Pacific Current Group Limited

ACN 006 708 792

Risk Management Framework

Pacific Current Group Limited's[1] enterprise risk management framework is based upon the Company's core business as a passive investor with principally minority interests in its underlying boutique investment managers.

This risk framework recognises that the Company faces a broad array of risks, many of which are fully in our ability to manage and many others are not.

The Company categorises risks into two types: internal and external. The internal risks by their nature tend to be easier to reduce or eliminate, while the external ones are often outside our control, but their effects can often be partially mitigated, primarily through certain practices such as diversification. The Company generally considers operational, investment, and other risks related to the operation of the investment management boutiques in which the Company invests to be external risks.

The risk framework also recognises that risks fall broadly into controllable and non-controllable risks. A controllable risk is one that the likelihood of occurrence can be materially affected by the Company's actions. A non-controllable risk is one that the likelihood of occurrence cannot be materially affected by the Company's actions. For controllable risks, risk avoidance strategies may be appropriate. For non-controllable risks, strategies like exposure reduction, portfolio diversification, and insurance, are often the primary form of risk mitigation. See Appendix A.

In this document, the Company identifies the major internal and external risks, provides an overview of how the Company currently manages these risks, and describes how we attempt to monitor them on an ongoing basis. It is important to note that the description of how the Company manages and monitors risks describes current practices and not necessarily those practices we may employ in the future.

Material risks, each identified below, need to be assessed in terms of the likelihood of the risk event occurring and the potential consequences if the risk event were to occur.

Material **internal** risks include:

1. Corporate governance (controllable);
2. Financial statement preparation & reporting (controllable);
3. Tax compliance and planning (controllable);
4. Execution risks in acquiring and disposing of boutiques (controllable);
5. Key person (partially controllable);
6. Technology and operations -- principally cybersecurity (partially controllable); and
7. Legal/compliance relating to Company operations (controllable).

Material **external** risks include:

1. Investment strategy (controllable);
2. Investment performance (not controllable);
3. Managing outsourced investment management provider and other key vendors;
4. Organisational risk (boutique level) (not controllable);
5. Operational risk (boutique level) (not controllable);

[1] In this Risk Management Framework, a reference to 'Pacific Current Group', 'Group', 'the Group', 'PAC', 'the Company', 'we', 'us', 'our' is to Pacific Current Group Limited and its subsidiaries unless it clearly means just Pacific Current Group Limited.

6. Macroeconomic (not controllable);
7. Monetisation events (not controllable); and
8. Changes in regulatory environment (not controllable).

The Company is of the view that privacy and conduct risks are primarily at the level of boutique operations and are therefore included under the broader heading of "Operational Risk (boutique level) (not controllable)."

The Company takes ESG risks seriously but does not believe that these risks present material challenges to the Company's own operations at this time that are susceptible to measurement or management other than as described herein. The boutiques in which the Company invests may or may not apply filters to address ESG risks in accordance with their investment styles and mandates. As a minority investor, the Company is not able to impose ESG standards on the boutiques and believes that the boutiques themselves are best situated to address such risks in their portfolio management processes.

Internal Risks

1. Corporate Governance

The principal governance risks facing the Company include: (1) potential conflicts of interest between the Company and management, or its Board members and the Company; (2) Board competence; and (3) Board functioning.

Risk Management

The Board and Board committees have oversight of the executive team (**Management**). The majority of the Board is made up of Non-executive Directors (**NED**). Committee composition is described below. . All material decisions not otherwise delegated to Management are brought to the Board or to a Committee for approval, including most notably, decisions to acquire and dispose of portfolio interests (**boutiques**).

