

Rockpress – Rocklea Pressed Metal – is a major manufacturer and fabricator of metal products for a wide range of industries and applications. Rockpress is located in Acacia Ridge, a major industrial hub in southern Brisbane. With a factory floor space of ~15,330m² and approximately 110 staff, Rockpress has the resources and capacity to handle projects of any size – from simple metal componentry, through to major structural, industrial and architectural works. Rockpress has operated since 1972 and have all major Certifications in place. Rockpress has the experience and expertise to deliver on the most complex assignments. Rockpress specialises in custom-made solutions, fabricated from a wide range of metals – stainless steel, aluminium, carbon steels, copper and brass. We can even incorporate complementary materials and accessories – such as timber, plastics and glass – through the manufacturing process to deliver products in their complete form.

Organisational Context

Rockpress' organisational context involves its "operating environment" and the internal and external issues that have been considered when assessing risks. These are the things that will impact upon staff's ability to meet the company's goals and objectives.

Needs and Expectations of Internal Stakeholders [interested parties] (Staff, Directors, & Subcontractors)

- Increased transparency in financial management
- Enhanced confidence in the quality and integrity of the products & services provided
- Protection of assets and longer-term viability of the business
- Compliance with all relevant legislation
- Provide a safe & healthy workplace without risk to the environment
- Provide secure employment with an emphasis on longevity
- Provide training to enable the stakeholder to fulfil the obligations of their role
- Personal & professional development
- Promotional opportunities
- Recognition and fair compensation for the work that is done
- Security (Cyber & Physical)

Needs and Expectations of External Stakeholders

- Compliance with all relevant legislation
- Meeting insurance requirements
- Adhering to financial reporting requirements
- Meeting contractual obligations including timely payment for goods

- Maintain a positive public image
- Be open and honest in our dealings
- Be transparent in our business processes
- Do not create harm to our environment or the surrounding community, adopt renewables and strive to be energy and material efficient
- Holding & maintaining relevant certifications

Internal Context is anything within Rockpress that may influence the way in which internal risks are managed. These include:

- Product and service offerings
- Governance, organisational structure, roles, and accountability
- Policies and goals, and the strategies that are in place to achieve them,
- Assets (e.g., facilities, property, equipment, technology and I.P.)
- Capabilities, understood in terms of resources and knowledge (e.g., capital, time, people, processes, systems, and technologies)
- Information systems, information flows, and decision-making processes (both formal and informal)
- Staff relationships and the perceptions and values of their internal stakeholders including suppliers and contractors
- Organisational culture
- Standards, guidelines, and models adopted by the organisation and
- Form and extent of the organisations contractual relationships

External Context is anything outside of Rockpress' sphere of influence that may impact upon its ability to manage risk. External issues are identified by using the PEST (political, economic, social and technological) tool. Rockpress cannot control these issues but must seek to adapt to them.

IMS Scope

Rockpress has a number of internal stakeholders (Directors, Staff & Sub Contractors), external stakeholders (Contractors, Suppliers & Customers) and interested parties (The Community, Media, Regulators, Insurers).

With consideration to the Rockpress business strategies, stakeholder requirements, and the products and services provided, the scope of Internal Management System has been defined as:

"Design assistance and fabrication of ferrous and non-ferrous plate and sheet metal components"

This system applies to all processes, activities and employees within the company with consideration to the stakeholders and interested parties above within the boundaries of all physical locations at Colebard Street East

Acacia Ridge. Rockpress is committed to live by the spirit of all applicable clauses of ISO 9001, 14001 and 45001, including the requirement to continually improve the effectiveness of its IMS. Rockpress involvement around design & development is limited to design assistance and developing working drawings from customer inputs. Dependent on customer requirements we then employ the following processes for validation & verification. Prototyping, FAI - First Article Inspection (Rockpress & Customer measure), SIR - Sample inspection reports (Rockpress only measure), PFMEA - Process Failure Mode & Effect Analysis &/or PPAP - Production Part Approval Process.

This commitment is supported by the Rockpress IMS Policy.

