

## 1. Purpose

The purpose of this Risk and Resilience Policy (this Policy) is to protect and to enhance Sunwater’s ability to respond and adapt to a changing environment, enabling the organisation to continue to “*Deliver water for prosperity*” and deliver essential services to our customers and community.

This Policy establishes Sunwater’s approach to:

- risk culture and risk leadership
- Identification, assessment and management of risks
- preparation for, response to and recovery from residual or unforeseen risks, events and hazards; and,
- ongoing development and integration of business systems to enhance capability, capacity and resilience.

## 2. Scope

The Policy:

- applies to all Sunwater, including its wholly owned subsidiaries
- covers all risk, events and issues where Sunwater has legal, ethical or community responsibilities
- covers any site operated by, or on contract to Sunwater and including employees and contractors travelling to and from these site.

## 3. Policy Statement

Sunwater aims to reduce vulnerability through the application of an organisation wide scalable, proactive risk management approach and by being ready for (anticipate and plan for), responding to (manage) and, recovering from (resume to previous or improved level of operations) any events which may occur. This includes:

- establishing a risk framework to sets the ‘boundaries’ for the risks we can tolerate in our activities. It helps us find the balance between acceptable levels of risk and opportunity.
- readiness, response and recovery framework to ensure Sunwater is prepared to manage unforeseen or residual risks, “all hazards” or events.
- a consistent, measurable, organisational wide approach that links enterprise and business unit risk and resilience approaches and incorporates the differing requirements of the functional areas of the business.
- effective direction, systems and processes across the business to clearly define performance objectives, asset management standards, legislative requirements, financial accountability, and the maintenance of an ethical operating environment.
- supporting the building of capacity and confidence in Sunwater personnel through the integration of risk and resilience approaches across organisational structures and into business as usual activities and organisational culture.
- testing and verification of business continuity, readiness, response and recovery processes to provide confidence that we can minimise business disruptions, impacts to our customers, our financial and legal liability, and to provide for continual improvement.
- Promoting a culture of risk management that enables the business to responsibly deliver on its commitments and obligations and pursue opportunities for efficiencies and growth.

## 4. Responsibilities

The following table outlines the responsibilities for risk management across Sunwater.

Role	Responsible For
Board	<ul style="list-style-type: none"> <li>Establishing Sunwater's risk appetite and thresholds.</li> <li>Overseeing and monitoring the assessment and management of risks across Sunwater.</li> <li>Reporting Sunwater's strategic performance, corporate governance arrangements, risk profile, events and organisational resilience system performance to shareholders.</li> <li>Providing leadership, direction and governance on risk management and resilience, including Sunwater's risk profile and management of enterprise risks.</li> </ul>
Risk Committee	<ul style="list-style-type: none"> <li>Advising Sunwater Board on risk management at Sunwater.</li> <li>Identifying risks to Sunwater's operations and ensuring that material risks are managed and mitigated effectively.</li> <li>Assessing the effectiveness of the risk management system, and the various sources of assurance and their overall adequacy.</li> <li>Providing recommendations about risk and resilience policy and strategy.</li> </ul>
Chief Executive Officer	<ul style="list-style-type: none"> <li>Overseeing the risk and resilience approaches.</li> <li>Ensuring a robust risk management culture exists across Sunwater by promoting and supporting enterprise risk management.</li> <li>Advising the Sunwater Board and the Risk Committee on risk management matters.</li> <li>Aligning Sunwater's risk appetite with strategy and performance and ensuring in conjunction with the Board, that there are sufficient resources to deliver on the risk and resilience commitment and strategies.</li> <li>Ensuring Sunwater is operating within its legal and regulatory obligations.</li> </ul>
Executive Leadership Team (ELT)	<ul style="list-style-type: none"> <li>Ensuring that the principles and practices of risk and resilience are communicated and embedded into strategic and operational practices and planning processes.</li> <li>Managing risks within Business Units.</li> <li>Ensuring that risk appetite is considered in strategic planning exercises.</li> <li>Ensuring that adequate resources are available to implement the risk and resilience strategies.</li> <li>Monitoring and reporting of enterprise risks and emerging risks.</li> <li>Monitoring the execution of systems to verify and assess the adequacy of controls in place to manage hazards, risks and events.</li> <li>Promoting a culture that ensures risk awareness, organisational readiness and resilience.</li> <li>Ensuring that policies, standards and procedures relating to organisational resilience are complied with as required.</li> </ul>
General Manager, Governance, Risk & Assurance	<ul style="list-style-type: none"> <li>Development and management of systems and processes relating to enterprise risk management including training, awareness and education to promote and embed risk management practices.</li> <li>Facilitating and supporting the Executive Leadership Team at all levels of risk hierarchy including understanding critical business continuity risks and impacts in fulfilling their obligations.</li> <li>Overseeing all risk management activities and acting as advisor to risk owners.</li> <li>Identifying, analysing and reporting emerging risks in conjunction with management.</li> <li>Preparing and facilitating the risk reporting process.</li> <li>Development and management of systems and processes relating to business continuity.</li> </ul>

