GLOBAL RISK MANAGEMENT POLICY

REFERENCE	EFFECTIVE DATE	OWNER
1.3	October 2023	ESC

1. POLICY STATEMENT

As we strive to *'bring joy to life through the power of play'* and hold to our commitment of being a "Good Business. Good Citizen", strong corporate governance remains at our core. Effective corporate governance creates, protects and enhances shareholder value and ensures the sustainability of our business.

Aristocrat recognises risk management as an integral part of good corporate governance, and a key input to strategic and operational planning, day-to-day management and decision making. Just as critical is a strong risk culture, where each of our employees recognises and speaks up about risks, and consistently takes the right risks in the right way. Taking the right risks, those aligned with our company values and Board approved risk appetite, means greater certainty around our strategic outcomes.

At Aristocrat, our leaders believe:

- Taking risk creates opportunity,
- Effectively managing risk creates strategic advantage,
- Risk management does not impede progress, and instead creates and protects value,
- Strong risk management reduces surprises, and ensures we are prepared to respond, and that
- Clear risk principles underpin our values by empowering our people ("Talent Unleashed"), to make decisions that are in the best interest of the business ("Collective Brilliance"), our customers/players ("All About the Player") and community ("Good Business. Good Citizen").

Aristocrat is committed to ensuring that all risks and opportunities that could affect the achievement of its objectives and/or the continued efficiency and effectiveness of its operations are identified, assessed and managed to an acceptable level. In accordance, the Aristocrat Group ("the Group") will incorporate risk management into decision-making processes.

2. PURPOSE

This document sets out the Group's policy on risk management. The purpose of this Policy is to establish and communicate a sound and prudent risk management framework ("the Framework") to support the identification, assessment, management, monitoring and reporting of risks. The Policy is also intended to ensure that material risks are appropriately managed across the organisation and that exposures are aligned with business objectives, and the Board approved risk appetite.

3. APPLICABILITY

This Policy applies to all businesses and activities of the Group operating globally (including all subsidiaries) and to all directors (executive and non-executive), employees (full time and part time)

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and contingent workers of the Company and/or Business (including independent third-party consultants, contractors and subcontractors, and temporary workers).

Where necessary, more detailed risk management policies and procedures may be developed to cover specific areas of the Group's operations, such as business resilience. Such policies and procedures should align with the broad directions described in this Policy.

4. INTENT FOR RISK MANAGEMENT

The desired risk culture at Aristocrat is one that maintains a healthy tension between Aristocrat's entrepreneurial activities for creating enterprise value and its activities for protecting enterprise value, requiring a balanced approach to risk management. Additionally, Aristocrat strives to be a risk intelligent enterprise whereby our employees' understanding and attitude toward risk lead them to consistently make appropriate risk-based decisions that align with the organisation's Board approved risk appetite and values.

At Aristocrat we manage risk every time we make decisions and act. Risk management at Aristocrat will:

- be proactive and accountable,
- identify opportunities to create and protect value to our strategic advantage,
- ensure our decisions are risk aware and informed by our understanding of risks and opportunities and their potential impact, positive and negative, on our purpose and objectives,
- manage uncertainties to our benefit,
- provide early warning so pre-emptive action can be taken, and
- facilitate learning from success and failure.

5. RESPONSIBILITY AND ACCOUNTABILITY

Risk is the responsibility of everyone at Aristocrat. Below are key actions for each level of the Group (also see Appendix 2 - Aristocrat Risk Management Framework: Group Wide Responsibility Matrix):

The Board

- Set the desired risk culture and tone on risk for the Group.
- Review and approve (at least annually) the risk appetite within which the Board expects the Group to operate, along with the Global Risk Management Policy and Risk and Opportunity Management Support Guide.
- Ensure the Group has an appropriate risk management framework and internal control systems which are compliant with this Policy.
- Monitor the effectiveness and adequacy of the Group's risk management systems, including the processes for identifying areas of significant business risk/opportunity and oversight of internal controls.
- Assist Management to identify principal financial and non-financial risks and opportunities (including strategic, operational and macro risks and opportunities, covering current and emerging risks) and to oversee and monitor these risks.
- Review and challenge the Risk Appetite Metrics Report and ensure sufficient monitoring and oversight on any risk approaching limit and breaches to limits.

