



ASX:JYC

Risk Management Policy

1. Purpose

The Board recognises there is both risk and opportunity in everything Joyce Corporation Limited (**Joyce or Company**) and its controlled entities (**the Group**) undertakes. Joyce believes good risk management practice is crucial to effectively managing operations, driving commercial outcomes and delivering shareholder value. Integrated risk management guides effective decision-making and enables the organisation to focus on what matters, maximise opportunities and mitigate the likelihood or consequence of adverse outcomes.

The purpose of this policy is to:

- o communicate the risk management principles upon which the Group risk management framework is designed;
- o confirm the Group's commitment to maintaining a risk aware culture and embedding risk management practices within operations;
- o detail roles and responsibilities relating to the identification and management of risk throughout the Group; and
- o articulate the Group's minimum requirements in relation to risk management. This policy has been developed in consideration of ISO 31000:2018 Risk Management - Guidelines and ASX Corporate Governance Principle 7.

2. The Joyce Risk Identification & Management Framework

The Joyce Risk Identification & Management Framework (**Framework**) is the structure which supports and guides the processes by which risk is identified, assessed, managed, communicated and reported. The Framework also includes the mechanisms by which Joyce articulates its commitment to risk management practices and oversees the effectiveness of those practices including the provision of assurance and continual improvement activities.

There is risk and opportunity in everything we do. The Board and Executive of Joyce Corporation Ltd and its controlled entities are committed to ensuring a fit-for-purpose risk management framework is defined, implemented, resourced, monitored and continually improved to enhance and protect shareholder value.

Further detail on the elements that comprise the Framework can be found in the Joyce Corporate Governance Statement.

3. Principles of Risk Management

The Joyce approach to risk management is aligned with our core values of Family, Teamwork and Passion. Our values underpin the risk management principles upon which our Framework is based, and which are fundamental to creating and protecting value in order to deliver a satisfactory return to shareholders.

At its core, the process of risk management is about defining future uncertainties, which usually involves subjective processes, assessments and decisions. To ensure these subjective processes, assessments and decisions align to both the organisation's core values and good risk practices, the Board have identified the following risk principles for the Group:

- (a) Integrated – risk is inherent in all components of Joyce operations and risk management is an integral part of all strategic and operational activities and decisions. Risk appetite is aligned to our core values and strategic objectives and is operationalised to guide professional judgement and facilitate effective decision-making.

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- (b) Structured and comprehensive – Joyce’s approach to risk identification and assessment is structured to reflect the risk appetite set by the Board, enabling consistent and comparable analysis across differing businesses and risk factors. The Framework is designed to promote accountability and to support and empower appropriate behaviours around risk taking to support the achievement of Joyce’s strategic objectives.
- (c) Customised – the Framework has been designed with specific consideration given to Joyce’s core values, strategic objectives, the internal and external operating environment and stakeholder expectations. The Framework reflects Joyce’s size and complexity and is reviewed regularly to ensure it remains appropriate.
- (d) Inclusive – the Framework is built on extensive collaboration and draws on expansive subject matter expertise. The risk management process promotes inclusivity via appropriate and timely involvement of all relevant stakeholders, drawing from various knowledge sets and enabling a broad range of views and perceptions to be considered.
- (e) Dynamic and responsive – risk management is iterative. Risk profiles are reviewed and adjusted as internal and external conditions change and as new information emerges. External factors and future horizons are scanned on a regular basis to identify and monitor emerging risks.
- (f) Current – risk identification, assessment and focus areas for mitigation consider current and historical information and draw from internal and external sources to ensure that analysis and decisions are based on best available information. Risk and risk management is inherently driven by uncertainty and uncertainty management, limitations regarding information availability and quality are built into the risk assessment process.
- (g) Human and cultural factors – these factors underpin the effectiveness of the Framework and its integration into Group activities and decision making. Human and cultural factors are primary influencing elements in how well risk management principles are adopted and operationalised. Joyce promotes a culture of honesty, transparency, integrity, fairness, constructive challenge and accountability – as reflected in the Ethics and Code of Conduct which supports the intention and operation of the Framework.
- (h) Continual improvement – Joyce recognises that the approach to risk and risk management is ever evolving and maturing in order to continually support business drivers and outcomes. As such, the Framework is subject to continual review and will mature, evolve and adapt in order to remain an effective, integrated component of the way the Group and its businesses operate.

