approved by the Board, senior management will monitor progress against the risk management plan and promptly report any material matters to the Board.

Monitoring the status of each risk and any necessary action plan relating to treatment of risk will take place on a regular basis. Any action or recommendations arising out of the review process will be implemented by management.

The Board will review assessments of the effectiveness of risk management and internal compliance and control on an annual basis.

## **7. Insurance**

The Company will maintain a comprehensive suite of insurance policies, including the following:

- combined general liability insurance;
- civil liability insurance for Information Technology Companies;
- workers' compensation insurance;
- general insurance for damage or destruction of property;
- cyber insurance;
- IT liability insurance;
- voluntary workers insurance; and
- directors' and officers' indemnity insurance;

The Company's insurance policies will be reviewed on an annual basis.

## **8. Questions and Further Information**

If you have any questions or need further information about this document, please contact the Company Secretary.

## **9. Corporate Group**

In this document, a reference to the Company includes any 'related body corporate' (as defined in the *Corporations Act 2001* (Cth)) of the Company, as the context requires.

## **10. Review and Publication of Policy**

The Board will review the policy set out in this document on an annual basis, and may amend the policy, to ensure that it is appropriate for the Company's stage of development and nature of its operations.

The Company will publish this document on the Company's website at <https://hello.openn.com.au/investors>.