In addition to the Board's overall responsibility for oversight of potential conflicts of interest and other governance risks, the Board has three Committees that oversee governance in these specific areas:

- *Audit and Risk Committee (**ARC**)* - is responsible for oversight of financial controls and reporting, and of risk management. The ARC is comprised of all NEDs and is chaired by an Independent NED (**INED**);
- *Remuneration, Nomination and Governance Committee* (***RNGC***) - is responsible for reviewing and recommending Board and executive compensation, Board and executive succession planning and oversight of governance, including Board appointment and induction and Board functioning. The RNGC is comprised of all non-executive directors and is chaired by an INED; and
- *Investment Committee (IC)* – is responsible for reviewing the Company's investment portfolio and for reviewing and recommending to the Board matters relating to acquisitions, capital contributions, dispositions and other actions in relation to boutiques in the portfolio. The Investment Committee is chaired by an INED and includes the Executive Director & Acting Chief Executive Officer, and two external members.

Risk Monitoring

Monitoring corporate governance risk occurs at several levels:

- Board and Committee members are asked to declare on appointment and, in advance at each board meeting, any interest they may have in matters slated to come before the meeting so that potential conflicts are managed appropriately and so that decisions regarding access to information, participation in discussion and voting may be made. A standing Register of Interests is maintained, and Board and Committee members are asked to re-confirm, or advise of any changes to their interests, at each scheduled meeting;
- The Board reviews its governance arrangements through its annual review of the Company's Corporate Governance Statement, which has regard to the law, best practice in corporate governance and the ASX Corporate Governance Council's Principles and Recommendations (4th Edition) and is disclosed to the ASX;

- The ARC meets with the Company's external auditors to discuss the planning, conduct and results of the Company's annual audit and preparation of its unaudited half-yearly results. This includes review of exception reports and recommendations. The ARC also meets separately with the external auditors, both periodically and as needed, to discuss the strengths and weaknesses of the Company's financial systems;
- The RNGC obtains benchmarking data for executive and Board compensation as needed;
- The RNGC assists the Board in conducting an annual self-assessment of the effectiveness of the Board, Board committees and Board members, and their functioning (**Review**). The Review may involve the Chair conducting individual discussions with Directors and the feedback being discussed by the full Board and/or the collation of Director self-assessment informationwhich is reported to the Chair, then to the full Board with an action plan developed and monitored. Senior management input is also sought. An external Review is periodically conducted facilitated by a consultant, which involved interviews with Directors and key stakeholders. In addition, the Board reviews its competencies and skills on an annual basis, which assists in succession planning; and
- The IC reviews the risk profile of the Company's investment portfolio and each of the boutiques in the portfolio, to identify and monitor material risks that are either internal or external, and that are either controllable or not controllable. The IC is the principal point of contact with the Company's outsourced Investment Management advisor **(IM)** and the principal oversight body over the IM, and is charged with making recommendations to the Board with respect to any portfolio investment decisions, including decisions to acquire, further fund or dispose of boutiques in the portfolio.

2. Financial Statement Preparation and Reporting

The Australian Securities Exchange (**ASX**) and the *Corporations Act, 2000 (Cth)* (**Act**) places an important obligation on the Company to provide accurate and timely accounting of our financial results. Failure to do this well can lead to: (1) damaged reputation and unfavorable investor relations; (2) potential litigation; (3) impairment of value due to trading at lower valuations; and/or (4) the inability to raise capital to implement our investment strategy.

Risk Management

Managing the financial statement risk primarily involves ensuring all necessary financial disclosures are made in compliance with the Act and relevant accounting standards. All of this must be done within the time constraints imposed on the Company as a publicly listed entity. To help manage the risk around financial statement preparation, the Company seeks to provide:

- clearly delineated responsibilities for work product and quality assurance processes;
- senior Management and finance team Key Performance Indicators directly tied to the preparation of timely and accurate financial statements;
- monthly boutique update meetings to keep the finance team informed about developments that may impact financial results;
- Management-prepared position papers and detailed, mapped timetables outlining all deliverables and responsibilities; and
- regular calls/meetings among finance team members.

Risk Monitoring

Having the appropriate feedback loops into the financial statement preparation is essential. Currently the Company does the following:

- receives feedback from the auditors on their view of the Company's execution (timeliness, accuracy, control adequacy, etc.) after every reporting period; and
- receives reports from the auditors on specific errors /mistakes they have identified.

