



# Corporate Governance Policy

4 November 2021

## Executive summary

*This document presents the guiding principles behind the management of The KPO GROUP Group Ltd. The prescriptions provided herein represent the final interpretation of the practices and policies developed and enforced by the Company over all aspects of its operations and business pursuits anywhere in the world. The document is divided into four parts: anchor principles, business ethics, sustainability, quality, transgression reporting, risk management, and Board of Directors conduct. This document is issued under the authority of Steven J Keays, Chairman of the Board and Chief Executive Officer.*



Steven J. Keays, M.A.Sc., P.Eng.  
Chairman of the Board

<b>Table of contents</b>		<b>Page</b>
<b>Section 1</b>	<b>Business conduct</b>	<b>5</b>
1.1	<b>Anchor principles</b>	<b>5</b>
1.1.1	Objective	5
1.1.2	Obligation	5
1.1.3	General Duties	5
1.2	<b>Business ethics</b>	<b>6</b>
1.2.1	Applicability	6
1.2.2	Commitment	6
1.2.3	Prohibitions	6
1.2.4	Political participation	7
1.2.5	Non-compliance reporting	7
1.3	<b>Transgression reporting</b>	<b>7</b>
1.3.1	Introduction	7
1.3.2	Purpose	7
1.3.3	Applicability	7
1.3.4	Reportable events	8
1.3.5	Reporting procedure	8
1.3.6	Post-reporting actions	8
1.3.7	Protection of the person reporting the transgression	8
1.4	<b>Sustainability</b>	<b>9</b>
1.4.1	Policy	9
1.4.2	Framework	9
1.4.3	Prohibition against specious causes	10
1.4.4	Accountability	10
1.5	<b>Quality policy</b>	<b>10</b>
1.5.1	Purpose	10
1.5.2	Prime directive	11
1.5.3	Commitment	11
1.5.4	Key elements	11
1.6	<b>Investment-Centric Management</b>	<b>11</b>
1.6.1	Prime directives	12
<b>Section 2</b>	<b>Conduct of Board Directors</b>	<b>13</b>
2.1	<b>Code of ethics</b>	<b>13</b>
2.1.1	Objective	13
2.1.2	Obligations	13
2.1.3	General Duties	13
2.1.4	Business Judgment Rule	14
2.1.5	Decision-Making	15
2.1.6	Confidentiality	15
2.1.7	Improper Use of Information	16
2.1.8	Co-operation	16
2.1.9	Personal Interests and Conflicts	16
2.1.10	Conduct	17
2.1.11	Performance	17
2.1.12	Complaints	18

<b>2.2 Risk management</b>	<b>18</b>
2.2.1 Purpose	18
2.2.2 Objectives	18
2.2.3 Accountability	19

# Section 1 Business conduct

## 1.1 Anchor principles

### 1.1.1 Objective

The objective of these principles is to establish the standards of ethical behaviour and fairness expected of our people. They are in line with one of our core values – The KPO GROUP is open, honest and collaborative.

### 1.1.2 Obligation

The KPO GROUP is committed to operating to the highest standards of ethical behaviour, honesty and fairness in all relationships with our stakeholders.

As representatives of the Company, all personnel of The KPO GROUP are expected to work in accordance with these principles, as a minimum, at all times. It is the responsibility of our leaders to set a personal example and to ensure that the work environment and management practices support these principles.

### 1.1.3 General Duties

1. Comply with all applicable laws, regulations and statutory obligations in the countries in which we operate.
2. Apply work decisions are applied equally and fairly. The KPO GROUP has a firm commitment to fair treatment principles and will ensure that no discriminatory policies or practices exist in any aspect of employment, or when providing goods and services to our clients.
3. Act in accordance with The KPO GROUP's values, which include respect, openness, honesty, and safety in all we do.
4. Respect difference and consider diversity a strength. Diversity extends to culture, gender, beliefs, experiences and opinions.
5. Nurture a work environment that allows all personnel to work to their full potential, free of all forms of harassment, discrimination and bullying.
6. Accept responsibility and are accountable for our actions. Bad news is shared early, so we can act on and learn from our mistakes. We do not hide bad news.
7. Avoid situations which involve or may involve a conflict between personal interests and the interests of The KPO GROUP.
8. Personnel shall not seek, offer or accept any payments, gifts, entertainment or other inducements beyond that which is considered as normal and legitimate business practice.
9. The KPO GROUP resources, including information systems, shall be used in an appropriate and responsible way.
10. Ensure that expectations in relation to personnel conduct are clearly communicated.

