

**DATED: 26 MAY 2021**

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**RISK MANAGEMENT POLICY**

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## 1. Scope of Policy

- 1.1 The Risk Management Policy applies to all NZ Windfarms Ltd (NWF, the Company) ,its subsidiaries and their employees.
- 1.2 Where NWF has significant influence over an operation (including equity and management interest) it will seek to promote the application of this policy.

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## 2. Purpose of this Document

- 2.1 NWF operates in an environment that contains strategic, operational and project/ construction risks. It shall actively manage risk to ensure it operates a safe workplace and is able to sustain the achievement of its business objectives.
- 2.2 Risk management techniques and capabilities assist management to focus on uncertainties and vulnerabilities associated with the future, thereby improving the likelihood of meeting business objectives.
- 2.3 The objectives of the risk management policy and associated processes are:
  - (a) To allow NWF to pursue opportunities that involve risk in an informed manner, so as to meet the expectations of stakeholders;
  - (b) To enable full and due consideration to be given to the balance of risk and reward in pursuing the achievement of NWF's business, including growth, objectives;
  - (c) To apply risk management practices to enhance strategic, tactical and operating decision making; and
  - (d) To ensure that the Company operates in a sustainable manner.

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## 3. Definition of Risk

- 3.1 Risk is "any threat, lost opportunity or circumstance that could compromise the safety and security of our customers, suppliers and employees, or affect NWF's financial objectives and sustainability or the strength of its brand."

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## 4. Responsibility and Accountability

- 4.1 The management of risk is a core responsibility.
- 4.2 All management and staff are accountable to promote employee risk management processes within their area of control and responsibility, to aid in the achievement of business objectives.
- 4.3 A process to ensure risk has been adequately identified, considered, mitigated and managed should be evident in all key decision-making processes.
- 4.4 The Chief Executive Officer, Chief Financial Officer, GM Operations and management shall ensure that risks to the business are identified and evaluated, that effective responses and control activities are developed, and that appropriate monitoring and timely re-evaluation is conducted.
- 4.5 The Board and Audit and Risk Committee are responsible for setting policy, assessing and monitoring strategic risks and ensuring management maintains an effective risk management framework.

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## 5. Reporting and Managing Risks

- 5.1 The Company will establish and maintain a risk register to monitor and report risks that threaten achievement of business objectives. Goals and targets for the Company should reflect operating and project / construction environment risks. Records and planning documentation should include information on risks associated with projects and initiatives.
- 5.2 The risk register should include information on the status of risk response and control activities and processes.
- 5.3 Any risk rated as “red” in the company’s Risk Management Policy Risk Map, or which are considered to be outside NWF’s appetite or tolerance, should be reported immediately.
- 5.4 The Chief Executive, GM Operations and the Chief Financial Officer, working with staff, will update the risk register and report this to the Audit and Risk Committee on at least an annual basis.

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## 6. Policy Review

- 6.1 This policy shall be reviewed every three years.

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## 7. Approval and Execution

**Approved and executed on 26 May 2021 by:**



Chairman

John Southworth



Chief Executive

Warren Koia