Role	Responsible For
General Manager Water Resources and Dam Safety	<ul style="list-style-type: none"> <li>Ensuring that the resilience approach including supporting procedures, plans, guidelines and tools are developed and embedded within Business As Usual (BAU) processes.</li> <li>Ongoing review, improvement and management of the resilience approach.</li> </ul>
Line Management	<ul style="list-style-type: none"> <li>Ensuring staff are adequately trained (and where appropriate exercised) in risk management and resilience approaches and that the approaches are embedded into BAU practice.</li> <li>Ensuring adequate controls are in place to manage organisational risks, hazards and events related to the business, facilities and assets under their control.</li> <li>Management of any risk within scope of influence and delegation.</li> <li>Escalation and reporting of any risks that are outside scope of influence and delegation, including enterprise and emerging risks.</li> <li>Promoting an open and accepting workplace culture in relation to risk management activities.</li> <li>Promoting a culture that ensures organisational readiness and resilience.</li> <li>Facilitating and/or participating in all related readiness activities including education, training, intrusive testing of plans and arrangements.</li> <li>Monitoring, investigating, mitigating and reporting all relevant events.</li> <li>Implementing business continuity as part of BAU.</li> <li>Reporting to the Executive Leadership Team (ELT) on events and trends.</li> </ul>
All Workers	<ul style="list-style-type: none"> <li>Be familiar with the risk and resilience approaches in accordance with their delegation, specifically: <ul style="list-style-type: none"> <li>Performing risk assessments and having risk awareness, including integrating risk management into everyday activities.</li> <li>Management of any risk within scope of influence and delegation.</li> <li>Escalation and reporting of any risks or events that are outside of scope of influence and delegation.</li> <li>Participation in all related readiness activities including education, training, exercising and testing of plans.</li> <li>Undertaking response and recovery actions as and where appropriate.</li> <li>Compliance with all policies, procedures, guidelines and practices related to risk and resilience within their area of responsibility.</li> </ul> </li> </ul>

## 5. Reporting

Updates on risk and resilience are provided quarterly to the Risk Committee.

Updates to enterprise risks are provided to the Board.

## 6. Related Legislation and Documents

- Australian Disaster Management Arrangement and relevant legislation and standards
- ISO 31000:2018 Risk Management - Guidelines
- Sunwater Enterprise Risk Management Framework
- Sunwater Resilience Framework
- Sunwater Business Continuity Management Framework
- Business Continuity Institute Good Practice Guidelines 2018
- *Financial Accountability Act 2009*
- Financial and Performance Management Standard 2009

## 7. Definitions

Defined Term	Explanation
All Hazards	An integrated approach to readiness that focuses on capacities and capabilities critical for a full spectrum of events.
Business continuity	The capability of the organisation to continue delivery of our products or services at acceptable pre-defined levels following disruptive event/s.
Organisational resilience	The dynamic capability of an organisation to survive in, adapt to, bounce back from and potentially thrive in, unexpected events and turbulent environments
Risk	The effect of uncertainty on business objectives
Risk Appetite	The amount and type of risk that Sunwater is prepared to accept or be exposed to at any point in time in pursuit of objectives.
Risk assessment	The overall process of risk identification, risk analysis and risk evaluation.
Risk management	Coordinated activities to direct and control an organisation with regard to risk.
Risk Profile	The documented and prioritised overall assessment of a range of specific risks faced by the agency
Event	<p>A potential or actual occurrence(s) which pose a threat or opportunity to the organisation. An event may include an outage, business disruption, incident, emergency or crisis situations.</p> <p>Note: An event can have one or more occurrences and can have several causes and several consequences. An event can also be something that is expected which does not happen, or something that is not expected which does happen. An event can be a risk source.</p>
Workers	Person who undertakes work at the request of the Sunwater Group and includes employees, contractors and consultants

## 8. Approval and Review Details

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