

POLICY ON RISK MANAGEMENT

RISK MANAGEMENT

McNichols Consolidated Plc is subject to certain risks that affect our ability to operate, serve our customers, and protect assets. These include risks to employees, liability to others, and risks to property.

Controlling these risks through a formal program is necessary for the well - being of the Company and everyone in it. The jobs, products and services the Company provides, the safety of the workplace and other benefits all depend to an extent on our ability to control risks.

Management has the ultimate responsibility to control risks. Control includes making decisions regarding which risks are acceptable and how to address those that are not. Those decisions can be made only with the participation of the entire workforce, because each of us understands the risks of his or her own tasks better than anyone else in the Company. Everyone is responsible for reporting any unsafe conditions they see.

Also, key officers are encouraged to suggest ways in which we can operate more safely. We are committed to the careful consideration of everyone's suggestions, and to taking appropriate action to address risks. Accidents and other situations involving loss or near - loss will be investigated as part of the effort to manage risks.

Every employee's performance will be evaluated, in part, according to how he or she complies with this policy.

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DIRECTOR

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DIRECTOR