3. Tax Compliance and Planning

The Company has legal entities in Australia, UK, and the US and now has boutique investments in at least five different countries. This results in a high level of complexity regarding the tax implications for how the

Company structures its investments, both to ensure compliance with the requirements in the local jurisdictions and reporting in the Company's consolidated financial statements, as well as to ensure appropriate after-tax results for the Company's shareholders.

Risk Management

Managing risks around compliance with relevant tax rules in each jurisdiction requires a high degree of knowledge in each jurisdiction and an understanding of the Company's global structure. To assist with this complexity, the Company has appointed a global tax adviser.

Risk Monitoring

The Company has relied on employees in both Australia and the U.S. to coordinate compliance with outside service providers.

4. Execution Risk

In acquiring and disposing of boutique interests, the Company's principal execution risks include: (1) failing to structure acquisition transactions in a way that aligns the Company's interests with boutique management's interests; (2) mispricing acquisitions and dispositions; and (3) failing to secure adequate protective rights in the event of future misalignment.

Risk Management

One definition of investing is managing "pricing risk." To appropriately manage boutique pricing risk, the Company must understand the risk we are pricing. The Company must also manage the risks around our ability to execute on boutique investments we hope to secure. Managing execution risk involves the following with respect to each target boutique:

- understanding investment philosophy and process diligence;
- evaluating business management and sales capabilities;
- extensive modeling of anticipated returns under different scenarios, including the use of Monte Carlo simulations when appropriate;
- conducting diligence with assistance from outside deal counsel;
- using expert outside counsel and other advisers as needed;
- reviewing documents, term sheet, and final documentation on a team basis;
- conducting background checks and personal and professional reference checks on boutique's senior executives / key persons;
- maximising alignment with management, coupled with obtaining appropriate minority protection rights and covenants;
- obtaining information rights for financial reporting and to permit financial transparency;
- setting milestones for the target to access additional capital if negotiated as part of the acquisition; and
- using distribution and liquidation preferences to expedite returns of capital to the Company, provide downside protection, and provide disincentives for management to sell more of the business shortly after the Company invests.

Risk Monitoring

Execution risks are primarily managed through adherence to the Company's own investment process. These risks are monitored by requiring the completion of each step of our investment process. This is done by, among other things, obtaining a formal Investment Memo prepared by the IM for the IC and the Board, creating and completing a diligence checklist process and, establishing a diligence and deal execution team, including the use of outside counsel where prudent.

5. Key Person Risk

The Company is a small firm, with limited redundancy in most positions. As a result, the loss of a key team member can be particularly problematic.

Risk Management

The Company mitigates key person risk primarily by:

- payment of competitive compensation, including Long Term Incentives, to the Company executives and staff;
- employment agreements for key personnel, including incentives not to leave abruptly or compete with the Company; and
- benchmarking of compensation by Management and the RNGC.

The Company further seeks to mitigate key person risk long-term by institutionalizing the Company's knowledge capital.

Risk Monitoring

The Company is sufficiently small that key person risk is best monitored through healthy communication between Board and Management, among Management, and between Management and other key employees. Additionally, Management provides the Board with regular commentary on the risk of losing key persons.

6. Technology / Operational Risk

The Company is not heavily reliant on technology or proprietary software. That said, the Company does conduct much of its business using various technologies, including computers, laptops, and other mobile devices, communicating via email, electronic transferring of funds, and storing confidential information. Accordingly, business continuity and cybersecurity risks are important risks managed by the Company.

Risk Management

Most of the technology risks faced by the Company generally would not preclude us from pursuing our investment/business strategy over a short-term period. However, risks involving cyber security, particularly as it relates to the movement of capital and business continuity in the event of system backup failure could be potentially significant.