## 1.2 Business ethics

### 1.2.1 Applicability

This Policy applies to, and governs the conduct of, all employees, officers and directors of The KPO GROUP, as well as all agents of The KPO GROUP, joint-venture partners and any third parties doing business in The KPO GROUP's name (collectively known as 'Personnel').

### 1.2.2 Commitment

The KPO GROUP is committed to operating to the highest standards of ethical behaviour, honesty, and fairness in all relationships with our stakeholders. We hold that good corporate governance practices are about conducting business in a transparent and ethical manner. In performing duties for, or on The KPO GROUP's behalf, Personnel shall communicate and deal with others with honesty, integrity, and professional courtesy. We respect difference and consider diversity a strength. Our work environment allows all personnel to work to their full potential, free of all forms of harassment, discrimination and bullying. The KPO GROUP is committed to abide by all laws applicable to the jurisdictions in which it operates, and we expect anyone doing business on our behalf to also comply with those laws. In all locations, Personnel are expected to maintain a level of professional conduct and business ethics no less stringent that would be acceptable in highly developed countries, even though an 'understanding' of local law or custom may seem to permit standards that are less exacting.

### 1.2.3 Prohibitions

No Personnel shall follow a duty or interest of a private nature that may conflict, directly or indirectly, with their duties to The KPO GROUP. All data, business information, ideas, concepts, drawings, and other information, in any recorded form or media, made known or available to any Personnel through or by reason of their employment or engagement with The KPO GROUP, is to be kept strictly confidential and not used, disclosed or copied except as required in the course of their duties to the Company.

No Personnel shall participate in any form of fraudulent activity or event, including deliberate falsification of Company records or business documents, or participating in anti-competitive or monopolistic business practices. Generally, this includes price fixing or any arrangements which deny or restrict services or product to a market or potential customers. Compliance with The KPO GROUP's accounting and internal controls procedures is mandatory. All accounting records, expenditures, expense reports, invoices, vouchers, gifts, business entertainment and any other business records must be accurately and reliably reported and recorded in the Company's financial records.

No Personnel shall offer, make or promise to make, directly or indirectly, any payment of money or provide anything of value which is for the purpose of inducing or influencing a person to act in any way to assist The KPO GROUP in obtaining, facilitating or retaining business, or securing any improper business advantage for The KPO GROUP. This restriction applies to payments to private individuals as well as public officials. No

Personnel shall accept, directly or indirectly, any payment of money or anything of value which is for the purpose of inducing or influencing such Personnel to act in any way to assist the offerer, directly or indirectly, in obtaining, facilitating or retaining business with The KPO GROUP or of securing any improper business advantage for the offerer. No Personnel shall utilise The KPO GROUP funds or assets to support a political party, committee or candidate for political office. A contribution to commonly recognised Industry Trade Associations that may perform political lobbying is generally acceptable.

#### **1.2.4 Political participation**

The KPO GROUP does not reimburse directors, officers or employees for political contributions and does not make political contributions. If an The KPO GROUP employee wishes to participate in political activities, this should be done during non-working hours, away from and without use of The KPO GROUP property, and in such a manner that The KPO GROUP would not be perceived to be associated with or endorsing such political activities.

#### **1.2.5 Non-compliance reporting**

Employees who become aware of a possible compliance violation are required to make a compliance violation report as soon as possible either through their supervisor, the Chief Operating Officer, or the Chief Executive Officer. Under no circumstances will a possible compliance violation report, which is made in good faith and which the employee reasonably believes, be the basis for disciplinary action against the employee making the report. Refer to Article 1.3 for additional information on reporting non-compliance events.

### **1.3 Transgression reporting**

#### **1.3.1 Introduction**

The KPO GROUP's policy, principles and values have been developed to ensure high standards of conduct and ethical behavior in all our business activities globally. This policy guarantees that our employees, agents, vendors, contractors and customers can raise concerns regarding actual or suspected contravention of our ethical and legal standards without fear of reprisal.

