

ORBITAL CORPORATION LIMITED RISK MANAGEMENT POLICY

It is the policy of Orbital Corporation Limited that all operations are conducted in a manner which ensures, as far as reasonably practicable:

- The health and safety of all employees, customers, visitors to Company sites and others who may be affected by the Company's operations;
- Compliance with all applicable legislation;
- Protection of assets and earning capacity against loss;
- Protection of the environment.

These policy objectives will be achieved by implementation, throughout all parts of the Orbital Group, of an effective risk management program including the following:

- Maintenance of an operational risk management framework based on ISO standards;
- Maintenance of internal control systems in order to provide management with accurate, relevant, timely and reliable financial and operating information;
- Operation of a safety committee to monitor and resolve safety issues throughout the Company;
- Conduct of operations and maintenance of records in accordance with Company policies and legislative requirements;
- Monitoring and reporting to the Audit Committee and Board on significant circumstances and risk management issues which may affect the Group, including regular reports on safety and environment issues;
- Implementation of loss prevention and control measures directed at reducing, as far as possible, the potential for loss or damage;
- Management of insurance programs to acquire appropriate coverage at optimum premium levels.

Responsibility for establishing and maintaining effective risk management strategies rests with senior management, accountable to the Chief Executive Officer and the Audit Committee of the Board.