Products and Services

Refer to Capability Statement for comprehensive list of Products and Services and Machinery and Staff Capacities.

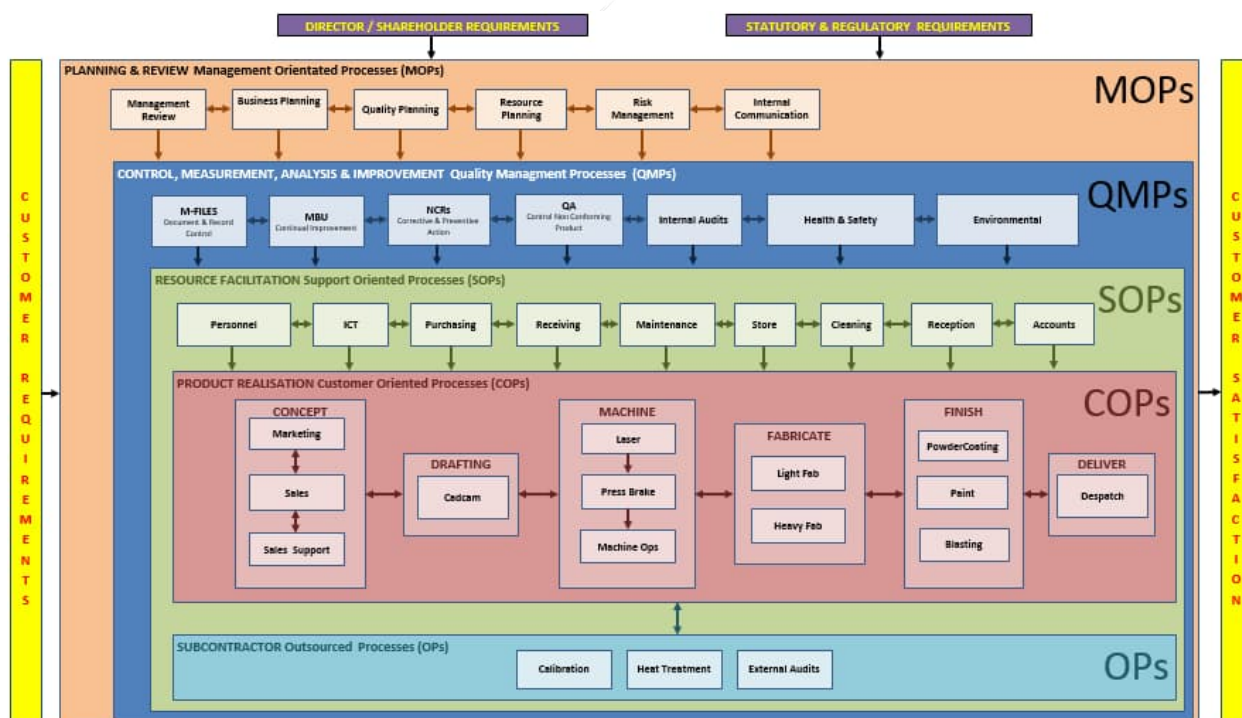
IMS Policy

For Rockpress' commitment to the IMS refer to the Rockpress Integrated Management System Policy

Documentation requirements

All requirements for the integrated management standards are referred to within the Integrated Management System Reference Guide.

IMS Process Interactions



Risk Management Purpose

The purpose of this document is to identify risks and potential control measures that will impact directly on Rockpress' core business objectives and its ability to meet or exceed these. The goals are to minimise those things that will negatively impact upon the business as well as identifying and harnessing those things that will help Rockpress achieve its goals and objectives.

This document should facilitate good corporate governance, specifically:

- The management of areas such as customer relations, transparent finances, resources and staff management
- Ensuring products and services provided by Rockpress are of the highest quality and standard
- Ensuring Rockpress complies with all required regulations, legislation and standards on an ongoing basis
- Protecting Rockpress from possible negative occurrences, as well as recognising opportunities and capitalising on these when they arise.