4. Leadership and Commitment

Joyce is committed to the identification, monitoring and management of material financial and non-financial risks associated with its business activities across the Group.

Robust, integrated and effective risk management is central to Joyce’s broader governance framework and is fully supported by the Board and Executive. The Board and Executive are committed to:

- (a) Leading the integration of risk management into core business activities, decision-making and reporting requirements;
- (b) Making appropriate and adequate resources available to support and drive risk management activities;
- (c) Integrating decision-making in relation to risk into delegated authorities, responsibilities and accountabilities;
- (d) Supporting open and transparent communication by the risk and assurance functions via direct reporting channels where applicable; and
- (e) Ongoing review and improvement of the risk function and Framework.



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5. Roles and Responsibilities

Joyce has adopted an approach to risk management which promotes accountable decision-making and reinforces corporate and divisional management's responsibility for identifying, understanding and managing the risks within their respective realms of responsibility within the appetite set by the Board.

Specific roles and responsibilities include:

- (a) Board – The Board is ultimately responsible for the oversight and outcomes of a risk management and internal control framework for the Group. This includes the review and approval of relevant policies, risk reporting and the supervision of risk and compliance obligations.
- (b) Joyce Audit and Risk Committee (**Joyce ARC**) – The Joyce ARC assists the Board in fulfilling its responsibilities by assessing the risk information, systems and obligations in more detail to provide the Board with an informed opinion as to the effectiveness and appropriateness of the risk management structures and controls in place.
- (c) Executive – The Executive team are responsible for the implementation, ongoing use of, and continual improvement of a fit-for-purpose risk management and internal control framework for the Group.
- (d) Management – Line Management are responsible for identifying and assessing risks within the defined risk appetite, implementing appropriate controls to ensure the risk profile of the organisation fits with the Board's defined risk appetite.
- (e) Employees – It is the responsibility of all employees to identify, manage and communicate risks associated with their workplace activities.
- (f) Company Secretary – The Company Secretary is responsible for reporting against the organisation's compliance obligations in terms of the risk framework's appropriateness, key risks and material risk events that may require disclosure.

6. Minimum Risk Management Requirements

Joyce's ongoing commitment to risk management practices is reflected in the following minimum requirements:

- (a) Retention of the Joyce ARC that oversees the performance of the Framework. The Joyce ARC is attended by non-executive directors of sufficient technical knowledge and skill (the majority of whom are independent) and is chaired by an independent director.
- (b) The Framework is reviewed at least annually for ongoing effectiveness and improvement opportunities.
- (c) The risk appetite, set by the Board, is reviewed at least annually.
- (d) Risk is identified and assessed in accordance with the requirements and guidance provided within the Framework. Decision-making and reporting are materiality based and occur in accordance with the guidance provided by the Framework.
- (e) Where it is identified that the business is operating outside the stated risk appetite, the matter is brought to the attention of the CFO, CEO and Joyce ARC for discussion in accordance with the guidance provided by the Framework.
- (f) Group and divisional risk profiling occurs on at least an annual basis. Ongoing monitoring and review occur regularly to ensure resources and attention are focused in areas needed and that material risks receive an appropriate level of oversight.



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7. Review

This policy cannot be amended without approval of the Joyce ARC. It will be reviewed from time to time to ensure that it remains effective and meets best practice standards and the requirements of the Group.

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Authorised By	CEO	Dan Madden 3A74B286F3BE44F...	June 2023
	Chair of ARC	Travis McKenzie 38D29B554C2D437...	June 2023

Date for next review of this policy – May/June 2024

