

# MANAGING RISK POLICY

This Board policy is overseen by the Audit and Risk Management Committee.

Nick D'Esposito, Risk, Audit and Fraud Lead is the day to day owner.

Last updated: November 2023

## Why Spark has this policy

Spark's Agile organisation design and practices empowers its people to make decisions to achieve a strong customer focus, speed to market and people engagement.

The managing risk framework co-ordinates different areas to play their part in helping our people identify and manage strategic, operational and external challenges to achieving these shared goals and objectives.

The framework is designed on the principles that managing risk:

- Creates, protects and enhances value;
- Is part of decision-making processes;
- Explicitly addresses uncertainty;
- Is systematic, structured and timely;
- Is transparent and inclusive; and
- Is iterative and responsive to change.

The expected benefits include more business opportunities, reduced performance variability, improved threat resilience and greater risk transparency.

## What this policy says

Spark expects its people to manage the risks associated with achieving their Organisational

Unit's purpose and objectives. The Leadership Squad are expected to manage the risks associated with achieving Spark's strategy and business objectives as approved by the Board.

To help them to do this, Spark has chosen a leading Enterprise Risk Management framework: COSO ERM: 2017.

This framework has five inter-related components:

- Governance and culture;
- Strategy and objective setting;
- Performance;
- Review and revision; and
- Communication and reporting.

These five domains are embedded in Spark's Managing Risk Framework and ensure the Three Lines of Defence Risk Model (1. Own and manage 2. Monitor and 3. Provide independent assurance) is utilised.

The Risk Team have mapped these components onto Spark's Agile organisation to integrate them into its roles, responsibilities, processes and activities.

The table on the next page shows the roles and responsibilities. Following these is important to ensure the intended outcomes and benefits of this policy are achieved.

## Where to get help

Use the Managing Risk kits, information on the webpage or contact the policy owner.

Further help and advice is available from the policy owner.

## Managing risk framework: Roles and Responsibilities

Activity performed	Board & ARMC	Leadership Squad	Risk	Legal (Digital Trust)	Org Unit Leads <sup>1</sup>	COE	Policy Owners	All Spark People
Approves the Managing Risk Policy								
Monitors the managing risk framework								
Reviews principal risk updates								
Performs other items from its Charter								
Prepares strategy and annual plan								
Runs QBR process and determines priorities								
Coaches and guides Leads								
Assigned as owners of identified principal risks								
Designs and continuously improves the managing risk framework								
Helps the business apply the framework								
Prepares principal risk updates for the LS and ARMC								
Helps Leads to capture their risks for the QBR content								
Executes Risk, Internal Audit and Fraud Plan (objective assurance)								
Designs and continuously improves the empowerment framework								
Helps the business apply the framework								
Oversees essential policies and webpage.								

<sup>1</sup> Organisational Unit Leads refers to Tribe, Chapter Area and Chapter, Channel and Delivery Units, Subsidiaries, Centre of Excellence Units.

## Managing risk framework: Roles and Responsibilities

Activity performed	Board & ARMC	Leadership Squad	Risk	Legal (Digital Trust)	Org Unit Leads <sup>1</sup>	COE	Policy Owners	All Spark People
Use the Empowerment and Managing Risk Frameworks								
Understand and adhere with the essential policies								
Maintain view of risks for their OKRs								
Provide input into principal risk process								
Escalate risks to LS or Risk Team (if required)								
Reviews objectives and risks sections in QBR plans across Spark								
Maintain view of risks for their OKRs								
Support Leads to manage identified risks								
Provide input into principal risk process								
Maintain policy and guidance material								
Complete assessments of effectiveness								
Participate in policy owner working groups								
Follow this framework and the essential policies								
Make informed decisions after assessing the benefits and risks								

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