Limitations

This plan is limited by a number of issues that will ultimately affect the quality of the outcomes produced. These include:

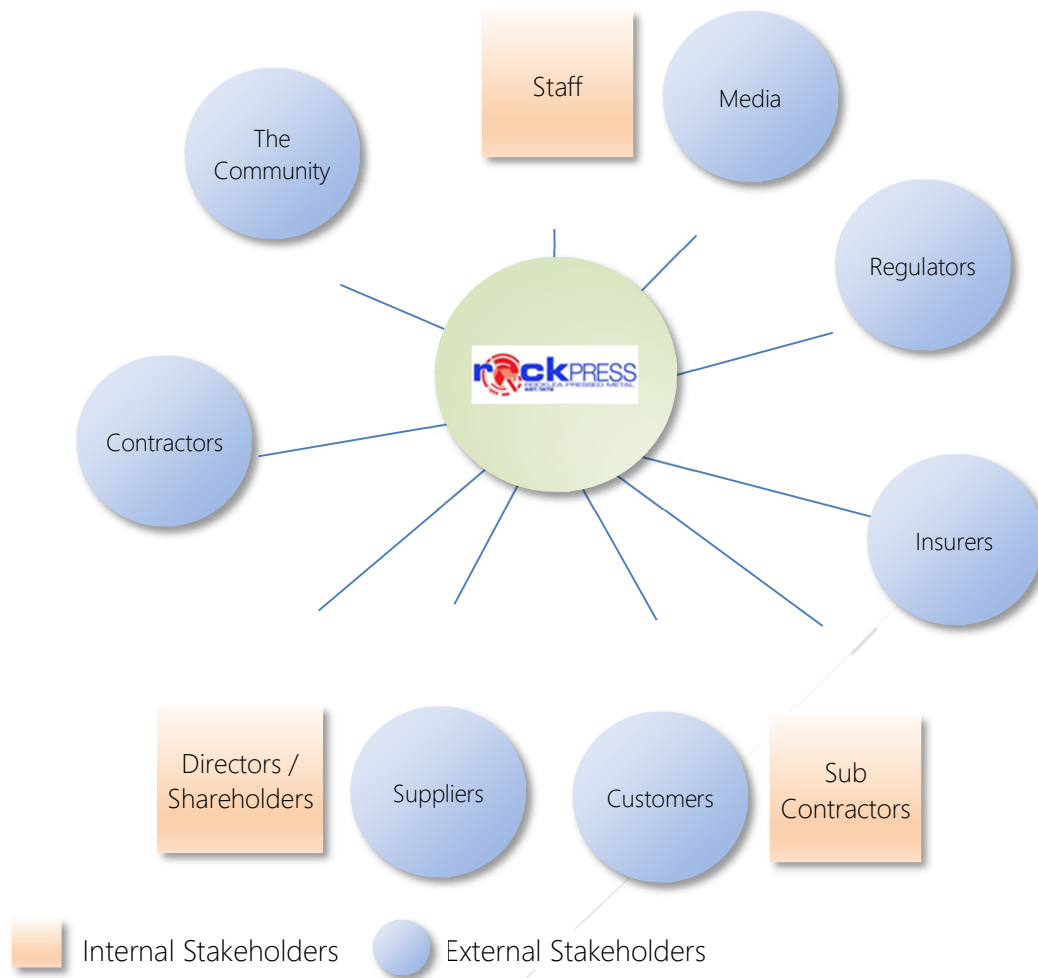
- The depth of research conducted
- The amount and quality of the analysis conducted
- The number and relevant experience of staff conducting assessments
- Resource availability including information at hand, budget & time dedicated to risk identification & mitigation.

Risk Management Objectives

Expected benefits to Rockpress

- Improved communication between staff and with external stakeholders
- Improved understanding of the impacts that management practices have on the business
- Improved relationships with stakeholders and interested parties
- Enhanced business planning and achievement of objectives and goals
- Reduced litigation potential
- Increased competitive advantage
- Enhanced quality of products and service
- Increased efficiency and productivity
- Operate within projected budget
- Reduced compliance costs

Stakeholders & Interested Parties



Staff - People with the required skills and motivation who are willing to be contributing members of the organisation and further develop their skills as necessary to provide a competitive edge

Sub-Contractors - Tasks which Rockpress cannot achieve in-house are usually outsourced to subcontractors.

