

Risk Management Policy

Pioneer Credit is committed to managing all material risks so that residual risk is within the tolerances established under the Company's Risk Appetite Statement.

The overall risk appetite of Pioneer is to take an appropriate and balanced range of risks that deliver Pioneer's strategic objectives while seeking to reduce or eliminate those risks that do not support these objectives, where it is cost effective to do so.

To achieve this objective, Pioneer will:

- Embed risk management into our critical business activities and processes;
- Consider risk in our decision making process, via use of the risk appetites and tolerances described within the Risk Appetite Statement;
- Understand the threats to and opportunities for achievement of our objectives;
- Establish and maintain a structured approach to risk management, in the form of:-
 - a Board approved Risk Management Framework, which establishes common understanding, definitions and methodologies;
 - regular risk management review processes as per the Risk Management Procedure.
- Maintain a number of policies and practices designed to manage specific business risks including having in place:-
 - a comprehensive insurance program;
 - regular budgeting and financial reporting;
 - clear limits and authorities for expenditure levels;

- procedures/controls to manage OH&S matters, compliance with Australian Credit Licences, continuous disclosure obligations under the ASX Listing Rules and Corporations Act.
- Maintain a library of controls and perform testing to confirm their operational effectiveness related to mitigating risk; and
- Review all documents within the overarching Risk Management Framework for alignment to Pioneer's current operating environment.

Accountabilities/Responsibilities

- The Board is responsible for approving the Company's policies on risk oversight and management, including the definition and review of Pioneer's risk appetite;

The ARMC is responsible for monitoring management's performance against the Company's Risk Management Framework;

- The Managing Director is responsible for identifying, assessing, monitoring and managing risks;
- The Executive are responsible for assisting the Managing Director identify, assess, monitor and manage risks;
- The Executive and Service Area Managers to foster organisational compliance with this Policy and its supporting procedures and other related documentation;
- Managers and Supervisors must monitor material business risks for their areas of responsibility, provide adequate information on implemented risk treatment strategies the Executive, and ensure staff

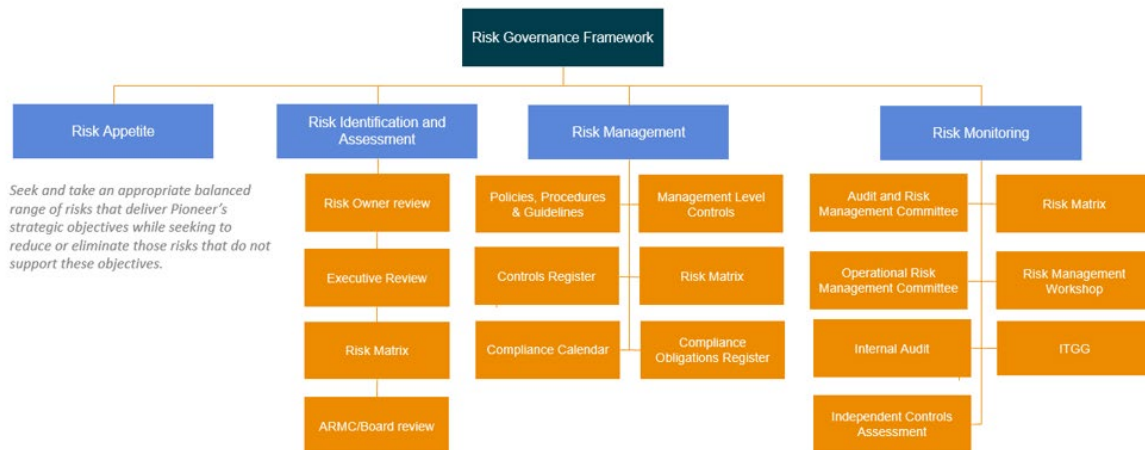
are adopting the Company's Risk Management Framework;

- Staff are expected to act in the best interest of the Company, taking into account any risks encountered during the regular course of business. Individual staff should recognise, communicate and respond to expected or changing material business risks.

Pioneer will continually review this Policy and its overarching Risk Management Framework to reflect changes to the Company's risk appetite, and its level of risk maturity.

Keith Roy John
Managing Director

Risk Management Framework



Refer to the following documents for further information:-

1. Risk Appetite Statement
2. Risk Register
3. Group Controls Register
4. Risk and Corporate Governance Framework
5. Risk Management Procedure