- Compare the material risk /opportunity assessment and risk profile with Aristocrat's policies and risk appetite and ensure that identified material risks are reduced to or managed at levels determined to be acceptable by the Board.

- Review and challenge the Enterprise Risk Profile and monitor Management's progress towards mitigation of material risks.

- Ensure risk is appropriately considered during strategy development, strategic planning and when pursuing key strategic and operational initiatives.

- Ensure Aristocrat maintains an appropriate Business Resilience Program that supports organisation wide response and recovery.

Global Chief Executive Officer and Managing Director (CEO)

- Set the tone, culture and objectives of risk management including reinforcing risk appetite and tolerances.

- Establish and implement a sound system of risk management for the Group including ensuring adequate resources are in place.

- Review organisational performance against established risk appetite metrics.

- Ensure processes are in place to enable complete, accurate and timely disclosure of incidents to key stakeholders, including the Board in accordance with the Significant Incidents Board Escalation Policy.

- Ensure principal financial and non-financial risks and opportunities at the enterprise level are identified and assessed and appropriately managed, mitigated and/or controlled, and escalated to the Board in a timely manner and in accordance with the Significant Incidents Board Escalation Policy.

- Make appropriate risk aware decisions to deliver on Aristocrat's purpose, objectives and strategy in accordance with risk appetite.

- Establish an appropriate Business Resilience Program that supports business response and recovery in the event of disruption.

Executive Steering Committee (ESC)

- Promote the desired risk culture across the Group and within their individual business unit or function so we consistently take the right risks, those aligned with our risk appetite, in the right way, following appropriate assessment.

- Ensure Aristocrat's commitment to risk management is upheld within their respective business unit or function and reinforce the CEO's tone and objectives for risk management.

- Set Aristocrat's risk appetite and tolerance for formal approval by the Board and communicate Aristocrat's risk appetite and tolerances within their business unit or function.

- Monitor adherence to the Group's risk appetite and prescribed risk behaviours within their business unit or function including through establishment and review of metrics.

- Support the implementation of the Framework by embedding it within their business unit or function and identify opportunities to improve adoption. This includes holding business unit / functional leaders and risk champions accountable for fulfilling their risk management roles and responsibilities.

- Ensure all material Enterprise and business unit level risks are identified, assessed, managed, monitored and reported on regularly.

- Ensure principal financial and non-financial risks and opportunities, and incidents within their business unit or function are appropriately escalated, including to the Board in a timely manner and in accordance with the Significant Incidents Board Escalation Policy.

- Ensure Group Risk and Audit are engaged on all material business decisions requiring Board approval.

- Make appropriate risk and opportunity aware decisions in accordance with Aristocrat's risk appetite.

- Support the implementation of Aristocrat's Business Resilience Program by ensuring appropriate resources are in place, there is adequate management focus, and that business resilience plans remain current and are regularly tested.

Risk Champions

- Assist the ESC and their business unit/function in fulfilling their risk management role, including the implementation of the Framework.

- Monitor adherence to the Group's risk appetite through the collation and review of appropriate risk metrics.

- Ensure that business unit/functional risk register(s) are updated at least quarterly.

- Understand and educate their business unit/function on the Framework.

- Recognise changes in the internal and external context and challenge their colleagues to review and update their knowledge, understanding and priorities to manage risk/opportunity.

All Employees

- Understand the Framework and their role in managing the risks of the organisation.

- Make risk aware decisions that align with our Board approved Risk Appetite Statements by proactively seeking to discover risks and opportunities and understand their potential impact, positive and negative, on Aristocrat's purpose and objectives.