Contractors – Independent business provides a service which we can't otherwise undertake

Clients/Customers - Rockpress must attract and retain customers by offering products services that meet their needs along with providing excellent customer service and a quality product.

The Community - There is an expectation from the broader community for Rockpress to be a fair, safe and environmentally responsible company.

Media - Positive media attention can bring success to Rockpress by maintaining its reputational strength. Managing the media (including the presence in social media) via policy and procedures to always show a favourable image of the business and its employees.

Regulators - Compliance/Government regulators ensure that Rockpress is achieving and maintaining adherence with current applicable Federal, State & Local legislation as well as any relevant Australian, ISO or other international standards.

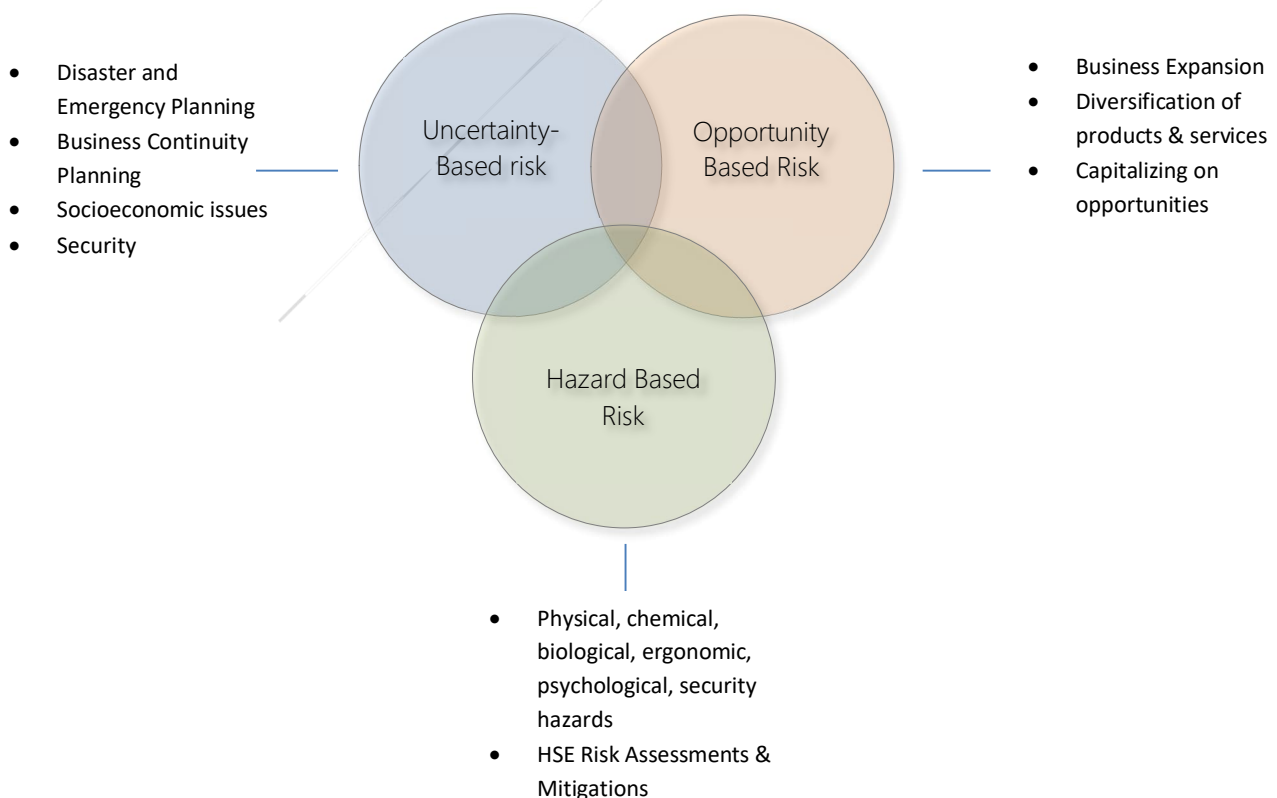
Suppliers - Rockpress relies on resources to carry out its core activities. A supplier's poor performance, whether via service or product, negatively impacts upon Rockpress and its stakeholders.

