

# RISK MANAGEMENT POLICY

## Purpose

1. This Risk Management Policy for Metlifecare Limited ("Metlifecare") governs the risk management of Metlifecare.

## Risk Oversight

### 2. **Board Responsibilities**

The Board is responsible for approving and reviewing Metlifecare's risk management strategy and policy ("**Risk Management**"). The Board is responsible for considering the significant business risks applicable to the business and ongoing operations via Metlifecare's monthly CEO/CFO Report. The Board is also responsible for considering Metlifecare's risk profile as part of the annual review via the Audit & Risk Committee.

### 3. **Management's Responsibilities**

Metlifecare's Management team is responsible for operational risk and the implementation of mitigation measures. Management is responsible for providing monthly reports to the Board on Risk Management. The Management team must immediately report significant and urgent business risks to both the Chair and the Chief Executive Officer.

### 4. **Audit & Risk Committee's Responsibilities**

To assist the Board with its responsibilities in relation to Risk Management, the Board has delegated certain activities to the Audit & Risk Committee. The responsibilities of the Audit & Risk Committee are contained in the Audit & Risk Committee's charter. The Board has also delegated various authorities to the Chief Executive Officer and Metlifecare's subsidiary boards and committees to establish the policy and procedures to assist with the Risk Management of Metlifecare's risk profile.

## Risk Profile

5. Metlifecare views business risks as both threats and opportunities to achieve its objectives and goals to ensure the successful execution of its strategic goals. Metlifecare takes an enterprise-wide approach to managing risk. Risks are identified, assessed and responded to accordingly: accepted, mitigated, transferred or avoided, and carefully monitored and reported under the Risk Management System.

## Risk Management System

6. Metlifecare's Risk Management System encompasses all policies, processes, practices and procedures established by Management and the Board to provide reasonable assurance that:
  - established corporate and business strategies and objectives are achieved;
  - risk exposure is identified and adequately monitored and managed;
  - resources are acquired economically, adequately protected and managed effectively in carrying out the Metlifecare Group's business;
  - significant financial, managerial and operating information is accurate, relevant, timely and reliable; and
  - there is an adequate level of compliance with policies, standards, procedures and applicable laws and regulations.
7. Metlifecare regularly conducts meetings and workshops across the business to identify and rank all significant business risks arising from current operations and new business initiatives, and to identify and implement mitigation measures.
8. The list of operational risk categories used by Metlifecare for assessments and workshops is updated regularly. The risks identified in the period are combined with previous risk data and then filtered to allow for mitigation measures and commercial emphasis.

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9. The summary risk data (using Quantate risk & compliance software) is reported regularly to the Board, Management and the Audit & Risk Committee. The Board addresses risk at each Board meeting, at which reports in the form prescribed by the Board are presented by Management.
  
10. Formal six monthly compliance certificates must be declared in writing by the Chief Executive Officer and the Chief Financial Officer.

### **Reporting**

11. The Board reports to shareholders annually on the identification of Risk Management in the annual report.

### **Review**

12. The Board annually reviews this policy.

### **Publication**

13. This Risk Management Policy is available on the Company's website, [www.metlifecare.co.nz](http://www.metlifecare.co.nz).