1. *Purpose*

Genetic Technologies Limited and its subsidiaries (the Company) is committed to identifying and analysing risks with the objective of minimising activities that have an adverse effect on the Company's operations, realising new opportunities and ensuring that effective risk management practises are a key element of the Company's culture and in the way that activities are carried out at all levels in the Company. This document defines the Company's Risk & Compliance Policy.

2. *Scope*

This policy covers the identification and management of Company associated risks and compliance requirements. The Policy applies to all entities, directors, employees and other persons managed by the Group in all areas of operations.

3. *Responsibilities*

3.1 Board

The Company's Directors must have read and understood this policy. Given its responsibility for representing the interests of shareholders, the Board is responsible for approving and reviewing the Company's risk management framework including this Policy and determining the Company's tolerance for risk. The Board has overall responsibility for satisfying itself that the risk management framework continues to be sound and the Company is operating with due regard to the risk appetite/tolerance set by the Board.

3.2 Audit Committee

The Audit Committee is required by its Charter to review Management recommendations on risk management and compliance policies and to report the recommendations and its review to the Board.

3.3 Executive and Management

Management is primarily responsible for identifying, assessing and managing risks, for identifying legislation and regulations with which the Company is required to comply, and for formulating appropriate policies and procedures. Management is responsible for ensuring that systems, processes and controls are in place to minimise identified risk to an acceptable level. Management is required to report to the Audit Committee on a regular basis.

3.4 Employees

All employees of the Company are responsible for the effective management of risk, including the identification of potential risks. All employees must report new risks or changes to existing risks to their manager or supervisor as soon as they become aware of the risk.

4. References

AS/NZS ISO 31000; 2018 Risk Management: Principles & Guidelines

COSO's Internal Control - Integrated Framework (COSO Framework) updated 2013

5. Definitions

ASX: Australian Securities Exchange

GTG: Genetic Technologies Limited

Securities: Fully paid ordinary shares in the capital of GTG

6. Policy

GTG shall comply with all applicable laws in executing this policy, including:

- Corporations Act 2001
- ASX Corporate Governance Guidelines
- ASX Listing Rules

The board's Annual Agenda provides for reviews of the risks and compliance requirements facing the Company. The Board will annually review the Company's risk management framework to satisfy itself that it continues to be sound and disclose whether such a review was undertaken for the relevant reporting period in the Company's annual report.

This policy directs that the Company will integrate risk management into its culture, decision making processes, business planning and performance reporting and will establish a safe working environment for its employees. Overall the risk management process can be seen as a systematic application of management policies, procedures and practices that will allow the Company to undertake activities with the knowledge that measures are in place to maximize the benefits and minimize the negative effect of uncertainties on the Company's objectives.

This policy, together with the risk management register, are integral components of the Company's overall Risk Management Framework.

The objective of the Risk Management Framework is to:

- Define risk management

- Outline the Company's risk management plan
- Describe the approach to managing risk based on AS/NZS ISO 31000:2018 principles
- Outline guidance on the risk management process
- Outline roles and responsibilities for risk management
- Describe the risk management recording and reporting requirements of the Company

The framework is important to ensure that there is an agreed and consistent approach to managing risk that is aligned with the Company's overall governance arrangements and embedded within the Company's strategic and operational policies and procedures.

7. Procedure

The Company has adopted a risk management procedure that takes a proactive approach to the management of risks. The procedure involves:

a) identifying risks including any contemporary and emerging risks;

b) regularly reviewing the areas of risks for the Company and updating the Company's risk registers;

c) determining the materiality of risks and the development of a plan to minimise the impact of the risks on the Company;

d) monitoring the extent to which the organisation's risk management processes and procedures have been implemented and operating effectively; and

e) monitoring and evaluating employees within the organisation responsible for risk management.

8. Review

The Board will periodically review this Policy to ensure it is operating effectively. This Policy may be amended by resolution of the Board.

END DOCUMENT