



## **RISK MANAGEMENT**

Premium Investors Limited (Premium) has established and documented an enterprise risk management program for the oversight and management of Premium's material business risks.

This enterprise risk management program is based on the International Risk Standard AS/NZS ISO 31000:2009 and is complemented by an internal control program based upon the principles set out in the Australian Compliance Standard AS 3806:2006.

Premium has also established a Complaints Handling Program, based upon the international standard (AS ISO 10002-2006). This program is designed to better enable Premium to manage its risk on an enterprise basis.

Premium has fully documented a common risk language through which it considers internal and external risks.

Internal risks include (but are not limited to):

- Corporate Governance Risk
- Human Resources Risk
- Operational Risk
- Finance
- Legal Risk
- Investment Risk

External risks include:

- Key commercial relationships
- Political Events

In assessing our material business risks, each identified risk is individually assessed in terms of the likelihood of the risk event occurring and the potential consequences in the event that the risk event was to occur.

Premium has an on-line governance, risk and compliance software system which allows material business risks to be linked to mitigating controls so that the performance of Premium's enterprise risk and compliance programs can be monitored continuously.