Insurers - Insurance is a necessity for Rockpress to mitigate against significant known risks. Rockpress' insurers require accurate information to determine appropriate levels of cover.

Directors / Shareholders

Company directors and shareholders are Persons Conducting the Business or Undertaking (PCBU's) and have a vested financial interest in the success of Rockpress.

Types of Risk




PEST Analysis

POLITICAL	Current legislation (local and international)	
	Australian Standards	
	ISO Standards	
	Planned or future legislation	
	Government policies	
	Regulatory agencies	
	Political change (elections)	
	Funding, grants and other initiatives	
	Wars or conflicts	
	Local and international trading environments	
	Key Customer Standards	
	Increasing compliance requirements	

ECONOMIC	Economic growth and trends	
	Local tax, interest, exchange and inflation rates	
	International economic issues	
	Trade cycles	
	Growing and declining markets	
	Industry trends and practices	
	Environmental issues (seasonal/weather trends)	
	Competitors	
	Free Trade Agreements	
	Customer drivers	
	Purchasing power	
	Global recession, Global Pandemic	
Increasing wage demands		

SOCIAL	Consumer trends (behaviour and attitudes)	
	Lifestyle trends	
	Demographics (age, sex, ethnicity, employment, home ownership, education)	
	Media opinions and company image	
	Major events	
	Advertising, brand image & perceived reputation	
	Ethical issues	
	Changes in employment desires or priorities	
	Political Extremism	

TECHNOLOGICAL	Innovation and R&D	
	Technology incentives	
	Maturity of technology	
	Barriers to entry	
	Automation	
	Digital economy	
	Rate of technological change and acceptance of new technologies	
	Telecommunications	
	Manufacturing	
	Cybersecurity	

SWOT Analysis

Rockpress aims to stay ahead of its competitors by regularly assessing its place in the current market. A SWOT analysis helps to identify and build on current company strengths whilst also highlighting and minimising current weaknesses. By looking at the external environment Rockpress can also seize upon current market opportunities as well as counteracting any identified threats.

POSITIVES		NEGATIVES	
INTERNAL	STRENGTHS	WEAKNESSES	
	- close relationships with customers and geographical proximity to supply networks	- High labour costs	
	- mature organisational culture aligned with competitive manufacturing principles	- Bulk of business comes from a few main contracts (Haulmark, Volvo etc)	
	- ISO Certification	- High transportation costs	
	- well established, long running business	- Some competition from cheaper overseas high-volume manufacturers	
	- competitive manufacturing techniques increase efficiency and reduce waste	- Non-conformance costs	
	- Can offer drafting, laser cutting, bending, machining, welding and coating	- Perception of 'high price'	
	- Equipment and certification costs can be barriers for competitors to enter market	- Certification cost burden	
	- Owned Capital assets	- Additional compliance requirements to attract some business eg Rheinmetall	
	- Flexible to customer's needs	- Difficulty in obtaining experienced qualified staff	
	- Perception of "High Quality"	- Culture of customers wanting immediate production & delivery at greatly reduced rates	
	- Longevity of business		
	- Having a dedicated job scheduling system		
	- Risk Resilience and Adaptability		
- 100% Australian Owned			