To mitigate these risks, the Company has selected IT vendors whose systems are designed to detect, and where possible, prevent malicious attacks. However, with the increasing sophistication of phishing and spoofing attacks that appear as otherwise legitimate correspondence, it is not always possible to employ effective systemic solutions. Consequently, the Company also relies on informing all employees regularly of the risk of cyberattacks and how to identify and prevent a malicious attack.

The Company also strives to maintain robust Business Continuity Management Programs for its US and Australian operations. These programs are designed to better enable the Company to manage its risk should an event interrupt our business including technology system failure and are often required by the regulators that oversee aspects the Company's business.

Risk Monitoring

The Company uses outsourced IT providers in Australia and the US to oversee its systems, including elements of cyber security. Additionally, the Company has protocols and processes in place to protect it from some of the risks that arise when capital is moving. Management will report to the Board known attempts to garner access to our systems or accounts as well as attempts to surreptitiously direct/redirect capital to unknown accounts.

7. Legal/Compliance Risk relating to Company Operations

The Company is subject to a significant number of legal and regulatory regimes that affect its operations. Those risks relate to, among other things, corporate compliance for the Company's controlled affiliates regardless of domicile, ASX Listing Rules, Australian Securities and Investments Commission (**ASIC**) rules relating to the Company's operations and its Australian wholesale activities, Securities and Exchange Commission (**SEC**) rules and regulations relating to US registered investment adviser and broker dealer operations, and Financial Industry Regulatory Authority (**FINRA**) rules and regulations relating to US broker

dealer operations. Of particular importance is adherence to the continuous disclosure obligations imposed by the ASX Listing Rules.

Risk Management

Managing legal/compliance risk requires a multi-prong approach including the following:

- for the Company's corporate and ASX compliance, the Company has retained an outsourced company secretarial service, with the outsourced company secretary working directly with the General Counsel, the Board chair and the Committee chairs;
- for US corporate compliance and Treasury Group Investment Services Pty Ltd (**TIS**) Australian Financial Services Licence (**AFS**L) compliance, the Company uses in-house legal and compliance resources under the General Counsel;
- for US regulatory obligations, the legal and compliance team does the following under the supervision of an executive-level compliance committee:
  - maintains a regulatory compliance calendar;
  - maintains a current code of ethics and written supervisory procedures;
  - conducts new employee compliance training;
  - manages quarterly employee compliance attestations;
  - project manages US regulatory filings; and
  - project manages US regulatory examinations;
- additionally, certain sales-related compliance functions, including sales material review, are outsourced to a compliance vendor;
- for Australian ASIC regulatory compliance, the Company relies upon the aforementioned outsourced company secretary and internal staffing to perform similar services under the supervision of the General Counsel and PAC, AIM and TIS Boards;
- for US compliance, outside compliance vendors conduct an annual review of relevant policies and procedures. For Australian compliance, internal resources perform the annual review; and
- the legal and compliance group also retains external legal counsel from time to time on as "as needed" basis.

Risk Monitoring

The Company monitors its Legal / Compliance risk in the following ways:

- for US Code of Ethics compliance, the Company's internal legal and compliance team collects and reviews employees' quarterly attestations for reporting of outside business activities and other requirements;
- retention of industry-recognised independent regulatory auditors to annually review and assess its US legal and compliance program; and
- monitoring of regulatory developments in Australia, the US and other jurisdictions is dealt with under External Risks, below.

External Risks

As it relates to risks associated with investing in the boutiques, the Company's principal risk control opportunities occur at the time of acquisition of a boutique. Consequently, much of the risk control process is reliant upon pre-acquisition diligence, alignment of interests through structuring, and securing appropriate minority protective rights and protections.

1. Investment Strategy

To employ the Company's investment strategy successfully, the Company needs an adequate pipeline of new investments, the ability to analyse and secure attractive investments, and effectively negotiate and execute on new transactions. Importantly, the Company also needs access to capital to fund new investments.

