

Diverger Limited (formerly known as Easton Investments Limited) (the **Company**) is committed to managing risk to protect its staff, the environment, Company assets and its reputation as well as to realise opportunities.

The Company's policy is to consider the balance of risk and reward, as far as practicable, in order to optimise the returns gained from its business activities and to meet the expectations of its stakeholders.

The Company has adopted a Risk Management Framework to ensure that there is a systematic process to identify, analyse, assess, manage and monitor risk.

Responsibilities

1. Board

The Board implements this policy by ensuring that adequate procedures are in place to identify the principal risks of the Company's business, including emerging risks, and ensuring the implementation of appropriate systems to manage these risks. The Board also has the responsibility to satisfy itself that the entity is operating with due regard to the risk appetite set by the Board.

The Board is responsible for approving and reviewing on an annual basis, the overall risk management strategy.

2. Audit & Risk Committee

The Board has delegated to the Audit & Risk Committee responsibility for:

- advising the Board on the matter of internal control including financial statements, due diligence, financial systems integrity and risk management;
- confirming that processes are established and maintained to ensure that there is:
 - compliance with all applicable laws, regulations and Company policies; and
 - an adequate system of internal control, risk management and safeguard of assets.
- overseeing the relationship, appointment and work of the external and (if relevant) the internal auditors;
- recommending to the Board and shareholders the termination of the external auditor's appointment where appropriate;
- monitoring management's performance against the entity's risk management framework, including whether it is operating within the risk appetite set by the Board;
- reviewing any material incident involving fraud or a breakdown of the entity's risk controls and the "lessons learned";
- receiving reports from internal audit (if relevant) on its reviews of the adequacy of the entity's processes for managing risk;

- receiving reports from management on new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to deal with those risks;
- making recommendations to the Board in relation to changes that should be made to the entity's risk management framework or to the risk appetite set by the Board;
- overseeing the entity's insurance program, having regard to the entity's business and the insurable risks associated with its business; and
- taking appropriate action to redress and escalate matters where the Company's risk appetite has been exceeded or where the Audit & Risk Committee becomes aware of other breaches of the risk management framework.

3. Management

Management implements this policy by establishing and implementing a system for identifying, assessing, monitoring and managing material risks throughout the Company. Management is expected to:

- provide a system of ongoing risk review that is capable of responding promptly to new and evolving risks;
- monitor the effectiveness of the system of risk and internal control management; and
- report routinely to the Board via the Audit & Risk Committee as to the effectiveness of the Company's system of risk and internal control management.

All managers will be responsible for managing risk within their span of control and will be provided with training and support to do this as part of their business planning processes.

4. Scope

This policy affects all key stakeholders including Board, employees, contractors and clients.

5. Internal Audit Function

The Audit & Risk Committee having due regard for the current size and complexity of the Company does not believe an internal auditor is warranted at this point in the Company's development.

Approved by the Board on 25 May 2022

Document Control

Document Control No.	Document Date	Review / Amended	Board Approval Date	Responsible Person
EAS 4. Risk Oversight and Management Policy		Reviewed	June 2012	Geoff Robinson
EAS 4. Risk Oversight and Management Policy		Amended	May 2018	Mertons
EAS 4. Risk Oversight and Management Policy		Amended	May 2019	Mertons
EAS 4. Risk Oversight and Management Policy		Suggested changes	May 2020	Mertons
EAS 4. Risk Oversight and Management Policy		Amended	June 2020	Mertons
EAS 4. Risk Oversight and Management Policy		Reviewed	June 2021	Mertons
DVR 4. Risk Oversight and Management Policy		Reviewed	May 2022	Mertons