#### **1.3.2 Purpose**

1. Encourage people to report an issue if they genuinely believe that someone has contravened our policies, principals, values, standards, or the law.
2. Outline how The KPO GROUP will deal with all reported misconduct or unethical behaviour.
3. Assist in ensuring that serious misconduct or unethical behavior is identified, investigated (if necessary) and dealt with appropriately.

#### **1.3.3 Applicability**

This policy applies to all people and representatives of The KPO GROUPs, including directors, officers, employees, contractors, and agents, whether full-time, part-time, or casual at any level of seniority wherever employed or engaged.

### 1.3.4 Reportable events

All personnel are encouraged to report any genuine matters or behavior that they honestly believe contravenes The KPO GROUP policies, principles, values, standards, or the law. For the purposes of making a report under this policy, matters may include any actual or suspected:

1. Corrupt activities, such as offering or accepting bribes, kick-backs or inducements
2. theft, fraud or misappropriation
3. significant mismanagement or waste of funds or resources
4. serious harm to employees, public health, safety or the environment
5. conduct or practices which are illegal or breach any law
6. irregular accounting practices
7. workplace harassment, violence, and inappropriate behavior
8. quality concerns.

The matter must be serious enough that it would, if proven, constitute:

1. a criminal offence
2. reasonable grounds for dismissing, or otherwise terminating the services of any employee, contractor representative or agent
3. reasonable grounds for significant disciplinary action.

### 1.3.5 Reporting procedure

Any person pursuant to Article 1.3.3 who becomes aware of any matter or behavior that appears to contravene The KPO GROUP's Principles of Ethics and Fairness, other policies or the law, should contact either the Chief Operating Officer or the Chief Executive Officer directly. The person's identity, the act of reporting, and the nature of the report shall remain anonymous and confidential. Unless the person chooses to have his/her identity known, it will not be possible for anyone within The KPO GROUP to obtain that information.

### 1.3.6 Post-reporting actions

The Chief Operating Officer, or the Chief Executive Officer, or both will conduct a confidential audit of the situation. All reported concerned will be investigated and will, where applicable, be actioned by the Chief Executive Officer without undue delay.

### 1.3.7 Protection of the person reporting the transgression

All individuals who report a transgression under the reasonable belief that it, and is made in good faith, shall be unconditionally protected from any and all retaliatory action.

*Any person found to have disclosed the identity of individuals who reported a transgression shall be subject to immediate dismissal with cause.*



This protection is not, however, an amnesty provision. If an individual who files a report is later discovered to have actively participated in activities that violate this program and / or the The KPO GROUP Code of Conduct, or to have filed a false report, will be subject to appropriate disciplinary action, including immediate dismissal with cause.

Transgression reporting is not about airing grievances. It is about reporting breaches of The KPO GROUP's corporate governance policy, or the law. A false or inaccurate report can damage the career prospects and reputation of people who are the subject of unfounded allegations. If a report is not made in good faith or is found to be malicious, deliberately misleading or frivolous, the individual who filed the report may be subject to disciplinary action, up to and including immediate dismissal with cause.

## **1.4 Sustainability**

### **1.4.1 Policy**

At The KPO GROUP, we respect and appreciate our people and clients, the communities in which we work, and the natural environment. We actively seek to make a positive contribution to the world around us by focusing on the way we work and live.

Our values are core to the way we operate and we bring these to life, every day.

### **1.4.2 Framework**

The The KPO GROUP Sustainability framework summarises our key focus areas and highlights some of the ways we'll measure our efforts. Key elements of the framework include:

1. Design & Delivery – We work closely with our clients to deliver value-adding solutions and manage risk for the projects and programs across the complete project lifecycle. We assess sustainability performance and identify opportunities for continual improvement. Never settling for the status quo, we seek to provide solutions that increase the economic, social and environmental outcomes for our clients and the communities in which they operate.
2. People – We celebrate diversity. Our People Practices outline how all our people should be treated as individuals; with respect and dignity. Our formal and informal feedback and performance and development programs provide opportunities for all our people to achieve their personal and professional goals.
3. Health, Safety & Wellbeing – Through our HSE strategy we manage our principal risks and hazards beyond compliance to create a zero harm culture for our people, clients, contractors, vendors, suppliers, other stakeholders and the communities in which we operate. By developing, implementing and continuously improving our world class systems we lead Health, Safety and Wellbeing through genuine Safety Citizenship.
4. Environment – We seek to act as conscientious stewards of the environments in which we work by implementing office and project-site

based actions to reduce their environmental impacts; measuring and reducing our own Carbon Footprint; and providing specialist services to help others do the same.

