



MedAdvisor Limited

ACN 145 327 617
and its subsidiaries

POL CORP

Risk Management

1 Identification of risk

The Board is responsible for the oversight of the risk management and control framework of MedAdvisor Limited (the **Company**). Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Managing Director and General Counsel / Company Secretary having ultimate responsibility to the Board for the risk management and control framework.

The primary objectives of the risk management system of the Company are to ensure:

- all major sources of potential opportunity for and harm to the Company (both existing and potential) are identified, analysed and treated appropriately;
- controls are designed and implemented to provide reasonable assurance that the organisational objectives will be achieved;
- business decisions throughout the Company appropriately balance the risk and reward trade off; and
- senior management, the Board and investors understand the risk profile of the Company.

In line with these objectives the risk management system covers:

- operations risk;
- financial reporting;
- compliance / regulations; and
- system/IT process risk.

Arrangements put in place by the Board to monitor risk management include:

- the establishment of formal Information Security Management System (ISMS) overseen by the Risk and Compliance Committee, including members of senior management and dedicated Compliance staff;
- monthly reporting to the Board in respect of operations and the financial position of the Company;
- quarterly rolling financial forecasts prepared;
- quarterly ISMS Review Meetings;
- annual risk assessments; and
- promulgation of key metrics to the Board and the Chairman of each respective committee.

2 Integrity of Financial Reporting

The Company's Managing Director and Chief Financial Officer report, in accordance with section 295A of the Corporations Act, in writing to the Board that:

- the financial statements of the Company and its controlled entities (where appropriate) for each half and full year present a true and fair view, in all material aspects, of the Company's financial condition and operational results and are in accordance with accounting standards;

- the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.

3 Review of Risk Management Policy

The Company's business risk management process provides a comprehensive and integrated approach for carrying out risk management activities. As further described in SOP ISMS Risk Management Framework, the risk assessment methodology meets the following criteria:

- the Company has identified a suitable, systematic approach and framework for risk assessment that produces comparable and reproducible results that are appropriate for business, legal, regulatory and contractual requirements;
- the Company has developed criteria for accepting risks and identifying acceptable levels of risk as set out in this Policy and POL ISMS Information Security Governance Manual;
- the Company has established a method for identifying risk;
- the Company performs an assessment (the analysis and evaluation) of risks identified; and
- the Company identifies and evaluates options for risk treatment and approves the proposed residual risks.

The analysis and evaluation criteria formally documented in the Company's Risk Register are used to continually assess the impact of risks upon the Company's business objectives. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. The annual business planning process includes careful consideration of internal and external risk profile of the company. The Managing Director and Chief Financial Officer report monthly to the Board. This process will allow management to minimise the potential impact of business risks in achieving objectives to create and protect shareholder value.

4 Responsibilities

Managing Director

The Managing Director is the ISMS Owner, and is accountable to the Board, for ensuring that the risk management system is implemented and maintained in accord with the Risk Management Policy. Assignment of responsibilities in relation to risk management is the prerogative of the Managing Director.

Senior Executives

Senior Executives are members of the Risk and Compliance Committee and as such are accountable for strategic risk management within areas under their control including the dissemination of the risk management process to operational managers. Collectively the Senior Executive is responsible for:

- the formal identification of strategic risks that impact upon the Company's business;
- allocation of priorities;
- the development of strategic risk management plans; and
- the Senior Executive review progress against agreed risk management plans.

General Counsel / Company Secretary

In conjunction with the Managing Director, the General Counsel / Company Secretary is accountable for the implementation of the Risk Management Policy and for maintaining a program of risk reassessment. The General Counsel / Company Secretary also provides advice to the relevant Senior Executives on risk management matters relevant to their responsibilities. The General Counsel / Company Secretary is to assist senior management and the Board in the effective discharge of their responsibilities with regard to the Company internal control environment by ensuring the efficiency and effectiveness of Company processes and identifying opportunities to improve operating performances. At appropriate intervals, the General Counsel / Company Secretary shall determine the adequacy and effectiveness of the Company's system of internal accounting and operating controls and determine if the business unit/function are managing risks, in accordance with management instruction, policies and procedures, in a manner consistent with Company objectives.

5 Review

This policy will be formally reviewed by the Board no less than every 3 years.