- Identify, manage and escalate risks within business unit/function, including performing risk assessments on key business activities (e.g. mergers, acquisitions, new products or markets, entering new geographies, capital markets transactions such as raising debt or equity and major company projects/programs) with support from Group Risk and Audit.

- Engage with and support activities (such as risk assessments, audits, and investigations or simulations when requested) to support Aristocrat to make risk aware decisions.

- Understand their role in the activation of business resilience plans.

Group Risk and Audit

- Support the CEO to establish and implement a sound system for risk management.

- Maintain the Framework including policies, systems/tools, plans, and risk appetite statements.

- Promote a risk aware culture and support the business to implement the Framework.

- Build risk management capability across the Group through training and awareness.

- Support the business to identify, assess and manage material business risks and opportunities and draw connections between them, including emerging risks and opportunities.

- Report on material risks and risk appetite metrics to the Board and the ESC.

- Maintain and oversee the Business Resilience Program.

6. FRAMEWORK FOR MANAGING RISK

The Framework is designed to support the timely identification, assessment, management, monitoring and reporting of material risks and opportunities, so that they remain within acceptable thresholds as set by the Board. It is also designed to highlight emerging risks where the potential for harm or loss is not fully known but could materially impact our business should they materialise.

In addition, the Framework and associated processes support the management of risk at both an enterprise and business unit/functional level. This ensures a 'top down', 'bottom up' approach to risk management and addresses both financial and non-financial risk (Aristocrat's risk taxonomy includes risks across strategic and corporate governance, brand and trust, financial, operational, product technology and innovation, cybersecurity and privacy, people and legal and regulatory).

The Framework consists of the following:

- The Global Risk Management Policy (this Policy);
- The Risk and Opportunity Management Support Guide;
- The Board approved Risk Appetite Statements and metric reporting;
- The Significant Incidents Board Escalation Policy;
- The Enterprise Risk Report;
- Business unit / functional risk registers; and
- The Business Resilience Program consisting of the Global Business Resilience Policy, the Emergency Mass Notification Policy, the Business Resilience Framework and supporting resilience plans.

Refer to Appendix 1 – Aristocrat Risk Management Framework Documents, Appendix 2 – Aristocrat Risk Management Framework: Group Wide Responsibility Matrix for further details.

The Framework aligns with the International Risk Management Standard ISO 31000, and is independently reviewed, at minimum, once every five years to ensure it remains contemporary and appropriate for Aristocrat and is operating effectively. The Framework encompasses the following steps:

Discover

- Identifying and analysing the main risks and opportunities facing Aristocrat.

Understand

- Evaluating those risks and opportunities for their likelihood and potential impact. This includes identifying the things we are doing now to manage the risk or opportunity including existing controls.

Act and Manage

- Making judgements about whether the identified risks/opportunities are acceptable or not and aligned with our risk appetite and corporate values.
- Treating unacceptable risks by developing actions to eliminate or mitigate the risks, or response plans should the risk event materialise.

- Implementing additional controls to manage these risks and opportunities in a way which is consistent with Aristocrat's Risk Appetite Statements.

Monitor and Report

- Documenting these risks, controls and mitigating actions in risk registers and escalating material risks as appropriate.
- Performing ongoing monitoring, communication and review of material risks and opportunities, including assessment of controls, metrics and incidents as they arise.

Refer to Aristocrat's Risk and Opportunity Management Support Guide for further details on this process. In addition, refer to Appendix 3 – Aristocrat Risk Glossary for key risk terminology and definitions used as part of Aristocrat's Risk Management Program.

