

## Enterprise Risk Management

**Policy Type:** Governance Process

**Policy Number:** #124

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### 1. Statement of Principle

VAA is committed to ensuring that risk management is a core capability and an integral part of its business activities. The Board is accountable for the oversight of risk management, thereby ensuring that a risk management framework is used in achieving VAA's strategic plan goals.

### 2. Definitions

**Risk** has an effect of uncertainty on business objectives. It is an event that can deter VAA from achieving its strategic goals.

**Enterprise Risk Management** is a proactive approach by which threats to and opportunities for an organization are identified, evaluated, and integrated across all disciplines.

**Risk Register** is the official record of the identified risks facing the VAA, their probability and severity rating, and mitigation strategies.

### 3. Risk Appetite

The VAA operates within an overall medium low risk range. VAA's lowest risk appetite is in meeting its safety, security, and regulatory objectives. A marginally higher risk appetite exists in achieving financial and reputational objectives.

#### **4. Procedures**

- a. Risk is an inherent part of the Victoria Airport's business. For management and reporting purposes, they will be categorized as risks to: business, financial, operations, security, human resources, information management or technology, environment, assets or reputation.
  
- b. Management will maintain a Risk Register for review by the Board at least annually. The Register will include a description of the risk, the probability of it occurring, its severity or impact upon occurrence, an overall rating (probability x severity), mitigation strategies and the operational manager responsible.
  
- c. Management will also provide quarterly statements/declarations identifying any new risks or risks that are increasing in probability and/or severity.