

Risk and Compliance Policy

Aim

This policy outlines TasWater's approach to risk and compliance management.

We are committed to proactively managing our obligations and whole of business risks within our operations to ensure that we are compliant and honour our commitments, delivering outcomes that are in the best interests of the Tasmanian community.

To ensure that we continue to foster efficiency and innovation, we acknowledge that taking on some risk is acceptable to deliver our vision and strategic goals.

Key Legislation & Compliance Obligations

- *Corporations Act 2001* (Cth)
- *Environmental Management and Pollution Control Act 1994* (Tas)
- *Public Health Act 1997* (Tas)
- *Water Management Act 1999* (Tas)
- *Water and Sewerage Corporation Act 2012* (Tas)
- *Water and Sewerage Industry Act 2008* (Tas)
- Water and Sewerage Operating Licence 2013
- *Work Health & Safety Act 2012* (Tas)
- *Security of Critical Infrastructure Act 2018* (Cth)

Policy

We will adopt the following principles in managing risk and compliance matters:

Embed & integrate	<ul style="list-style-type: none"> • Embed risk and compliance practices within our broader governance, risk and compliance approach • Support integration of risk and compliance into everyday business processes and operations to drive consistent, effective and accountable decision making • Provide structured and easy to use risk and compliance management frameworks, processes, and tools
Collaborative	<ul style="list-style-type: none"> • Undertake assurance activities in conjunction with relevant stakeholders to monitor the effective implementation of controls and identify areas for further improvement • Provide regular reporting on performance in relation to key risks and obligations to the Executive Leadership Team (ELT), the Audit and Risk Committee and/or the Board • Liaise with relevant stakeholders and provide sufficient information to facilitate risk and compliance oversight to allow informed decisions to be made
Measurable	<ul style="list-style-type: none"> • Identify, document, and communicate acceptable levels of risk, to provide a balanced and consistent approach to managing compliance, risks and opportunities • Develop key risk indicators to enable us to monitor and anticipate changes in our operating environment

People focused

- Promote awareness and understanding of risk and compliance in a positive and innovative manner
- Encourage innovative solutions when considering how to manage or respond to risk and compliance incidents
- Provide systems and resources to support risk and compliance management activities and empower all people to do the right thing and to feel comfortable raising any concerns about risk and compliance actions or decisions

By adopting these principles all employees will be supported to:

- Commit to a risk and compliance culture
- Conduct business ethically, lawfully and in line TasWater's Values and Behaviours and
- Understand and strive to deliver the objectives set out in TasWater's Corporate Plan and longer term plans.

Risk Management Program

The Risk Management Program aims to:

- Establish a framework that defines the roles and responsibilities of the Board, management, and employees
- Promote a positive and proactive approach to risk management
- Ensure risk management is integrated within other processes and
- Empower our people to identify and manage risks within their own business functions.

Compliance Management Program

Our Compliance Management Program aims to:

- Establish a framework that defines the roles and responsibilities of the Board, management, and employees
- Facilitate the adoption of robust practices for the effective management of compliance or non-compliance of obligations and
- Emphasise the importance of communication and transparency through reporting, monitoring, and assurance activities.

Further detail of the Compliance Management Program and its functions are documented in the Compliance Management Framework and Operating Procedures.

Responsibilities

The responsibility for risk and compliance management ultimately lies with the Board, CEO, ELT and senior leaders (i.e. department managers). However, all employees are empowered to identify, manage, and escalate risk and compliance matters.

The Board (through its oversight role), management (both ELT and senior managers) and employees are required to adopt the principles set out in this Policy and comply with its associated procedures, and to undertake any relevant training as required.

The General Manager Governance and Assurance is responsible for the provision of appropriate reporting on performance to the ELT, Audit and Risk Committee and the Board.

Detailed responsibilities in respect to the management and understanding of both risk and compliance management are included in the respective frameworks.

Associated Documents

- AS ISO 31000:2018 – Risk Management Guidelines
- AS ISO Standard 19600:2015 – Compliance Management Systems – Guidelines
- TASFRA04 Risk Management Framework
- TASPRO10 Risk Management Procedure - Part A: Process
- TASPRO19 Risk Management Procedure - Part B: Tools (including assessment templates)
- TASFRA03 Compliance Management Framework
- TASPRO6 Compliance Management Operating Procedures
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Approved by the Board at its meeting on 11 August 2022.

A handwritten signature in dark ink, appearing to be "AB", written over a horizontal dotted line.

Per Chairman