7. REFERENCE DOCUMENTS

The following documents can be accessed through Aristocrat's PolicyHub:

1.3.2 – Appendix - 2025 Connect and Unleash Aristocrat Risk Appetite Statements

1.3.1 – Risk and Opportunity Management Support Guide

3.26 – Emergency Mass Notification Policy

3.36 – Global Business Resilience Policy

APPENDIX 1 – ARISTOCRAT RISK MANAGEMENT FRAMEWORK DOCUMENTS

The table below outlines the hierarchy of the Risk Management Framework documents within Aristocrat, in addition to the document purpose, owner and frequency of review and/or update.

Document Title	Purpose	Owner	Frequency of Review and/or Update
Global Risk Management Policy	Sets out Aristocrat's policy on risk management. This includes the intent of risk management as well as the roles and responsibilities of all key stakeholder groups.	The ESC Maintained by Group Risk and Audit	Annual
Significant Incidents Board Escalation Policy	Documents escalation and reporting pathways and triggers for significant incidents across key risk categories.	Corporate Legal	Periodically, but at minimum every two years
Risk and Opportunity Management Support Guide	Documents Aristocrat's process to make risk and opportunity aware decisions and take action. Includes our Risk Rating Methodology and Risk Taxonomy.	Group Risk and Audit	Annual
Risk Appetite Statements (RAS)	Defines and approves the type and level of risk and opportunity taking the company is willing to pursue to achieve its strategic and operational objectives whilst meeting its legal requirements.	The Board and ESC Maintained by Group Risk and Audit	Annual & As Needed
Risk Appetite Metrics Report	Reports on metrics specific to each risk appetite statement to indicate whether we are operating within the desired risk tolerance range.	Group Risk and Audit	Biannual
Enterprise Risk Report (ERR)	Presents the residual risk profile for Aristocrat's top risks and material emerging risks in the context of the Aristocrat Group strategy. Identifies key controls and mitigating actions and reports on movements in the residual risk profile from period to period.	ESC Maintained by Group Risk and Audit	Biannual
Business Unit/Functional Risk Registers	Documents Business Unit/Functional risks to ensure they are appropriately identified, assessed, managed, monitored and reported and provides visibility to the ESC and the Board into the Business Unit/Functional or Enterprise risk profile.	Business Units and Group Functions	At least Quarterly
Business Resilience Plans (BRP)	Documents the plan to respond, recover and resume operations during a serious adverse event. The BRP covers the key personnel, resources, services and actions required to effectively manage a crisis and ensure continuity of critical business processes, systems and operations.	Crisis Management Teams	Annual

APPENDIX 2 – ARISTOCRAT RISK MANAGEMENT FRAMEWORK: GROUP WIDE RESPONSIBILITY MATRIX

The following table identifies the Group wide responsibilities for maintenance and adherence to the Aristocrat Risk Management Framework.

	Global Risk Management Policy	Risk and Opportunity Management Support Guide	Risk Appetite Statements (RAS)	Significant Incidents Board Escalation Policy	Risk Appetite Metrics	Enterprise Risk Report (ERR)	Business Unit / Functional Risk Registers	Business Resilience Plans
Board	Review and approve **annually**		Endorse and approve **annually**	Endorse and approve at least every **two years**	Review **biannually**	Review **biannually**		
ESC	Drive adoption		Review Business Unit / Functional Risk Appetite Statements **annually** and drive adoption	Refer and adhere to policy to ensure significant incidents are escalated appropriately	Review **quarterly**	Review and update of enterprise-wide risks **biannually**	Review Business Unit / Functional Risk Registers at least **quarterly**	Drive engagement of Crisis Management Teams to ensure currency and **annual** review and testing of plans
Risk Champions	Educate business on policy, risk management process and application of Risk Appetite Statements. Support adoption				Provide metric updates **quarterly**	Support ESC with **biannual** update of enterprise-wide risks	Support Business Unit / Functional Risk Register update at least **quarterly**	
All employees	Understand and adhere to the requirements of the Global Risk Management Policy and Risk and Opportunity Management Support Guide		Refer and adhere to RAS as part of ongoing decision-making process as required		Provide data to Risk Champions to support risk metric reporting **quarterly**		Ongoing duty to identify, escalate and manage risks	Be familiar with the Global Business Resilience Policy and Emergency Mass Notification Policy. Escalate incidents as appropriate to leadership and/or the Crisis Management Team(s)
Group Risk and Audit	Review and update **annually**		Review and update **annually**	Provide input into review of policy (noting the policy is owned by Corporate Legal) Support incident response and post incident review	Prepare report against provided metrics **biannually**	Refresh ERR **biannually** using updates from the **quarterly** Business Unit / Functional Risk reviews and engagement with ESC	Support **quarterly** Business Unit / Functional Risk reviews	Maintain Business Resilience Framework including policies Maintain Crisis Communications Platform Support Crisis Management Teams