5. Governance & Assurance – As a listed company working across many jurisdictions, a focus on effective management and compliance is not only legally required, but essential to our efficient and effective operation. Our company-wide management and reporting systems and tools, personnel education programs, auditing and transparency ensure clear visibility and opportunities for action across all these areas.

### 1.4.3 Prohibition against specious causes

The commitment to diversity is rooted in the fundamental belief that all individuals are possessed of unique qualities and talents that can contribute positively to the success of The KPO GROUP. This commitment prohibits discrimination of individuals on the basis of race, religion, sex, or nationality, with the caveat that the contribution of any individual remains within the confines of The KPO GROUP's business activities.

Pursuant to Article 1.2.3, The KPO GROUP shall not be engaged in any political process nor societal debates that are outside of its commercial remit. Consequently, neither The KPO GROUP or its personnel shall become engaged in specious or transient societal movements that are in favour at any particular moment.

### 1.4.4 Accountability

The Chief Executive Officer is accountable to the Board of Directors for the implementation of The KPO GROUP's Sustainability Policy.

Through programs and activities overseen by the Chief People & Sustainability Officer and other members of the \ KPO GROUP Leadership Team, The KPO GROUP personnel and contractors are responsible for the application of the Policy.

Key measures and outcomes will be reviewed for each of the framework's areas, which will be updated periodically as required.

## 1.5 Quality policy

### 1.5.1 Purpose

The KPO GROUP delivers high quality consulting, engineering, project delivery, operations and asset management solutions for our global clients. Our solutions span all phases of project definition, development, operations and optimisation of our clients' assets. We regard quality as an integral and essential component of every aspect of our business. We define quality pursuant to the Edward J. Deming approach to quality management and control.

### **1.5.2 Prime directive**

The KPO GROUP is client focused. With our global talent, technical know-how and quality systems, we build inspiring relationships with our clients to deliver practical, solutions and breakthrough, optimised results.

### **1.5.3 Commitment**

The KPO GROUP is committed to quality management. We continually improve our quality management systems, which are compliant with the requirements of the internationally recognised ISO 9001 standard. We audit the business processes that comprise our quality management systems to proactively identify opportunities for performance improvement and optimization.

### **1.5.4 Key elements**

Quality assurance ensures reliability. We value our strong reputation for delivering assignments and project outcomes that meet client expectations for quality, value for money and timely delivery. We verify that our work always meets these objectives to ensure the effectiveness and reliability of our service delivery.

Quality control is compulsory. We implement quality plans and controls and reviews to ensure that the KPO GROUP's products and services comply with the agreed specifications and appropriate laws and regulations and satisfy contractual and commercial conditions.

Our relationships are mutually beneficial. The KPO GROUP encourages our employees, contractors, suppliers and partners to identify and develop initiatives that improve the quality and value of our products and services and help improve the outcomes for our clients. We proactively seek and act upon client feedback.

Our people are our strength. We recognise that quality management and continual improvement can only be achieved when all our people are appropriately trained, empowered, trusted and committed to deliver services that meet our internal standards, and the standards expected by our clients. We provide a working environment that supports teamwork and encourages employee engagement in continual improvement.

We measure our performance. Each employee is responsible for the quality of their work. Each project team is collectively responsible for service quality and the quality of project deliverables. Each manager is responsible for ensuring that the required quality processes are implemented in a timely manner and that records are maintained. Each member of The KPO GROUP's Leadership Team leads by example and is responsible for communicating and implementing this policy within the organisation.

