

Appendix 2 – System of internal control

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| Third line of defence | <p>Board of Directors</p> <p>Sets and monitors delivery of Group strategy, sets Group risk appetite, assesses the Group's principal and emerging risks and approves significant matters reserved to it</p> | |
| | <p>Audit Committee</p> <p>Assists the Board in assessing risk management and reviews the effectiveness of the internal audit function and the external audit process</p> | |
| | <p>Internal Audit Function</p> <p>Audits the effectiveness of the Company's first and second line internal controls through the independent observation and objective assessment of such controls</p> | |
| Second line of defence | <p>Group Executive Committee</p> <p>monitors the frameworks, policies and procedures and effectiveness of the functions referred to below</p> | |
| | <p>Group Risk Management Framework</p> <p>sets the methodology under which Group and its divisions identify, assess, manage and monitor existing and emerging risks</p> | <p>Group Policy Compliance Framework</p> <p>under which corporate policies, such as those on anti-bribery and anti-modern slavery, are created and enforced</p> |
| | <p>Group Safety Policies</p> <p>set minimum expectations for safety outcomes, such as speeding and driver risk monitoring</p> | <p>Group Standard Operating Procedures</p> <p>set minimum standards for operations, such as vehicle maintenance and driver rostering</p> |
| | <p>Group Whistleblowing Policy</p> <p>by which internal and external stakeholders can raise concerns about wrongdoing</p> | <p>Group Cyber Security Programme and Team</p> <p>which set cyber security strategy and control and monitor progress against that strategy and compliance with those controls</p> |
| | <p>Group Environmental Data Reporting Guidelines & Group Sustainability Director</p> <p>which help track delivery of environment strategy and ensure the integrity and consistency of environmental data collection and its reporting</p> | |
| | <p>Group Consolidated Financial Reporting & Group Finance Team</p> <p>which consolidate and review Group financial results</p> | <p>Group Treasury & Tax Functions</p> <p>which centrally manage Group treasury activities and set Group tax strategy and review tax compliance</p> |
| | <p>Group Legal Reporting & Group General Counsel</p> <p>which monitor, report and provide legal advice on Group legal risks</p> | |
| First line of defence | <p>Divisional Executive Committees</p> <p>which monitor the policies and procedures and the effectiveness of the functions referred to below</p> | |
| | <p>Divisional Safety, Operational, Cyber and Environmental Policies and/or Procedures</p> <p>which implement Group policies and/or procedures</p> | |
| | <p>Divisional Risk Registers & Management</p> <p>which track divisional risks and develop mitigations</p> | <p>Divisional Budgets & Forecasting</p> <p>which set divisional financial expectations and monitor delivery</p> |
| | <p>Divisional Finance Teams</p> <p>maintain the financial ledgers and prepare divisional accounts</p> | <p>Divisional Legal Teams</p> <p>provide legal advice and assistance on divisional legal risks</p> |