E X T E R N A L I S S U E S	<h3>OPPORTUNITIES</h3>	<h3>THREATS</h3>
	<ul style="list-style-type: none"> - Partner with local growth industries e.g. Alstom, Rheinmetall - Diversify client base focusing on expanding markets - Implementation of new technology/services - Increase in transportation costs - Digitalisation - Employment practices - Promoting kocal content - More involvement in trade and industry events - Interstate work 	<ul style="list-style-type: none"> - Rising cost of raw materials - Competitors obtaining certification - Smaller competitors undercutting quotes - Cheap overseas mass production & labour (China, India, Vietnam) - Loss of skilled staff - Unable to obtain skilled staff - Lack of even playing field in terms of competitors not meeting same compliance standards - Natural disasters / Pandemic - Increased compliance burden - Difficulty in obtaining materials - Inflation - Interstate companies opening branches in QLD - Loss of knowledge

Risk Categories

Financial	This category includes cash flow, budgetary requirements, tax obligations, creditor and debtor management, shareholder dividends, remuneration and other general account management concerns
Human Resources	This relates to internal staff and extends to the cultural, structural and people issues (including staff conduct) associated with the effective operation of the business
Legal Compliance	This category includes compliance with legal requirements such as legislation, regulations, standards, codes of practice and contractual requirements. This category also extends to compliance with additional 'rules' such as policies, procedures or expectations, which may be set by contracts, customers or social environment
Operational	This covers the planning, operational activities, resources and support required within the operations of a business that result in the successful development and delivery of a product or service. This extends to the equipment utilised for the operations and conduct of the business. It includes the general operations of the equipment, maintenance, appropriateness, depreciation, safety and upgrade
Strategic	This category includes the risks associated with market placement, business growth, diversification and commercial success. This relates to the commercial viability of a product or service, and extends through establishment to retention and then growth of a customer base
Health, Safety & Environment	This category includes the health and safety of everyone associated with the business as well as protection of the environment. This extends from individual safety to workplace safety, public safety and to the protection of resources and the environment.
Security	This includes Governance, Personnel, Physical, Information & Cyber Security. It includes the recording of all security related concerns in the Security Register & the issuing of Annual security Reports to the Defence Department
Sales & Marketing	This entails the threat to the reputation of the business due to the conduct of the entity as a whole and the viability of product or service
Information, Communication & Technology	This includes the implementation, management, maintenance and upgrades associated with technology. This extends to recognising the need for and the cost benefit associated with technology as part of a business development strategy.
Quality	This includes non-conformances; product and customer focus.

Financial

Risks

- Customers not paying their bills
- Negative cash flow
- Fraud and scams
- Insurance coverage
- Profits fall below expectations
- Availability of capital to fund the business
- Falling/Depreciation of asset values
- Price increases in critical process inputs (i.e., Material or transportation costs)
- Market availability to liquidate company assets
- Debtor management
- Credit risk, defaulting on debts
- Accounting errors
- Support of businesses unable to keep their contractual obligations to Rockpress
- Increasing Tax or government levies
- Inflation

Opportunities

- Increasing property portfolio
- Review of customer accounts and credit limits – closing those not used recently or amending credit limits to reflect actual spending

Human Resources

Risks

- High staff turnover or loss of key staff member/s
- Inability to locate suitable staff
- Reputation as a poor employer could hinder recruitment of skilled employees
- Risk of legal action relating to incorrect practices or incidents
- Non-compliance with related employment laws & regulations

- Incorrect remuneration for staff
- Inefficient recruitment process
- Increased absenteeism of key staff due to illness (i.e., flu)
- Inadequately trained staff
- Aging workforce

Opportunities

- Training unskilled groups
- Partnering with Group Training Organisations to go into schools to encourage apprenticeships and promote the trades as a career choice
- Seek government funding to upskill workers
- Visa workers

HSE

Risks

- Accidents or poor work environment impacts upon the health of employees
- Acts of nature, war and terrorism, pandemic
- Failure to understand context
- Failure to address needs and expectations of interested parties
- Inadequate consultation and participation
- Inadequate planning and resources
- Ineffectual audit program
- Incomplete management review
- Poor succession planning
- Poor engagement by management

Opportunities

- Consideration of hazards and risks when purchasing / planning facilities, processes, plant, equipment and materials
- Modification of work processes (alleviation of monotonous / repetitive work)
- Introduction of new technology to reduce high risk activities
- Implementation of ergonomic or other injury-prevention related assessments
- Improvement of workplace culture (non-conformances)