## **1.6 Investment-Centric Management**

### 1.6.1 Prime directives

The KPO GROUP's commitment to Clients' success, expressed in Articles 1.5.1 and 1.5.2 carries several service delivery priorities that govern how the KPO GROUP executes its mandates with Clients. These principles constitute the KPO GROUP's delivery prime directives, which form the cadre of governance over the behaviors, interactions, and motivations of the people involved in a Client's project, when such project is intended to develop a physical asset requiring significant capitalization:

1. Prime purpose: The project serves a singular purpose: to develop a profitably performing asset.
2. Prime directive: Do right by the project in all discussions, considerations, and decisions. Between egos and the project, the project must win. Execute against the constraint diamond.
3. Prime principle: Direct accountability, embodied in the directrix, governs the relationships between project participants.
4. Prime mindset: Manage by getting-to-no as the starting position, considering the budget as the investment vehicle to realize the asset. The budget is invested, not spent.
5. Prime execution: Advance Progress all work incrementally, taking care of completing each task fully before moving on to the next one.
6. Prime tool for planning: The Unit Transformation Process.
7. Prime control: Trust but check rather than ubiquitous review and approve, in accordance with the direct accountability maturity model. Generate execution performance data in real time, using the collection substrate and the performance assessment metrics to measure progress.

These concepts are developed further in the Guidance Document: *The KPO GROUP's Investment-Centric Project Management*.

## Section 2 Conduct of Board Directors

### 2.1 Code of ethics

#### 2.1.1 Objective

The objective of this code is to give the members of the Board of Directors (“Directors”) mandatory directions to be followed in performing their duties with a view to enabling them to achieve the highest possible standards in the discharge of their obligations and give them a clear understanding of best practice in corporate governance.

#### 2.1.2 Obligations

A Director has an obligation, at all times, to comply with the spirit and the principles of this code as well as the law. Taking a position on the Board involves taking on important legal and ethical responsibilities as well as making a commitment to uphold the values of good corporate citizenship in both individual conduct and corporate actions. These responsibilities, and this commitment, are regulated by this code for Directors who must regard themselves as bound by it accordingly.

The adherence by each Director to the requirements of this code is critical to the effective operation of the Board. No person should therefore accept a Board position if they have any doubt about their ability to comply with the requirements of this code.

#### 2.1.3 General Duties

Directors must:

1. act in good faith in the best interests of the Company and for a proper purpose
2. act in the interests of all shareholders and to avoid any potential conflict of interest
3. exercise a reasonable degree of care and diligence
4. not make improper use of information
5. not make improper use of their position.

Breaches of these duties at common law and under the Act may expose Directors to potential liability in damages, fines and disqualification.

A Director, in the exercise of his or her powers, and in the discharge of their duties, must exercise the degree of care and diligence that a reasonable person would exercise if they were a Director in the circumstance prevailing and occupied the office held by, and had the same responsibilities within the Company, as the Director.

A Director must, as a fiduciary, act with fidelity and trust in relation to the Company. The Board has been appointed to manage the affairs of the Company on behalf of the shareholders and is accountable not only to shareholders but to other third parties including creditors, regulators and the community.

Directors are required to act honestly and with a reasonable degree of care and diligence in the exercise of their powers and duties and the discharge of their duties.

To undertake the role of a Director without taking steps to acquire and maintain a reasonable level of competence is also likely to be considered negligent. All Board members are therefore required to attend at least one educational seminar a year to enable them to be kept fully informed of matters relevant to their position as a Director.

The Company maintains a directors' and officers' liability insurance. Directors should ensure that they are fully aware of the terms of this insurance so as to be able to qualify for protection under it.

#### 2.1.4 Business Judgment Rule

Each Director should be familiar with the business judgment rule set out in this section. A director's duty to act with care and diligence will be taken to be satisfied where the director:

1. Makes a judgment in good faith and for a proper purpose
  - a. This requires an honest exercise of powers in the best interests of the company on the basis of an objective view.
  - b. Decisions which would allow some directors or shareholders to gain an advantage over others may be indicative of those made for improper purposes – even where the decision does not result in damage to the company.
  - c. Has no material personal interest in the subject-matter of the judgment made
  - d. This requires the avoidance of any conflict of interest.
2. Is informed about the subject-matter of the judgment to the extent the director reasonably believes to be appropriate. This requirement is satisfied where the director has made a reasonable effort to be informed.
3. Rationally believes the judgment to be in the best interest of the Company. This requirement is presumed to be satisfied unless no reasonable person in the director's position would have made that judgment.

The business judgment rule:

1. relates only to decisions about the ordinary business operations of the Company
2. does not relieve a director from other fiduciary duties (over and above those owed as a director) such as to act in good faith, not to misuse the position of director, not to make improper use of confidential information, and to prevent insolvent trading.
3. A business judgment is any decision to take or not to take action in respect of a matter relevant to the business operations of the company; it does not apply to any failure to take a decision.

