

RISK MANAGEMENT POLICY

1. Purpose

To establish key principles regarding the systematic management of risk to support the achievement of South East Water's corporate objectives and outcomes.

2. Scope of Policy

This policy applies to South East Water and its subsidiary, Iota Services Pty Ltd, and is observed by all directors, employees, agents, contractors and other workers.

3. Policy Statement

South East Water is committed to:

- Maintaining a corporate risk management framework and system in line with international standards, regulatory requirements and Victorian public sector requirements;
- Managing risk in accordance with our risk appetite and customer and stakeholder expectations;
- Embedding robust risk management practices into our core activities and decision making processes and across all our management systems, business processes and behaviours; by providing mechanisms to assess, prioritise, manage and monitor material risks in a consistently and effectively;
- Constantly identifying risks while also ensuring they risks are actively monitored, controlled, mitigated and reviewed;
- Ensuring strategies are in place to take advantage of the opportunities associated with risk management while making the necessary resources available to integrate risk (and opportunity) management in the way we work;
- Enabling, supporting and empowering employees in the management of risk threats and opportunity as it is relevant to their job roles;
- Managing conflicting objectives;
- Providing risk management reporting to monitor risk as well as the effectiveness of our risk management approach; and
- Ensuring periodic review of our approach to risk, and;
- Continuously improving the organisational risk management framework, including risk appetite, maturity and capability.

4. Related Policies

- Asset Management Policy
- Compliance Policy
- Code of Conduct
- Environment Policy

- Fraud, Corruption and Other Losses Policy
- Finance Policy
- Safety and Wellbeing Policy
- Security Policy
- Internal Audit Charter
- Quality Policy
- Treasury Policy

5. Enacting Legislation and Related Documents

- AS/NZS ISO 31000 Risk Management - Guidelines
- Financial Management Act 1994 (Vic) including the Ministerial Standing Directions
- Victorian Government Risk Management Framework
- Water Act 1989 (Vic) including the Statement of Obligations

6. Accountability

The Managing Director is accountable to the Board of Directors for ensuring this policy is implemented.

7. Approval

Approved by:	South East Water Board of Directors
Approved on:	29 May 2023
Sponsor:	General Manager, People, Safety and Governance
Implementer:	Manager Risk, Quality and Assurance
Review date:	29 May 2025