

Principle 7 – Guide for reporting

David Barnett
General Manager, Issuers

Wednesday 10 June 2009



Introduction

- Small to mid cap companies are having difficulty in implementing risk management practices, which would allow them to report positively against Principle 7
- Partners in this project, Deloitte, Blakiston & Crabb and ASXMS have put together a course of action to assist

Solution:

- Develop a guide on risk management implementation consistent with recommendations in Principle 7
- To be accompanied by seminars introducing the Guide and expectations around it
- If demand is exhibited, commence workshops, once users have become accustomed to the Guide, where users can discuss their experience and practical questions are answered

Disclosure Compliance

- Principle 7 recommendations are to be reported against for the full year (from 1 July 2008).
- Companies may be in the situation of updating the risk management system towards the end of the year – in this case, ASXMS encourages this process be disclosed as having been commenced

Use of guide

- While this guide is designed to assist in reporting positively against Principle 7, a reference to this Guide in a corporate governance statement is no guarantee that ASX MS will not take action against the company if the statement does not comply with listing rule 4.10.3

ASX MS Education and Research Program



- The Program uses the proceeds of fines and settlements from ASX's Disciplinary Tribunal to;
 - Raise awareness of and promote compliance with ASX's supervisory requirements
 - Educate the market on trends and issues in supervision
 - Promote the integrity of ASX's markets and/or promote confidence in their integrity

Development of Guide

- The Guide has been made possible through the ASX MS Education and Research Program.
- We would like to thank Deloitte and Blakiston & Crabb who have contributed their labour and effort to the project.

Important Information



- Information provided is for educational purposes and does not constitute financial product advice. You should obtain independent advice from an Australian financial services licensee before making any financial decisions.
- Although ASX Limited ABN 98 008 624 691 and its related bodies corporate (“ASX”) has made every effort to ensure the accuracy of the information as at the date of publication, ASX does not give any warranty or representation as to the accuracy, reliability or completeness of the information.
- To the extent permitted by law, ASX and its employees, officers and contractors shall not be liable for any loss or damage arising in any way (including by way of negligence) from or in connection with any information provided or omitted or from any one acting or refraining to act in reliance on this information. This disclaimer extends to any private discussions or correspondence with the presenter of this information.
- © Copyright 2009 ASX Limited ABN 98 008 624 691. All rights reserved



ASX

AUSTRALIAN SECURITIES EXCHANGE



ASX

AUSTRALIAN SECURITIES EXCHANGE