

# MANAGING

## Our Material Risks

### RISK MANAGEMENT

Terra has a structured and systematic process of identifying and managing all material risks across the Group. During the 2019 financial year, there were no specific risk incidents resulting in significant financial loss to the group or that negatively affected our stakeholders or the economic life of the communities in which we operate.

The principal risks that have a material impact on Terra's ability to create value at Group level are outlined in the heat map below. Cluster-level risks are shown in their respective operational review on pages 30 to 55.

### ROLE OF THE BOARD AND AUDIT AND RISK COMMITTEE

The Board provides oversight over Terra's risk framework, policies and processes. While it delegates these matters to the Audit and Risk committee it remains ultimately responsible for the development and implementation of the risk management strategy and plan.

The Board is satisfied that the Group's risk management processes are effective and details of the internal controls, audit and risk-management framework are shown on pages 86 to 87.

### HEAT MAP

