

Due South Group

Risk Management Policy

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Foreword from the Chief Executive

Every project carries risk. Successful organisations are distinguished not by avoiding risk, but by understanding it, managing it responsibly and making informed decisions.

At Due South Group, effective risk management is fundamental to protecting our people, our partners, our reputation and the investments entrusted to us. Whether delivering renewable energy, healthcare infrastructure or humanitarian programmes, we recognise that robust risk management supports successful project outcomes and long-term organisational resilience.

This Policy establishes the framework through which risks are identified, assessed, managed, monitored and reported across all areas of the Company's activities.

Steven Edwards

Chief Executive Officer

1. Purpose

This Policy establishes the Company's approach to identifying, evaluating and managing risks that may affect the achievement of its strategic objectives or the successful delivery of projects.

The objectives of the Policy are to:

- Protect people, assets and information.
- Support informed decision-making.
- Improve project delivery.
- Protect the Company's reputation.
- Ensure responsible stewardship of client and donor funding.
- Strengthen organisational resilience.
- Promote continual improvement.

2. Scope

This Policy applies to:

- Corporate activities.
- Infrastructure projects.
- Renewable energy projects.
- Humanitarian programmes.
- Healthcare projects.
- International operations.
- Joint ventures where applicable.
- All directors, employees, consultants and contractors acting on behalf of Due South Group.

3. Risk Management Principles

Due South Group is committed to:

- Integrating risk management into decision-making.
- Identifying risks early.
- Assessing risks objectively.
- Applying proportionate mitigation measures.
- Monitoring risks throughout the project lifecycle.
- Maintaining transparent reporting.
- Learning from experience.

Risk management is everyone's responsibility.

4. Risk Governance

The Chief Executive has overall responsibility for the Company's risk management framework.

Managers are responsible for:

- Identifying risks within their areas of responsibility.
- Maintaining project risk registers.
- Implementing mitigation measures.
- Monitoring emerging risks.
- Escalating significant risks promptly.

All personnel are expected to report risks or incidents that may affect the Company or its projects.

5. Risk Management Process

The Company adopts a structured approach consisting of:

Step 1 – Identify Risks

Potential risks should be identified during:

- Business development.
- Bid preparation.
- Project planning.
- Procurement.
- Construction.
- Operations.
- Project close-out.

Step 2 – Assess Risks

Each identified risk should be evaluated by considering:

- Likelihood.
- Potential impact.
- Existing controls.

- Overall risk rating.

Step 3 – Mitigate Risks

Mitigation measures may include:

- Avoiding the risk.
- Reducing the likelihood.
- Reducing the impact.
- Transferring the risk through insurance or contractual arrangements.
- Accepting the risk where appropriate and approved.

Step 4 – Monitor and Review

Risks shall be reviewed regularly throughout the project lifecycle and updated as circumstances change.

6. Categories of Risk

The Company monitors risks across a broad range of areas, including:

Strategic Risks

- Business growth.
- Market changes.
- Political developments.
- Funding availability.
- Reputation.

Financial Risks

- Cash flow.
- Currency fluctuations.
- Cost escalation.
- Credit risk.
- Fraud.

Operational Risks

- Programme delays.
- Resource shortages.
- Equipment failure.
- Supply chain disruption.
- Quality issues.

Health and Safety Risks

- Workplace incidents.
- Occupational health.
- Contractor safety.
- Public safety.

Environmental Risks

- Pollution.
- Waste management.
- Biodiversity impacts.
- Climate-related events.

Security Risks

Particularly relevant for international operations:

- Civil unrest.
- Armed conflict.
- Terrorism.
- Theft.
- Kidnap and ransom.
- Cyber threats.
- Travel security.

Legal and Compliance Risks

- Contractual disputes.
- Regulatory change.
- Sanctions.
- Licensing.

- Export controls.
- Data protection.
- Anti-bribery compliance.

Humanitarian Risks

Where applicable:

- Protection of vulnerable people.
- Safeguarding.
- Humanitarian access.
- Disease outbreaks.
- Community relations.
- Reputational impact.

7. Project Risk Registers

Every significant project shall maintain a Project Risk Register.

The register should include:

- Risk reference number.
- Risk description.
- Risk category.
- Likelihood rating.
- Impact rating.
- Overall risk score.
- Existing controls.
- Planned mitigation actions.
- Responsible owner.
- Review date.
- Current status.

The Risk Register shall be reviewed throughout the life of the project.

8. Business Continuity

Due South Group recognises the importance of maintaining critical operations during disruptive events.

Business continuity planning should consider:

- IT systems.
- Communications.
- Personnel.
- Supply chains.
- Security incidents.
- Natural disasters.
- Pandemic events.
- Political instability.

Where appropriate, contingency arrangements shall be developed and tested.

9. Insurance

Appropriate insurance arrangements shall be maintained to support the Company's risk management strategy.

Insurance may include:

- Professional indemnity.
- Public liability.
- Employers' liability.
- Contractors' All Risks.
- Marine cargo.
- Political risk.
- Kidnap and ransom.
- Cyber liability.

Insurance complements, but does not replace, effective risk management.

10. Reporting

Significant risks shall be reported promptly through the Company's management structure.

Management reports should include:

- Emerging risks.
- Changes in risk profile.
- Effectiveness of mitigation measures.
- Significant incidents.
- Lessons learned.

Transparency in reporting enables informed decision-making.

11. Training

The Company will promote risk awareness through:

- Staff induction.
- Project briefings.
- Management training.
- Lessons learned reviews.
- Periodic policy refreshers.

Personnel working in higher-risk environments may receive additional training appropriate to their responsibilities.

12. Monitoring and Assurance

Compliance with this Policy shall be monitored through:

- Internal reviews.
- Project governance meetings.
- Risk register reviews.
- Financial controls.
- Audit activities where appropriate.
- Management oversight.

13. Responsibilities

The Chief Executive is accountable for the overall effectiveness of the Company's risk management framework.

Managers are responsible for implementing this Policy within their areas of responsibility.

Every employee, consultant and contractor has a duty to identify, report and help manage risks that could affect the Company, its projects or the communities in which it operates.

14. Continuous Improvement

Due South Group is committed to continually improving its risk management practices.

Lessons learned from completed projects, audits, incidents and stakeholder feedback will be used to strengthen future decision-making and organisational resilience.

15. Review

This Policy shall be reviewed annually or whenever significant organisational, legislative or operational changes occur.

16. Our Commitment

Due South Group recognises that responsible risk management is essential to delivering successful infrastructure, renewable energy and humanitarian projects.

By embedding risk management into every stage of our work, we seek to protect our people, support our partners, safeguard public and private



investment and deliver sustainable outcomes that benefit the communities we serve.