Risk Management

The Company cannot control the competitive landscape, but it does have the ability to take actions to increase the number of opportunities it identifies and assesses. The Company must also maintain appropriate staffing levels to ensure it can identify, execute, and manage new investments, which means it is essential to attract and retain talented professionals.

Access to capital can be a material constraint. If the Company is willing to maintain a minimum amount of "dry powder" it can reduce the risk of the Company missing out on investments due to a lack of capital. Having adequate capital on hand also allows the Company to stay relevant in discussions with targets, allows acquisition of additional boutiques to permit further portfolio diversification, and reduces the risk that we will need to raise capital during inhospitable periods. Maintaining a strong relationship with underwriters is important to maintain the ability to raise capital on short notice.

Risk Monitoring

The Company tracks all the investments it identifies and engages with. It then documents the reasons for rejecting/losing out on opportunities. The Company also endeavors to perform a postmortem after each investment to discuss effectiveness of deal execution.

2. Investment Performance

Most investment firms are highly dependent on achieving competitive investment performance to retain existing clients and attract new ones, including the boutiques in which the Company invests. The definition of "competitive" performance varies by strategy. Performance might be evaluated from a relative-return perspective; at other times, performance is evaluated more on an absolute basis. Sustained poor performance can lead to revenue loss and even business failure.

Risk Management

The Company's ability to improve a boutique's investment performance is limited for several reasons:

- underperformance often stems from unfavourable environmental or stylistic preferences that have nothing to do with a manager's investment skills;
- while the Company can and does engage with boutique management to help understand the reasons for underperformance, we generally do not have the contractual ability to compel corrective action. Moreover, in our experience, we are highly skeptical of the ability of individuals outside of an established investment process to prescribe corrective actions that: (1) are appropriate; and (2) would be accepted by management and/or the firm's clients; and
- most managers endure periods of underperformance. The primary risk control the Company can employ to minimise Investment Performance risk is: (1) successfully identify talented investors; (2) diversify our own portfolio to minimise the risk that certain factors, unrelated to investment skill, adversely impact multiple boutiques at the same time; and (3) structure features, particularly in early stage investments, that make some portion of our investment conditional upon certain performance milestones being met.

Risk Monitoring

Performance is one of the simplest risks to monitor and yet one of the most difficult to do anything about. The Company, through its IC, performs the following directly and/or through the IM:

- reviews quarterly performance for every manager in its portfolio. If performance seems meaningfully different from expectations, the Company will reach out to discuss in greater detail, perhaps requesting additional analysis from the manager;
- updates performance risk quarterly on our internal *Portfolio Company Risk Scorecard*;
- quantifies the return (excess and absolute) correlations between managers; and
- reviews performance of new investments on an annual look-back basis.

3. IM and Outsourced Supplier Performance Risk

The success of the Company's outsourcing arrangement to the IM is dependent, in part, on the oversight

efforts by the Company's IC and Board.

Risk Management

The IM meets with the IC and Board in regularly scheduled meetings to review reports and memoranda (including Investment Memos) prepared by the IM for the purpose. In addition, the IC will appoint one or more of its members to liase with the IM on matters that may arise between regularly scheduled meetings. The structure of the IM's compensation is intended to assure continued alignment between the IM and the Company, and the agreement with the IM is intended to assure that the IM's deliverables remain consistent with what was provided prior to outsourcing. The IM's key person risk is addressed in the IM Agreement.

Risk Monitoring

The principal means of monitoring the IM's performance is through the IM's presence at IC and Board meetings and review of materials submitted by the IM. The IM's performance is also monitored through the conversations between members of the IC and the IM which take place between meetings.

