Risk title	Risk description	2018 priority ranking[1]	2017 priority ranking[1]	2016 priority ranking[1]	Response to risks and opportunities	Related strategy outcome	Related material matter
1 Regulatory environment	Unpredictable decisions by the Regulating Committee leading to regulatory uncertainty	I	I	I	The 2016 to 2020 Permission Decision was in line with our expectations and was factored in the business planning process, albeit after a two-year delay. We continue to participate actively in the Department of Transport's Economic Regulatory Review Process through the steering committee and project team to ensure our objectives are considered. Refer to **Performance Review** for Permission Decision information.	Long-term sustainable value creation	Economic regulation
2 Skills	Inability to attract, develop, retain and appropriately develop critical skills	II	II	II	Measures to attract, develop and retain talent and manage succession were implemented. Progress was made in recruiting skilled resources, using professional platforms such as LinkedIn. Implementation of the new governance framework and operating model clarified employee roles. In total, 70% of line managers and labour representatives were trained on the new performance management system. Refer to **Performance Review** for human resources information.	Managing and developing a high-performance team	Employees
3 Transformation	Failure to exploit the Company's status and strategic development plans to promote transformation	II	II	II	Progress was made in implementing the seven sector strategies developed in 2017 to aid our transformation activities. An ESD partner was appointed to support supply chain management transformation, which will contribute to ESD transformation. Refer to **Transformation** for our transformation information.	Long-term sustainable value creation Accelerating sustainability and transformation programmes	Transformation
4 IT platform	Failure to provide a digitised/technology platform to support current and future operations in a stable and secure manner	II	I	I	An approved digital strategy is being implemented to address current and future operational requirements. An IT security strategy was developed to ensure a secure and sustainable digital environment. IT skills capacity continues to be addressed to ensure that all key positions are filled by competent employees. We enhance IT capacity by contracting professional service providers. Refer to **Performance Review** for our IT information.	Becoming a digitised business Continuously improving the passenger experience	Technology and digitisation
5 Funding	Inability to secure affordable funding leading to inability to execute the growth strategy	II	II	II	We improved the effectiveness of internal controls. We implemented the treasury stakeholder engagement plan. We continue to conduct an investor roadshow to articulate the Company's strategy and promote funding opportunities to potential investors. Refer to **Message from the Acting Chief Financial Officer** for our funding information.	Long-term sustainable value creation Strengthening our reputation and continuing to build win-win partnerships with our stakeholders	Access to and cost of funding

1 The risks are ranked as Priority I (critical risks) and Priority II (significant risks).