

# Risk Management Policy

## 1. Commitment to Risk Management

Regeneus Limited (**Company**) is committed to ensuring that all staff, particularly those with management responsibilities, have a sound understanding of the principles of risk management. The Company recognises that risks are inherent in any business activity, that there is a place for responsible risk taking, and that its risk management framework needs to support the Company in managing risks appropriately given the nature of its business.

## 2. Responsibilities

The Board is responsible for overseeing the establishment and implementation of the Company's risk management system and to assess for itself, at least annually, that the system is operating effectively.

The Audit and Risk Committee of the Board has specific responsibility in the area of risk management. It advises the Board on the appropriateness of the Company's risk management policy and oversight structure and reports on matters of concern communicated to the Committee by management and internal and external auditors.

Senior Management is responsible for implementing the risk management policy, reviewing and assessing its effectiveness on a regular basis and reporting to the Audit and Risk Committee and the Board on major risks and action plans.

All staff have a responsibility to identify, assess, manage and report risks to management within their areas of operation.

## 3. Risk identification

### 3.1 Risks

The Company will identify and monitor areas of risk on an ongoing basis. These may be risks specific to particular products or projects, including:

- The safety and efficacy of particular products;
- Ethical issues in clinical trial;
- Changes in competitors' products and research and development programs;
- Changes in market demand and market prices for comparable products; and
- Changes in legislation and policy affecting approval for new products and reimbursement.

Some risks may arise that transcend particular products or projects. These risks include:

- Changes in economic outlook and sentiment, share market activity;
- Changing government policies in the jurisdictions in which the Company operates;
- Legal proceedings commenced against the Company (if any);
- Changes in government regulation and policy including in the registration of therapeutic products and reimbursement for services; and
- Changes in workplace health and safety laws.

### **3.2 Reporting to Committee and Board**

Senior Management will continue to review and report to the Audit and Risk Committee and the Board on a regular basis:

- The major risks relevant to the Company's business;
- The degree of risk involved – what are the probabilities that the risk will materialise? If it does, what is the significance of the potential impact?
- Current approach to managing the risk; and
- If appropriate, any inadequacies in the current approach and possible improvements to more effectively address the risk.