

# GLOBAL MINING

INVESTMENTS LIMITED

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## Risk Management

### A. Introduction

The Board of Directors of Global Mining Investments Limited (“the Board”) is ultimately responsible for GMI’s risk management and internal control. The Board considers risk management an integral part of good business management and corporate governance.

Global Mining Investments Limited (GMI) is a listed investment company and is exposed to a range of risks which include (but are not limited to) investment, market, credit, operational, liquidity and regulatory risks.

### B. Responsibilities and Duties

The Board is responsible for ensuring an effective risk management system is in place to identify, assess, monitor and manage GMI’s risks.

The Company has appointed Bell Asset Management Limited (BAM) as Manager of GMI. In addition to its other responsibilities, as Manager of GMI, BAM is responsible for designing and implementing a risk management and internal control system for GMI.

The board has also established an audit committee to assist the board in carrying out its accounting, auditing and financial reporting responsibilities, and management of associated risks.

Investment Risk and the security of investments are two of GMI’s material risks. As part of the management of investment risk, BAM has appointed BlackRock Investment Management (UK) Limited as Investment Manager pursuant to a discretionary management agreement. The Investment Manager is required to manage the portfolio in accordance with the investment objectives and restrictions set out in the discretionary management agreement.

GMI has appointed The Bank of New York Mellon (International) Limited (“the Custodian”) to act as the Custodian and to ensure the security of the investments within GMI’s portfolio.

### C. Management Assurance

BAM is required to report to the Board on the effectiveness of GMI’s risk management system.

The Chief Operating Officer and Company Secretary of Bell Asset Management Limited also provide assurance to the board that the declaration provided in accordance with section 295A of the Corporations Act 2001, is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Board monitors the performance of BAM, the Investment Manager and the Custodian on an ongoing basis.

#### **D. Risk Management Framework**

BAM is required to analyse its business risk in the context of the Board's expectations, specific business objectives and the organisation's risk appetite. To facilitate the identification, monitoring and evaluation of GMI's business risks a risk framework has been developed.

The Framework incorporates:

- Processes to identify, assess, mitigate, monitor and report on risks;
- A consultative process to ensure management and staff of Bell Asset Management Limited are involved with the identification, assessment, mitigation and monitoring of risks;
- A regular review of the risks within each area.