



RISK MANAGEMENT POLICY

Purpose

The board of Jumbo Interactive Limited ('Jumbo') recognises the critical role of risk management in achieving our strategic and business objectives and in providing assurance to our shareholders that risks are being effectively managed.

Jumbo has established a system of risk oversight and management and internal controls. The purpose of the system is to:

- Identify, assess, monitor and manage risk;
- Inform investors of material changes to the Jumbo's risk profile; and
- Enhance the environment for capitalising on value creation opportunities.

Scope

This policy applies to all employees and contractors of Jumbo and its subsidiaries and in every area of the business.

The risk management program extends to all aspects of the business, including financial, regulatory, operational, reputation, people (clients and staff), environmental, social, and governance. Tax risk is excluded and considered under the Tax Risk Management Policy.

Principles

Jumbo is committed to achieving best practice in risk management approach and will apply this principle throughout its operations and activities. This includes:

- Fostering a culture where risk awareness is embedded in decision-making;
- Providing adequate resourcing to the management of risk
- Ensuring the Risk Management Framework is appropriately managing risk and providing guidelines for the business to operate within the accepted risk appetite and is reviewed on an ongoing basis
- Identification, reporting and monitoring of risks by the Key Management Personnel
- Setting an acceptable risk appetite and oversight of risks
- Contribution to the risk management process by each individual as appropriate to their position.

Duties

Jumbo's risk management framework incorporates the three lines model. Duties in relation to risk management include but are not limited to:

- Initiate action to prevent or reduce the adverse effects of risk;
- Control further treatment of risks until the level of risk becomes acceptable;
- Identify and record any problems relating to the management of risk;

- Initiate, recommend or provide solutions through designated channels;
- Verify the implementation of solutions;
- Communicate and consult internally and externally as appropriate; and

External parties perform independent reviews on our risk management program where appropriate (for example external auditors).

Operational Context

Business Objectives

Within the context of the Board's plans and policies, the principal activities of Jumbo can be summarised as follows:

- the identification, evaluation and possible execution of investment opportunities thought to be worthwhile for any short, medium or long term purpose, to whatever degree or magnitude deemed appropriate whether or not such opportunities relate to securities listed on a securities exchange or directly owned assets of any type; and/or
 - the review of existing assets/investments for determination of the preferred strategy in relation to each asset/investment; and/or
 - consideration of the financing alternatives for the matters set out in (i) or (ii) above and the implications thereof; and/or iv.
- the provision of financial and management services.

Size of Business

The business of Jumbo is conducted all over Australia, the South Pacific Islands, the UK, and Canada, controlled from Brisbane head office, and overseen by the Board.

Environmental/Regulatory Context

Jumbo's risk management program extends to all aspects of the business, including financial, regulatory, operational, reputation, people, (clients and staff) environmental, social and governance risks.

Identification, Analysis & Treatment of Risks

Risks to the business will be considered in relation to the following categories:

Risk	Likelihood	Potential impact	Treatment
Commercial and legal relationships	Medium	High	Formal communication approach, written engagements to ensure compliance and eliminate potential disputes.
Financial	High	High	Adoption of formal authority limits. Monthly management accounts prepared; half yearly and full year external audit and review.

Economic circumstances	Medium	Medium	Management collect data and frequently monitor the environment within the context of Jumbo's activities. Report to the Board any material changes recommended.
People	Medium	Medium	Reward and encourage key staff to ensure job satisfaction and high morale.
Pandemic	Low	Medium	Work from home arrangements
Natural events	Low	Low	Maintain and monitor disaster recovery and contingency plans.
Political circumstances	Low	Low	Management to collect data and monitor the environment within the context of Jumbo's activities frequently. Report to the Board any material changes recommended.
Technology =	Low	High	Covered by separate IT Plano to minimise risks.
Management activities and controls	Med	High	Adoption of formal authority limits.
Individual activities	Low	Low	Act within the mandate of Jumbo and the authority limits.
Sustainability	Med	Med	Undertake materiality assessment to determine and address material ESG topics.

Review Frequency

Generally every year unless required more frequently.

This Policy was approved by the Board on 24 August 2022