Risk Management Policy

A risk management policy serves two main purposes: to identify, reduce and prevent undesirable incidents or outcomes and to review past incidents and implement changes to prevent or reduce future incidents.

MGTD Pirii is committed to embedding risk management principles and practices into:

- Organisational culture
- Decision making processes
- Business information systems, strategic and operational planning of programs and activities
- Business and financial processes will ensure that risk management processes are in place and advice is sought in regards to major policies, projects, programs and plans at the inception phase. It is essential that risk management and strategic, operational and financial planning are aligned.

The main objectives of the policy are to align and embed risk management within key organisational processes and functions to:

- manage risks and opportunities effectively and efficiently – protect and enhance value
- comply with legal obligations and policy commitments
- promote sound management practices, enhance the quality of decision making and protect governance and accountability principles
- promote prudent financial management practices
- achieve organisational objectives through the efficient allocation and use of organisational resources

Risk responsibility

The CEO/Director of MGTD Pirii is responsible for overseeing the establishment and implementation of risk management systems and reviewing their effectiveness. The role in relation to risk includes:

- overseeing the creation, implementation and maintenance of its risk management system and its internal-control framework, including information systems
- establishing a risk profile and setting out both financial and non-financial material and/or strategic risks facing it
- reviewing risks on a quarterly basis, including identifying new risks, changes to existing risks
- retirement of previously identified risks (through a formal decision-making process)
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- regular reporting of the status of risk items to CEO/Director and staff
• appraisal of risk owners’ actions taken to manage risk and correct inappropriate performance
• internal compliance and control systems for the implementation of the risk management plan
• consideration of non-financial audits
• compliance with regulatory requirements and best practice

Risk management and compliance and control

In developing a culture of risk management, MGTD Pirii is responsible for appropriate responses to manage risk, including the employment of risk action plans and a risk register.

To enable this, it:

• has implemented a systematic process to assist in the identification, assessment, treatment and monitoring of risks
• provides the necessary tools and resources to support the effective management of risks
• reviews and communicates risk management best practice on a regular basis

Assessment of effectiveness

MGTD Pirii will assess the effectiveness of its risk management plan, through structured continuous improvement processes. This will ensure risks and controls are continually monitored and reviewed. This will include the appraisal of the actions of risk owners in managing risks.

Reporting

MGTD Pirii will ensure that the CEO/Director is adequately informed of significant risk management issues and the actions undertaken to manage risks on a regular basis.

Review of policy

MGTD Pirii will review this policy as often as it determines necessary and will make any changes it determines necessary or desirable.

Signed: Date: 9/07/2014

Michael Gray
CEO/Director