

ImperialTM
beyond possibility

RISK MANAGEMENT POLICY



1 PURPOSE

This document specifies the risk management policy of the Imperial Logistics Group (Imperial).

2 COMMITMENT

Imperial acknowledges the importance of risk management and corporate governance principles. Risk is an intrinsic part of all activities undertaken by Imperial. The organisation is committed to implementing integrated risk management processes throughout Imperial. The organisation is exposed to certain peculiar risks, which are influenced by its specific choices and actions. Controlling these risks through a formal program is necessary for the well-being of the organisation and everyone in it. The jobs and services that the organisation provides, the safety of the workplace and other benefits all depend to an extent on our ability to control risks. It is the responsibility of every person within Imperial to monitor the risks within their sphere of the organisation.

Our risk culture

- The board is responsible for the governance of risk within Imperial and is fully committed to ensuring that risk management formal processes are implemented to ensure that risks faced are managed effectively.
- The Board of Imperial, along with its executive and management, recognises that risk management is a critical management tool for ensuring that Imperial achieves its objectives.
- The board hereby appoints a risk committee to review the risk management progress and maturity of the group, the effectiveness of risk management activities, the key risks facing the group and the responses to address these key risks.
- Imperial commits itself to establishing, implementing and maintaining a systematic, comprehensive and robust system of risk management. Such commitment is motivated not only by the need to comply with the relevant legislative prescripts and recommended guidance but also by the desire to optimise the benefits of risk management for improved group performance, effective and efficient service delivery.

3 RISK MANAGEMENT OBJECTIVES

To provide a pragmatic structure within which management has been delegated the responsibility of risk governance in a way that supports Imperial in setting and achieving its strategic objectives.

The group's strategic thrusts

- Review and rebalance the group portfolio through focused merger and acquisition activity.
- Drive focused organic and acquisitive growth in our South African business.
- Drive focused international expansion through organic growth and accretive acquisitions.
- Implement transformational talent management structures and practices.
- Drive technological advantages.
- Simplify group structure and processes.
- Ensure superior governance and transparency and improve corporate reputation.
- Closely monitor potential disruptors in our industries.

4 SCOPE AND IMPLEMENTATION

The risk management policy will be rolled out across the Imperial Group. It needs to be embraced by Imperial and its related risk processes filtered into the daily operations and the way we do business. In order for risk management to be effective throughout the organisation, each roleplayer is required to fulfil specific responsibilities all aimed at embedding risk management practices into everyday business.