- Enhancing visibility of top management support
- Improving consultation
- Expediting corrective actions to address non-conformances.
- Improving competency in identifying hazards
- Ensuring management review promotes a strategic and critical evaluation of the system

ICT

Risks

- Website outage
- Unavailability or inaccurate data
- Reliability and Quality of ICT software & hardware, Architecture fails to meet business objectives
- Software not fit for purpose, inefficient
- Cybercrime including virus damage, identity theft, spyware
- Network outage or failure, Issues relating to internet connectivity

Opportunities

- Hardware based domain authentication
- Digitise all works orders
- Digitise all AP paperwork
- Cyber awareness training for all employees
- Customer portal
- Supplier portal
- Paperless inductions / role specific training
- Automate SWI process
- Work Order portal

LEGAL COMPLIANCE

Risks

- Failure to comply with legislation, regulation and/or standards, Failure to meet mandatory reporting requirements

Opportunities

- Check legislative requirements as part of scheduled internal audits

Uncontrolled Events

Risks

- Pandemic, floods, fires etc
- Unavailability of skilled labour
- Supply restrictions
- Availability of product / materials

Opportunities

- Disaster management plans
- Business interruption insurance
- Use of social networking
- Increasing supplier networks so we are not reliant upon 1 or 2 key suppliers

SALES & MARKETING

Risks

- Revenue shortfall, Lower than expected demand, Competition in the market reduces revenue (i.e. Price war)
- Inaccurate Sales forecasts
- Increase in nonconformance
- Damaged Customer relationships
- Decline in brand value
- Bad publicity, Damage to company reputation
- Loss of a large customer
- World conflict delaying / inhibiting imports / exports
- Spending significant resources on low probability opportunities
- Pricing below required profit margin
- Economic downturn or recession
- Shifting customer needs and perceptions
- Competitive risk – not offering services that are offered by competitors
- Increasing labour & material cost on fixed price contracts

Opportunities

- Regular email campaigns
- Registered suppliers on customer portals (Rheinmetall & Hanwa)
- Email campaign on beam welder targeting specific markets
- Subscription to ICN Gateway for information on work packages available from different industries
- Sales mentoring / coaching for supervisors and sales staff
- Improved product knowledge
- Investment in new technology such as paperless systems, customer order tracking, pallet tracking via RFID
- Increased exposure on social media platforms
- Reinvigorating dedicated on road sales representative to visit regular long standing customers to gauge customer satisfaction and engage new customers

SECURITY

Risks

- Security of data and intellectual property
- Theft of property
- Adherence to privacy obligations

Opportunities

- 27001 certification or implementation of some of the principles of it
- Digitalisation of processes
- Increased knowledge through training courses for IT personnel

STRATEGIC

Risks

- Lack of innovation
- Employees not acting in the best interest of the company
- Loss of market share to competitors
- Rockpress sensitive information is leaked to competitors
- Overall business strategy and plan is ineffective (i.e. failure to meet sales targets)
- Economy goes into recession

- Technology investments/assets become obsolete
- Failure of procurement projects (i.e. new machines, software)
- Failure to sustain company objectives & targets
- Failure to successfully implement company change management
- Risks associated with political change

Opportunities

- 27001 certification or implementation of some of the principles of the standard
- Digitalisation of processes
- Networking & knowledge sharing
- Investment in new equipment / technology

OPERATIONAL

Risks

- Breakdown of machinery or equipment
- Loss of vital supplier
- Infrastructure risks (i.e. power outage)
- Product or service failure, Product recall
- Failure to meet production targets
- Logistics issues (i.e. unable to deliver customers goods)
- Procurement issues (i.e. unavailability of raw material)
- Restricted access to business (i.e. burst water main, flood)
- Human error
- Digital disruption
- Inability to retain talent

Opportunities

- Sales mentoring / coaching for supervisors and sales staff
- Improved product knowledge
- Investment in new technology such as paperless systems, customer order tracking, pallet tracking via RFID