### 2.1.5 Decision-Making

A Director must be independent in judgement and actions and must take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board. In order to satisfy this requirement a Director must:

1. make a reasonable effort to become and remain familiar with the affairs of the Group.
2. attend all Board meetings and Board functions unless there are valid reasons for non-attendance.
3. commit the necessary time and energy to Board matters to ensure that they are contributing their best endeavours in the performance of their duties for the benefit of the Group without placing undue reliance on other Directors to fulfil those duties.

Directors should rely on advice relating to Company or the Group or their affairs only where that advice is given or prepared by:

1. an employee whom the Director believes on reasonable grounds to be reliable and competent in relation to the matters concerned or an employee whom the Director believes on reasonable grounds to be reliable and competent in relation to the matters concerned
2. a professional adviser or expert in relation to matters that the Director believes on reasonable grounds to be within the person's professional or expert competence
3. another Director or officer in relation to matters within that Director's or officer's authority
4. a Committee (on which the Director did not serve) in relation to matters within the Committee's authority.

Directors should only rely on such information or advice if:

1. the Director's reliance was made in good faith, and after making an independent assessment of the information and advice, having regard to the Director's knowledge of the Company and Group and the complexity of their structure and operations.
2. the reasonableness of the reliance arose in proceedings brought to determine whether the Director performed his or her duties under the Corporations Act 2001 or the common law.

### 2.1.6 Confidentiality

Directors must observe confidentiality regarding all Board matters and all confidential information received by a Director in the course of the exercise of their duties.

All information received by a Director in the course of fulfilling Board duties must be regarded as confidential and remains the property of the Company. Confidential information is not limited to information that may be regarded as Price-Sensitive and extends to (by way of example only) information that is not Price-Sensitive as such but might reasonably be considered of use or of interest to retail investors.

A Director may not disclose information, or allow it to be disclosed, to any other person unless that disclosure has been authorised by the Company or is required by law to be disclosed.

All discussions and resolutions of the Board must likewise be treated as confidential and not disclosed, or allowed to be disclosed, as regards either content or substance, to persons who are not Directors except in cases where disclosure:

1. has been authorised by the Company.
2. is required by law.

Authorisation by the Company will be presumed where and to the extent that Board or Committee minutes convey, either expressly or implicitly, that it is intended that disclosure should be made to third parties.

Any Director in any doubt as to their obligations of confidentiality or in relation to any matter of disclosure should consult with the Chairman prior to making any disclosure. A Director may also seek independent advice in accordance with section 9 of the Board Charter.

#### **2.1.7 Improper Use of Information**

A Director must not make improper use of information acquired as a Director.

Directors are also prohibited from making improper use of information acquired by virtue of their position as a Director so as to gain, directly or indirectly, any personal advantage or any advantage for any other person or that may cause detriment to the Company or the Group. A Director may also seek independent advice in accordance with section 9 of the Board Charter.

#### **2.1.8 Co-operation**

Directors must observe solidarity with the resolutions of the Board and co-operate in their implementation.

Board members are part of a team. As such they must work co-operatively with the Chairman and other Directors and with management. Directors must therefore observe solidarity regarding the resolutions of the Board or any Committee. Directors must not speak against a resolution of the Board or any Committee to any person other than fellow Directors. Directors must also support Board resolutions by providing assistance and co-operation in their implementation.

#### **2.1.9 Personal Interests and Conflicts**

A Director must not take improper advantage of their position as a Director.

No Director may allow any personal interest, or the interest of any associated person, to influence or prejudice their conduct or any Board or Committee decision.



A Director has a duty to avoid any conflict between the best interests of the Company and the Group and their own personal interests or those of any third party. Every Director must be aware of both actual and potential conflicts of interest. The law requires that a Director with a conflict of interest should refrain from voting, or entering into any discussion, at, or even being present during, relevant Board discussions. A Director who has any material personal interest in a matter must not be present at a meeting while the matter is being considered and must not vote on the matter. A personal interest may be either direct or indirect and either pecuniary or otherwise. Papers relevant to any matter on which there is a known conflict of interest, or in relation to which there is a material personal interest, will not be provided to any Director concerned.

#### **2.1.10 Conduct**

A Director must not engage in conduct likely to bring discredit upon the Company or the Group.

