

SECTION 6 — RISK MANAGEMENT

Rosehill's risk profile will continue to be updated quarterly and at each annual business plan review, with movement in inherent and residual scores reported to the Audit & Risk Sub Committee. The Strategic Risk Register focuses on a small number of high impact risks—SHNZS delivery, economic uncertainty, recruitment and retention in key roles, tenant affordability and statutory safety—each with clear controls, assurance, owners and time bound actions.

Effective risk management is fundamental to delivering our strategic objectives, maintaining regulatory compliance and safeguarding the long-term resilience of the organisation. Rosehill operates a structured Risk Management Framework which is reviewed annually as part of the business planning cycle and monitored quarterly by the Management Team, and monitored throughout the year by the Management Committee, Audit & Risk Sub-Committee and the Management Team. This ensures that risk assessment is embedded within strategic planning, performance management and financial forecasting.

The top-five register are updated each quarter and escalated to Committee where risk movement requires strategic decisions.

Our risk landscape reflects the significant challenges facing the social housing sector. The proposed Social Housing Net Zero Standard represents our highest strategic risk due to the scale of investment required the uncertainty surrounding technical solutions and the lack of confirmed grant funding. Broader economic volatility, including inflation, interest-rate changes and increased contractor costs continues to present material risk to financial viability and service delivery. Recruitment and retention difficulties for senior and specialist staff remain a sector-wide issue and have therefore been elevated as a key strategic risk.

In addition, continuing cost-of-living pressures pose risks to tenant affordability, arrears, and demand for support, while wider housing pressures; including increasing homelessness referrals and low turnover impact our ability to sustain balanced communities. Regulatory responsibilities around tenant safety remain critical and include robust management of dampness and mould, gas and electrical safety, and other statutory compliance areas. Digital transformation introduces further operational and data-related risks as systems evolve.

To strengthen organisational resilience, Rosehill maintains a live Strategic Risk Register aligned to our strategic objectives. Scenario planning and stress-testing inform financial decisions, while governance oversight ensures assurance and mitigation actions are continually reviewed. Detailed risk scoring, movement analysis, controls and mitigation plans are presented within the Risk Management Data Book.