

Risk Management Policy

POLICY: Risk Management

PRECIS: The Governance Institute of Australia (Governance Institute) has a risk management framework that complies with International Standards and identifies and assesses controls periodically that prevent or mitigate the incidence of risk. The Risk, Audit & Finance Committee of the Governance Institute Board has the responsibility for monitoring the risk management process within the organisation, with the full Board reviewing and approving the Risk Appetite of the Organisation, the Risk Management Policy, the Risk Framework and Risk Register annually.

DATE: 24 February 2020 Board Approval

LAST REVISION: Inaugural version

KEY CONTACT: **Chief Operating Officer:** Meegan George

Ambit:

Governance Institute will integrate risk assessment and risk management into all planning and decision-making activities in a structured and systematic approach so that it becomes an integral part of all organisational processes.

The process of risk management will assist Governance Institute to make informed choices, identify priorities and select the most appropriate actions.

Policy and Procedure

1. Policy

Governance Institute will maintain a risk management framework that will comply with the International Risk Management Standard – Risk Principles and Guidelines (AS/NZS 31000:2009), and that will:

- Avoid the likelihood of unacceptable outcomes and costly surprises;
- Provide greater openness and transparency in decision making and ongoing management processes;
- Provide for a better understanding of issues associated with a proposed activity;
- Comprise an effective reporting framework for meeting corporate governance requirements;
- Allow an appropriate assessment of innovative processes to expose risks before they occur; and
- Allow an informed judgement on how to manage or mitigate risks.

The Governance Institute Board encourages management to foster an open culture of risk awareness and development and monitoring of processes that enhance the management of risk.

2. Objectives

The objectives of this risk management policy are to:

- Provide a structured risk management framework that will provide senior management and the Governance Institute Board with comfort that the risks confronting the organisation are being identified and managed effectively;
- Create an integrated risk management process owned and managed by Governance Institute personnel that is both continuous and effective; and
- Ensure that the management of risk is integrated into the development of strategic and business plans, and the achievement of the organisations vision and values.

3. Responsibility

Management is responsible for efficient and effective risk management across the organisation. This will include ensuring the implementation of policies and procedures that address risk identification and control, training and reporting.

The Chief Executive Officer will be responsible for ensuring the process for managing risks is integrated within business planning and management activities.

Reports on Risk Management should be provided to The Risk, Audit & Finance Committee, by the Chief Operating Officer or the executives responsible for management of the individual risks.

The Risk, Audit & Finance Committee will be responsible for monitoring and overseeing the risk management processes within the organisation.

4. Review

The Governance Institute Board will review the Risk Management Policy, Framework, Appetite and Register annually.

This policy was first adopted by the Governance Institute Board on 24 February 2020.