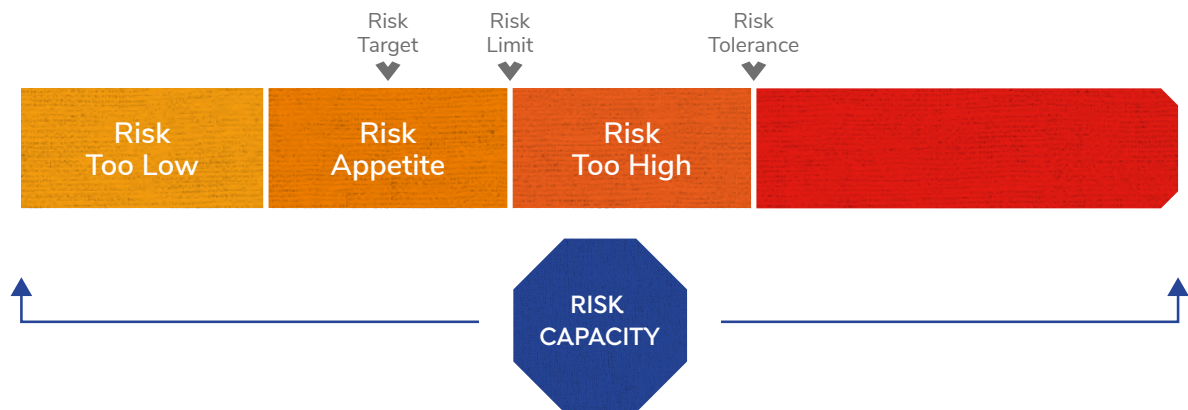


Risk Appetite



The risk appetite is the level of risk the Group acknowledges and is willing to accept in the pursuit of its strategic objectives.

The strategic and operational planning process supports the Group in optimally exploiting its opportunities. This involves the consideration of the portfolio of opportunities identified by businesses, leading to decisions by the Board in relation to the opportunities the Group wishes to pursue.

Capital is allocated to businesses to support delivery of these plans. The Group's required returns will be reflected in the targets set for businesses, including targets for return on capital employed, growth in business and profitability and dividend payment expectations.

The Group's business plan, capital allocation and business targets are therefore a key component of the Group's risk appetite. Risk appetite will accordingly continually evolve and be reviewed.