

# Risk Management Policy

## 1. Purpose

The purpose of this policy is to set out [organization's] framework for addressing the main risks that the organization may encounter in the course of its operations and delivery of its mission.

## 2. Scope and Definitions

This policy shall apply to the organization, its employees, contractors, suppliers and volunteers.

## 3. Policy

- 3.1 [Organization] will identify and document new risks on a regular basis and at least every six months.
- 3.2 For each identified risk, [organization] will assess its severity based on both Probability and Impact to determine a risk severity level.
- 3.3 [Organization] will identify and take appropriate action to mitigate the identified risks.
- 3.4 [Organization] will use the Risk Register to document the risk descriptions, severity assessments and mitigation items referred to in this section.
- 3.5 Management will report on the status of the identified risks and the mitigation plans to the Board on a regular basis and at least every six months.

## 4. Procedures

### 4.1 Risk Identification & Documentation

4.1.1 The Executive Director will ensure that an exercise in 'new risk' identification is also included as part of the regular Risk Register Review.

4.1.2 A Risk Task Force will be convened by the Board to undertake a formal risk identification and assessment exercise every 2 (two) years. The findings of the Risk Task Force will be shared with the Executive Director who will integrate them into the next Risk Register Review exercise.

4.1.3 All identified risks will be documented and described in the [organization's] Risk Register along with any associated mitigation actions.

4.1.4 The Risk Register will also be used to identify any opportunities arising from the risks identified.

### 4.2 Risk Severity Assessment (Probability & Impact)

4.2.1 All risks will be assessed for severity. The 'Risk Level' will be determined through a combination of consequence (Impact) and likelihood (Probability). The Risk Level will be clearly indicated on the [organization's] Risk Register.

4.2.2 All risks with a high consequence status will be required to have particular focus regardless of their probability ranking.

#### 4.3 Mitigation Planning

4.3.1 All actions currently being taken, or that are to be taken, will be described on the [organization's] Risk Register. The individual who is accountable for ensuring that each mitigation action is completed on time will be appropriately indicated.

4.3.2 During mitigation planning, consideration will be given to any and all opportunities that present themselves as a result of the risk potential. Opportunities identified will be prioritized by the Executive Director.

4.3.3 Any residual risks will require a residual risk control plan.

#### 4.4 Risk Register Review

4.4.1 The Risk Register will be reviewed by the Executive Director and selected staff every 6 (six) months and more frequently where circumstances dictate.

#### 4.5 Risk Reporting

4.5.1 The Executive Director will prepare and submit an Annual Risk Report to the Board for consideration at the January Board meeting. This should include all new risks, all risks no longer determined to be a risk and the tracking of mitigation plans to provide an overall indication of the level of risk facing the organization. In turn this should be compared to the Risk Appetite Statement and appropriate action taken where required.

4.5.2 The Risk Report will describe any major changes in the underlying risk situation, and describe the 'Top 5' risks. The Risk Report should also be supported by the most up to date version of the [organization's] Risk Register.

### 5. Monitoring

The Board will review this policy every other year, including monitoring adherence to its provisions and determining whether or not any changes or revisions are required.

### 6. Documentation

The following [organization's] form(s), policies or other documents relate to this policy and/or are mentioned within:

- Risk Appetite Statement
- Risk Register
- Risk Standard Operating Procedure

## 7. Document Control

<b><i>Original approved</i></b>	Board of Directors	<date>
<b><i>This draft</i></b>	Board Development Committee	<date>
<b><i>Revision approved</i></b>	Added when it happens	<date>
<b><i>Review due</i></b>	Two years following approval of original	<date>