

# Risk Management

## Risk management supports Serco in achieving its strategic and business objectives.

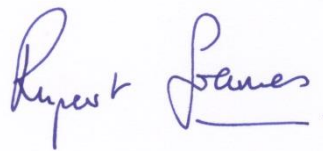
It does this by maximising opportunities, reducing the likelihood of business loss and effectively managing our exposure to risks.

Effective risk management creates a robust control environment and supports informed risk-taking that promotes business growth.

### We will:

- support informed risk-taking that promotes business growth and success while recognising the risks associated with key decisions
  - create a robust control environment that reduces negative impacts to our business performance
  - avoid surprises and reduce financial impact by generating an increased understanding of material risks, and providing early warning of increases in exposure
  - ensure risk management is a mandated part of all organisational processes
  - ensure we are systematic, structured and timely through continuous and consistent processes of risk identification, analysis and evaluation, mitigation, monitoring and reporting, that are linked to the achievement and safeguard of Serco's objectives
  - embed risk management as part of decision making by providing visibility of risks through management reporting and transparency of decisions relating to the risk response
  - have plans on how to respond to an emergency or crisis, to carry on with business and recover from a disaster
- ensure we are dynamic, iterative and responsive to change and facilitates continual improvement of the organisation through independent review and assurance of risk management

We will put this policy into practice by applying effective standards, operating procedures and processes to ensure we identify, secure, deliver, retain and grow the business in a managed and responsible way.



**Rupert Soames**

*Group Chief Executive, Serco Group plc*