Each Director must be and remain aware of, and observe, any standing orders adopted by the Board from time to time for the conduct of Board and committee meetings. Directors must at all times comply with the spirit as well as the letter of the law and with the principles of this code.

Directors should conduct themselves at all times in a sober, polite, lawful and restrained manner in carrying out their duties, at both Board and Committee meetings, at Company functions and meetings, and where otherwise dealing with matters concerning or involving the Company.

#### **2.1.11 Performance**

Directors must recognise that their primary responsibility is to the Company's shareholders as a whole but should, where appropriate, have regard for the interests of all stakeholders.

The Board shall maintain the discretion, to be exercised from time to time, to consider the appointment of an independent expert to conduct a review of the effectiveness of the Board's performance.

The Board is accountable not only to Shareholders, but to other third parties, including creditors, regulators and the community. However, it is not practical for any of these interest groups to undertake regular appraisals of Board performance, and nor would such appraisal be appropriate as a particular interest group could have difficulty being impartial or objective. The Board must satisfy itself that it is performing to maximum efficiency so that all Directors can be assured that they are fulfilling their obligations and that there is no exposure for them to any legal liability. Each Director must cooperate fully with any review or assessment of performance, whether collective or individual, and whether conducted by the Chairman or any other Director or by any independent third party externally appointed for the purpose.

### **2.1.12 Complaints**

Directors must abide by the complaints procedure determined by the Board.

The Board is concerned with the development and formulation and proper implementation of strategy and policy. Management carries strategy and policy into effect. Directors may from time to time be approached by shareholders, staff or other persons who have a complaint about a matter relating to the Company or the Group. Any such complaint must be dealt with in accordance with the relevant procedure contained in the Group Operating Policies & Procedures.

This Policy applies to, and governs the conduct of, all employees, officers and directors of The KPO GROUP, as well as all agents of the KPO GROUP, joint-venture partners and any third parties doing business in the KPO GROUP's name (collectively known as 'Personnel').

## **2.2 Risk management**

### **2.2.1 Purpose**

The KPO GROUP provides a comprehensive range of program management services to client organisations in capital and infrastructure projects. Risk management is critically important across all of our activities and throughout our business. Our policy is to identify and manage risk in accordance with approved and continually improving practices through appropriate education and training throughout our global business.

The KPO GROUP is committed to sound risk management practices, including the integration of risk management throughout all levels of the organisation, which is fundamental to achieving the KPO GROUP's strategic and operational objectives.

The KPO GROUP is committed to the identification, measurement, monitoring and mitigation of risks wherever they present a threat or an opportunity to improve our business objectives. The KPO GROUP will reinforce a culture of risk consciousness within our organisation and promote risk awareness with our clients.

### **2.2.2 Objectives**

In support of this policy, The KPO GROUP commits to the following strategic risk management objectives:

1. Identify and assess risk in all our activities.
2. Apply a robust, coordinated and integrated approach to risk management.
3. Break down silos and improve operational performance.
4. Enable the business to retain and harness knowledge.
5. Develop and continually improve risk management practices based on established international standards and industry best practice.

6. Promote risk awareness in every activity and with all of our people.
7. Adopt risk management strategies which promote confidence in the achievement of optimal business outcomes.
8. Extend our risk management capabilities to our clients to enhance management of their project risks, or use our client's policies and procedures if they are considered suitable.
9. Ensure that our approach to risk management reflects our commitment to the Core Values of our business.

### 2.2.3 Accountability

The KPO GROUP Board of Directors is ultimately responsible for risk management across our business and for communicating the requirements of this policy.

The Audit and Risk Management Committee, in conjunction with the KPO GROUP Leadership Team, are responsible for the development of the risk strategy and its implementation, ongoing monitoring and continuous improvement.

The Chief Executive Officer is responsible for the leadership, direction and coordination of risk management throughout our business.

The KPO GROUP Leadership Team is responsible for identifying and monitoring those risks which pose the greatest threat to the achievement of corporate business objectives as well as implementing strategies to mitigate those risks.

Each Regional President and Functional Chief will carry responsibility for identifying, assessing and managing risks within their own business line or function.

The Commercial and Risk Management team will disseminate risk management strategies, tools and techniques, and will facilitate risk awareness and risk management best practice.