The Institute recognises that risk is an unavoidable, but manageable component of its business. Through our Risk Management Framework, we are committed to building a culture where proactive and effective risk management is applied across all Institute activities as an integral part of good management practice.

**In pursuit of our business and governance objectives and to sustain competitive advantage, we:**

- **Commit appropriate resources to embedding risk management into our organisational culture, processes, systems and activities**
- **Ensure that decision-makers are well informed and understand our risk framework and risk appetite, enabling us to take advantage of opportunities and minimise any negative impacts that can be realistically controlled.**

**Risk oversight**

The Board risk oversight process ensures we maintain a robust process for identifying, prioritising, sourcing, managing and monitoring critical risks, which is improved continuously as the business environment changes.

The Board reviews our strategic risk profile and risk appetite as part of its annual strategy and budget planning. In updating the strategic risk profile, the Board also takes into consideration significant operational risks.

The Board has delegated certain risk management responsibilities to the Audit & Risk Committee, which are detailed in the committee’s charter. From this, the committee has delegated specific responsibilities to the Executive Management Team (EMT).

The EMT has responsibility for implementing Board-approved strategies and developing policies, while overseeing the controls and processes for managing the high level risks and the maintenance of our Business Continuity and Disaster Recovery Plans. The EMT is also responsible oversight of management’s mitigation of operational and project risks.

**Risk Profile and Management of Risks**

We regard business risks as ‘threats’ to the achievement of our objectives and strategies, e.g. threats of negative events and/or not exploiting opportunities, and/or positive outcomes not achieved.

The risk management and internal control systems include policies, practices and processes set up by management and/or the Board to provide reasonable assurance that:

- Defined strategic objectives are achieved
- Risk exposure is identified, monitored and managed
- Suitable insurance cover exists
- Incidents are captured, analysed, reported with corrective strategies implemented
- Disaster Recovery and Business Continuity Management is maintained and tested for critical business areas.

The Strategic, High-level and Emerging risks are reported quarterly to the EMT, Audit & Risk Committee and the Board.

Our Risk Management Framework aims to meet the minimum standard for risk management as defined within AS/NZS/ISO31000. We conduct workshops across the business to identify and rank business risks that arise from current business operations and new initiatives.