
Risk Management Policy

Version: 2.0
Effective Date: 24/05/2023
Scheduled Review Date: 24/05/2026

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1. Purpose

The purpose of this policy is to establish the principles and policy requirements for the management of risk within the Governance Institute of Australia (Governance Institute).

This policy and the related Risk Management Framework are aligned with AS ISO 31000:2018 Risk Management – Guidelines, which is an identical adoption of ISO 31000:2018

2. Scope

This policy applies to everyone who works or performs services for the Governance Institute, including Board, State Councils, employees, and contractors.

3. Acronyms and Definitions

Acronym / Word	Description / Definition for the purposes of this Policy
Risk	The effect of uncertainty on objectives expressed in terms of a combination of the consequences of an event occurring and the associated likelihood of occurrence
Risk Appetite	The amount and type of risk that an organisation is willing to take to meet strategic objectives
Risk Management	The practice of systematically identifying, understanding and managing risks and the controls that are in place to manage them
Risk Management Framework	A set of resources that provide the foundations and organisational arrangements for designing implementing, monitoring, review and continually improving risk management

4. Principles

4.1. Risk Management Framework

Governance Institute will maintain a risk management framework that complies with AS ISO 31000:2018 Risk Management – Guidelines (the Standard), and which provides the necessary guidance to ensure the application of a whole of organisation structured and systematic approach to:

- Identify and assess Governance Institute’s exposure to, and impact of, risk;
- Develop and implement risk mitigation strategies to minimise the likelihood and/or consequence of risk occurring;
- Manage risk information in a manner that encourages informed decision-making and provides necessary due diligence;
- Support the achievement of the 2020-25 strategic plan, and associated pillars and pathways;
- Ensure compliance with risk management best practice, in particular the *AS ISO Standard* and any other risk management compliance obligations;
- Promote an organisational culture conversant with risk management principles and proficient in the application of the risk management process;
- 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.

4.2. Risk Management

Governance Institute commits to the management of risk as an integral part of responsible management and recognises that it is not possible to operate in an environment devoid of risk.

Governance Institute will:

- Maintain a structured risk management framework and associated Risk Appetite Statement, Risk Management Policy, and Risk Management Methodology Tables that provide senior Management and the Board with comfort that the risks confronting Governance Institute are being identified and managed effectively;
- Create an integrated risk management process owned and managed by Management that is both continuous and effective; and
- Ensure that the management of risk is integrated across the whole of organisation into the development of strategic and business plans, and the achievement of Governance Institute's vision and values.

4.3. Roles and Responsibilities

Risk is the responsibility of each individual, however certain positions have specific responsibilities.

4.3.1. Board

It is the role of the Board to set the tone and approach to risk management, endorse the Risk Appetite Statement, oversee the Risk Management Framework, and satisfy itself that the Framework is sound. The Board has established a Risk Audit and Finance (RAF) Committee; however, risk management remains a direct responsibility of the Board.

4.3.2. Risk, Audit and Finance Committee

The RAF Committee has responsibility for overseeing the establishment and implementation of the Risk Management Framework. The RAF Committee has a formal charter outlining membership and responsibilities.

4.3.3. Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for maintaining an appropriate Risk Management Framework, supporting whole of organisation risk understanding at all levels, promotion of a risk aware culture, and ensuring appropriate resourcing. The CEO is also responsible for ensuring the process for managing risks is integrated within business planning and management activities.

4.3.4. Risk Function

The Risk Function (within the portfolio of the Chief Operating Officer) coordinates the Risk Management Framework and supports the Board and Executive Management Team in implementing

and maintaining good risk management practices. This includes the implementation of policies and procedures that address risk identification and controls, training and reporting.

4.3.5. Risk Owners

Risk Owners are responsible for the identification, management, reporting and ongoing monitoring of risks within their areas of responsibility.

5. Schedules

N/A

6. Related Documents

- Risk Management Framework.
- Risk Appetite Statement.
- Risk Management Methodology Tables.
- Board Charter.
- Risk, Audit and Finance Committee Charter.
- Delegation of Authority Policy.
- Policy Framework.
- Governance Institute
 - Risk Management for Directors: A handbook
 - Good Governance Guide – Risk Framework
 - Good Governance Guide – Risk Governance

7. Relevant Legislation

- AS ISO 31000:2018 Risk Management – Guidelines.

8. Further Information

Further information regarding this policy can be obtained by contacting the Chief Operations Officer.

9. Version History

Version	Approved By	Approval Date	Review Date	Sections Modified	Owner	Implementation Officer	Author
1.0	Board	24/02/20		New document	Chief Operations Officer	Chief Operations Officer	Chief Operations Officer
2.0	Board	24/05/23	24/05/26	Full review	Chief Operations Officer	Chief Operations Officer	