APPENDIX 3 – ARISTOCRAT RISK GLOSSARY

The following table outlines definitions for key terms found within this policy and the rest of the Framework.

Term	Definition
Business resilience	The ability of an organisation to quickly adapt to disruptions while maintaining critical business operations and safeguarding people, assets and overall brand equity.
Control	Any measure that modifies or reduces the risk including policies, procedures, processes, technologies, techniques, methods, etc.
Enterprise Risk management (ERM)	The process by which the board and management of an organisation identify and manage risks to the organisation, its strategic objectives and its stakeholders.
Mitigation	The processes put in place by management that seek to reduce the likelihood of risk events occurring and/or their impact should risk events materialise.
Risk	The effect of uncertainty on our objectives. Uncertainty can affect objectives in negative and positive ways and risk in itself is not inherently bad.
Risk appetite	A description of the amount and types of risk that an organisation wishes to take in order to achieve its desired objectives.
Risk appetite metrics	Empirical metrics that provide an indication of our risk exposure in relation to our risk appetite and tolerance.
Risk assessment	A process to ensure all material risks are identified, understood and rated in terms of their impact and likelihood.
Risk capacity	The maximum level of risk an organisation can afford to take, while remaining within constraints implied by its capital and funding needs and its obligations to stakeholders.
Risk culture	A set of norms, attitudes and behaviours related to awareness, management and control of risks.
Risk event	The realisation (manifestation) of a risk.
Risk profile	A summary of the top risks facing an organisation i.e. the aggregate level of residual risk across the ERM program. Reflects the organisations entire risk landscape reflecting the nature and scale of its risk exposures aggregated within and across each relevant risk category.
Risk register	A summary listing of the organisation's risks, along with their ratings and a summary of the actions being taken in response to the risk.
Risk taxonomy	A comprehensive, common and stable set of risk categories that is used within an organisation.
Risk tolerance	The total amount of risk that an organisation can bear without imperilling its critical objectives or corporate viability. The acceptable deviation from risk appetite. Defines the limits or boundaries of the risks, thereby measuring how much risk an organisation is willing to accept, as opposed to risk capacity which measures the level of risk we are able to accept.
Significant Incident	An incident that will, or are reasonably likely to, have significant adverse effects on Aristocrat or its staff, including incidents with operational, safety, product quality, financial, regulatory or reputational consequences.
Assurance	A term used to communicate confidence, or the level of confidence, that an organisation has in its risk mitigations.
Control effectiveness	A rating of how well risk mitigations are expected to reduce the impact and/or likelihood of an associated risk event.
Inherent risk	The rating of risk before the effects of any risk mitigation steps have been considered.

Term	Definition
Key risk indicators	Empirical metrics that indicate that a risk event may happen in the near future (leading indicator) or that a risk event has already occurred (trailing or lagging indicator).
Residual risk	The rating of risk after the beneficial effects of existing risk mitigations have been considered.
Risk velocity	The speed at which a risk is expected to emerge from root causes, crystallise into an actual risk event and then translate into consequences.
Root cause	A preceding event or condition that triggers or otherwise leads to the occurrence of a risk event.
Target risk	The rating of risk after future mitigating actions have been completed.