4. Organisational Risk (boutiques)

A boutique's success is highly dependent on a host of factors/attributes, many of which are very subjective in nature, that impact the ultimate success of an investment firm. Common risks include, but are not limited to the following:

- *Key person* - this is a common risk among boutique investment managers and widespread across our portfolio;
- *Boutique culture and partnership dynamics* - the quality of investment management decision making is often highly dependent on the interpersonal dynamics and general investment culture at a firm. The culture also plays an enormous role in terms of employee retention;
- *Operational capabilities* - the operational risk varies considerably across our managers depending on the nature of their investment strategies;
- *Compliance issues* - all the investment managers in which we invest will be regulated by different regulatory bodies; and
- *Leadership transitions* - investment managers, particularly for firms highly dependent on specific individuals, face significant challenges transitioning investment leadership from one person to another.

Risk Management

No two firms are exactly alike. Some of these organisational risks are apparent before the Company invests, while others will surface over time. The Company, through its IC, performs the following directly and/or through the IM and/or the Company's deal teams:

- up-front analysis to enhance the probability that we have identified the most relevant risks. These risks are specifically identified and assessed on the Company's *Manager Evaluation Template*.
- structures appropriate governance and protections into each of our investments, particularly if a manageable risk is identified prior to the inception of our partnership;
- actively manages boutique relationships so that we can identify risks early and be in a position where our insights or suggestions are welcomed and considered;
- negotiates a variety of information rights to ensure it has access to organisation, financial, and investment information it deems important;
- arranges for the Board to meet with boutique management teams prior to approving any new investment.

Risk Monitoring

The primary and most effective way these organisational risks are identified is through the maintenance of strong relationships and frequent interaction with the management of our boutiques. The Company typically is represented on the boutique's Board or other governing body, and thus can require access to management and specific information. The Company will also provide a quarterly update on various organisational risks on a *Portfolio Company Risk Scorecard* prepared by the IM.

5. Operational Risk (boutiques)

The operational risk varies across our boutiques. This risk is highest when a firm is new, as it often takes new managers an extended period to refine their operational deliverables, including back-office functions, client reporting, and compliance monitoring.

Risk Management

Our approach to boutique operational risk management starts with working with the IM to understand the complexity of the firm's operations and speaking with the firm's management about the operational challenges they face. If operations are truly challenging - such as with a long-only manager – the Company may undertake detailed operational diligence, typically by contracting a consultant with relevant expertise. The Company also performs legal and financial diligence to shed more light on the general operations of the business.

Risk Monitoring

The best way to monitor operational performance is through an ongoing dialogue with boutique management. The Company also requires reporting on operational performance to the boutique Boards. When the Company doesn't obtain Board-level participation, we contractually mandate that the boutique's management provides periodic operational reviews.

6. Macroeconomic

Most of our investments will employ strategies where the investment results will be impacted, to varying degrees, by the macroeconomic environment. These risks can adversely impact our boutiques either through their performance and/or the general fundraising environment for their strategies. Among the most important macroeconomic factors are:

- equity market returns;
- interest rates & inflation;
- yield spreads & default rates;
- currency; and
- economic and political shocks.

Risk Management

The primary way the Company manages macroeconomic risk is by diversifying the portfolio across not only a broad number of managers, but also across different asset classes, revenue models, firm sizes, and client types. Furthermore, strong initial diligence can help us understand the macroeconomic risks we are taking, which can help us factor those risks into our valuation and deal structures. Lastly, we can achieve further risk reduction through the structural elements we insert into our investments, such as preferred return and/or top line vs. bottom-line participation.

Risk Monitoring

The Company's IM updates the IC on its view of macroeconomic risk on our quarterly *Portfolio Company Risk Scorecard*. However, macroeconomic risks are, by definition, non-controllable. Therefore, understanding the implicit macro risks in our portfolio should inform the types of investments we would like to have in our portfolio, allowing us the opportunity to mitigate macroeconomic risks through our investment strategy.

7. Monetisation

The Company is exposed to the risk that our portfolio companies will decide to sell most or all their business after we invest in them. While often a windfall for the Company, this monetisation by boutique management: (1) crystalizes our tax liabilities; (2) reduces our earnings through the loss of revenue streams; (3) may come at a multiple below where our stock trades; and (4) puts pressure on us to replace the earnings by acquiring new boutiques at attractive prices.

