

Policy 12 - Risk Management

1. Application

This Risk Management Policy (this Policy) applies to all NQBP Personnel for both corporate and project activities.

2. Policy

Risk management is the culture, processes and structures that are directed towards realising potential opportunities whilst managing adverse effects. Risk management is the responsibility of all NQBP Personnel.

NQBP will take a proactive and well-informed approach to risk management.

In order to meet strategic objectives, the NQBP Risk Management Framework (the Framework) made up of a Policy, Procedure and Guideline, is designed to apply systematic and consistent risk management methodologies across NQBP in order to identify critical risk exposures as well as to focus on improving capabilities for predicting and managing uncertainties. It enables NQBP to:

- Identify, assess, evaluate, prioritise, manage and review risk across the organisation;
- Create value to the organisation through informed decision making and the effective allocation of resources; and
- Build a risk aware culture with risk embedded into day to day activities.

NQBP's Risk Management Framework will generally conform to the guidelines laid down by the ISO 31000:2018 Guideline on Risk Management Standard.

Roles and Responsibilities

Board

- The Board has overall responsibility and the oversight role for the management of risk within NQBP.
- The Board is ultimately responsible for the mandate and ensuring that the CEO has in place appropriate tools, policies, procedures, and guidelines for the effective management of risk and for supporting programs to embed a risk culture within NQBP.
- The Board is responsible for ensuring appropriate resources, management structures, reporting arrangements and committees are established to manage risk.

Corporate Governance and Planning Committee

Part of NQBP's Corporate Governance and Planning Committee's (CGAP) role is to provide independent, expert advice and to assist the Board in discharging its risk management responsibilities. The CGAP Charter details its role in relation to the Board's responsibilities in risk management. Specific detail is documented in the Charter with respect to their reporting responsibilities to the Board.

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Policy	Procedure Sponsor	CFO
Version Control	Only electronic copy in HPE is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.	Revision		5	
		Document Number		E15/10500	
		Page		Page 1 of 3	
Approval	This Policy requires Board approval.	Date Approved		24/08/2022	

Management

The Chief Executive Officer (CEO) of NQBP is the risk champion and accountable for management co-ordination of the Risk Management Framework and ensuring the Board and sub-committees are fully informed of all necessary risk items.

The Executive Leadership Team (ELT) is responsible for supporting the CEO by actively monitoring and reviewing risks and ensuring appropriate risk management strategies are developed and implemented.

The Senior Manager – Risk and Assurance has the principal role in the execution and delivery of the Framework. This includes leading and coordinating risk assessments, risk reporting and analysis, review and improvement of risk management processes and communication within NQBP.

Individual Managers are responsible for risk identification, management and review in their areas of responsibility. This includes developing appropriate management systems and preparing and achieving programs to implement agreed outcomes of risk management.

Employees

Risk management is the responsibility of all NQBP Personnel.

NQBP Employees are often at the front line of many activities and should report risk circumstances and play their role in mitigating risks by delivering actions in accord with the documented risk treatments or by identifying opportunities for further improvement.

Review

NQBP will review the Framework at least annually, with an external review performed every three years unless otherwise agreed by the Board.

Assessment of Risk Related to Individual Projects or Contracts

In addition to the above process, there will be times when an assessment of the risks associated with an individual action or project is required. Those risks should be assessed by the business in conjunction with the Senior Manager – Risk & Assurance in accordance with the NQBP Risk Management Framework and NQBP Project Management Framework.

Risk Appetite / Oversight

It is generally accepted that NQBP will seek to manage all risks down to its agreed risk appetite (as agreed with the Board). NQBP has in place a risk oversight protocol based on the current risk ratings whereby the highest rated risks will be reviewed at the Board and committee level. This oversight protocol is detailed in the NQBP Risk Management Procedure that supports this Policy.

3. Risk Management Policy, Procedure, Standard and Legislative Framework

NQBP is a Government Owned Corporation and a port authority and is required to comply with its own policies, prescribed applicable legislation and State Government policies and procedures.

This Policy should be read in conjunction with:

- a. Policy 2 – Compliance
- b. Policy 4 – Finance
- c. Procedure 12.01 - Risk Management
- d. Guideline 12.01 – Enterprise Risk Management Process
- e. The NQBP Risk Appetite Statement

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Policy	Procedure Sponsor	CFO
Version Control	Only electronic copy in HPE is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	5
				Document Number	E15/10500
				Page	Page 2 of 3
Approval	This Policy requires Board approval.			Date Approved	24/08/2022

4. Policy Review Date

This Policy should be reviewed by 30 December 2023.

5. Definitions

Contractors: means contractors or consultants engaged by NQBP under a personal services consultancy agreement or other similar arrangements.

NQBP: means North Queensland Bulk Ports Corporation Limited ACN 136 880 128.

NQBP Employee: means employees and Contractors of NQBP but does not include NQBP directors.

NQBP Personnel: means NQBP officers (for example NQBP directors) and NQBP Employees.

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Policy	Procedure Sponsor	CFO
Version Control	Only electronic copy in HPE is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	5
				Document Number	E15/10500
				Page	Page 3 of 3
Approval	This Policy requires Board approval.			Date Approved	24/08/2022