

RISK MANAGEMENT POLICY STATEMENT

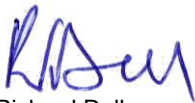
Risk management is essential for reducing the likelihood that corporate objectives are jeopardised by unforeseen events.

TSO shall implement and operate a Risk Management Framework (Framework) to ensure that the strategic and operational risks associated with pursuing its aims and objectives are proactively evaluated and controlled. The Framework shall support the Company objectives and ensure positive outcomes and investment returns.

The Framework shall be directed by the TSO Executive Board of Directors (Board) who shall act in the interests of its shareholders, employees and the community at all times.

The Board shall have regard for positive and negative risks when formalising Company strategy and pursuing corporate aims and objectives, and – by the monitoring of key risk indicators – shall ensure that specific initiatives are appropriately controlled to ensure they remain within pre-defined risk tolerance levels.

The Director, Risk shall have corporate responsibility for the day-to-day maintenance and operation of the Framework and for the implementation of risk management strategies. The Director, Risk shall also monitor significant business risks on behalf of the Board to ensure that any mitigation strategies remain effective.



Richard Dell
TSO Chief Executive Officer

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