Risk Management

There are multiple ways to reduce the risk of being forced to sell a boutique:

- the best is to invest in firms where management is relatively young - perhaps near 40. These younger managers tend to have enough experience to have already proven themselves, but they still have plenty of years in the business ahead of them;
- structure a variety of features into our investments, such as liquidation preferences, right of first refusals, or blocks on dispositions, until certain time or return thresholds are met; and
- have candid discussions with boutique management before entering a transaction are an important, though imperfect, way to understand the boutique management's long-term plans.

Risk Monitoring

The Company monitors the risk that boutique management may decide to monetize the businesses by: (1) staying in close contact with management to stay abreast of their thinking; and (2) remaining cognisant of market appetite for acquisitions and hence current valuations.

8. Regulatory

Financial services is a heavily regulated industry. All our boutiques are exposed to different degrees of regulatory risk. Much of this risk relates to the need for managers to comply with a host of regulations; however, proposed regulations in different geographies can often have a material impact on the performance or appeal of the investment strategies our boutiques offer.

Risk Management

The Company analyses regulatory risks while performing pre-acquisition diligence on the organisation and preparing the investment thesis. The Company's deal team, with the assistance of the IM, performs legal diligence in advance of a transaction, highlighting key potential issues. The Company also performs background checks on key professionals to ensure they haven't had been the subject of regulatory actions or been sanctioned by relevant governing bodies, regulators, etc.

Risk Monitoring

While the ability to mitigate boutique regulatory risk post-investment is limited, the Company does the following to heighten its awareness of negative regulatory events:

- reviews each US manager's Form ADV (which is the uniform **form** used by investment advisers to register with both the SEC and US state securities authorities) on an annual basis;
- attempts to require disclosure of regulatory issues or concerns relevant to their business at the boutique board level; and
- obtains quarterly regulatory risk updates from the IM on our *Portfolio Company Risk Scorecard.*

The table on the following page (Appendix A) ranks each boutique across a variety of risks. The risks have been subjectively quantified, but ultimately this framework should provide a helpful way to think about risk at the portfolio Company and track how the risk changes over time.

Approved and Adopted

This Risk Management Framework was approved and adopted by the Board on 30 May 2024.

RISK MANAGEMENT FRAMEWORK APPROVAL SCHEDULE

Version	Date	Subject of review	Recommended by	Approved
1.0	30 August 2019	New Framework	Audit and Risk Committee (29/08/20)	Board
2.0	19 November 2020	Annual review of Framework - amendments	Audit and Risk Committee (01/10/20) (22/10/20)	Board
3.0	26 August 2021	Annual review of Framework - amendments	Audit and Risk Committee (25/08/21)	Board
4.0	25 August 2022	Annual review of Framework - amendments	Audit and Risk Committee	Board
4.1	24 August 2023	Annual review of Framework - amendments	Audit and Risk Committee	Board
4.2	30 May 2024	Review required by Organisational restructure and governance changes	Audit and Risk Committee	Board

Appendix A

Risk	Internal/External	Controllable/Not controllable
Changes in regulatory environment (boutique)	External	Not controllable
Corporate governance (PAC)	Internal	Controllable
Execution risk (PAC)	Internal/External	Controllable
Financial statement risk (PAC)	Internal	Controllable
Investment performance risk (boutique level)	External	Not controllable
Investment strategy risk (PAC)	Internal/External	Controllable
Key person risk (PAC)	Internal	Partially controllable
Legal/compliance risk (PAC)	Internal	Controllable
Macroeconomic risk (PAC)	External	Not controllable
Monetisation risk (boutique level)	External	Not controllable
Operational risk (boutique level)	External	Not controllable
Operational risk (boutique level)	External	Not controllable
Tax compliance risk (PAC)	Internal	Controllable
Technology & operations (PAC)	Internal	Partially controllable
IM and Outsourced Supplier Performance Risk	External	Partially controllable