

RISK MANAGEMENT POLICY

1. Purpose

To provide guidance regarding the systematic management of risk to support the achievement of South East Water's corporate objectives.

2. Scope of Policy

This policy applies to South East Water and its subsidiary, Iota Services Pty Ltd, and must be observed by all directors, employees, agents, contractors and other workers. References in this policy to South East Water are taken to include Iota Services Pty Ltd.

3. Policy Statement

South East Water is committed to:

- Maintaining a corporate risk framework and system in line with both international standards and Victorian public sector requirements;
- Continuous identification and review of risks;
- Managing risk mitigation and opportunity enabling strategies and making the necessary resources available in this pursuit;
- Guiding employees in the management of risk and opportunity as it is relevant to their job roles;
- Managing conflicts of interest;
- Embedding risk management practices across business processes;
- Providing management reporting to monitor risk as well as the effectiveness of our risk management approach; and
- Ensuring periodic review of South East Water's approach to risk.

4. Related Policies

- Asset Management Policy
- Compliance Policy
- Code of Conduct
- Environment Policy
- Fraud and Corruption Policy
- Finance Policy
- Safety and Wellbeing Policy
- Information Security Policy
- Quality Policy
- Treasury Policy

5. Enacting Legislation and Related Documents

- AS/NZS ISO 31000 Risk Management
- 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: 26/02/2018
Sponsor: General Counsel and Corporate Secretary, Governance & Legal
Implementer: Manager Risk, Quality and Assurance
Review date: February 2019