

Risk Management and Legal Compliance policy

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Policy Owners: General Counsel and Board Secretary

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1. Scope

ActewAGL's assets and operations can significantly impact staff, customers, the community, stakeholders and the environment. Risks arising from our assets and operations must be carefully managed. All ActewAGL workers must apply this policy to:

- the conduct of all ActewAGL activities - operational and corporate support
- the management of all ActewAGL assets – people, funds, facilities, plant/vehicles, materials/supplies, information.

2. Purpose

A sound framework for effective risk and compliance management is fundamental to achieve good corporate governance, compliance with legislation and business resilience. This policy sits alongside *PO461 Work health, safety environment and quality policy* which together provide the framework and direction for ActewAGL to:

- provide safe and reliable utility services to its customers and the community
- design, operate, maintain and retail electricity and gas utilities/services to the ACT and surrounding regions without harm to its workers or the community
- minimise the environmental impact of its operations
- meet legal and other obligations associated with the work that ActewAGL performs.

3. Policy

In order to achieve strategic objectives and support compliance with legal and other obligations, ActewAGL is committed to maintaining:

- a comprehensive, integrated and effective Risk Management Framework (RMF) consistent with AS/NZS ISO 31000:2009¹ that supports business resilience
- a comprehensive, integrated and effective Legal Compliance Framework (LCF) that conforms with AS 3806².

ActewAGL Executive³ and Managers⁴ play a key role in establishing effective risk and compliance culture and practice within areas under their control. Executives and Managers must (within areas under their control):

- communicate their commitment to effective risk and compliance management
- apply the RMF and LCF
- determine the nature and extent of risk and compliance management activity (beyond that

¹ Risk management – principles and guidelines

² AS 3806-2006 Compliance programs

³ Senior managers who report directly to the CEO and others (Directors) nominated by him.

⁴ Branch Managers or equivalent who report to an Executive.

required by related corporate procedure)

- determine the nature and extent of actions necessary to reduce risk (including legal/compliance risks) to acceptable levels.

ActewAGL workers must apply the RMF and LCF to their work, in accordance with relevant procedures (listed at 4.2).

4. References

4.1. External references

AS/NZS ISO 1000:2009 Risk management – Principles and guidelines

AS 3806 – 2006 Compliance programs

AS/NZS 5050:2010 Business continuity – Managing disruption-related risk

4.2. Internal references

PO461 Work health, safety environment and quality policy

Corporate procedure 6.0 P1 Legal compliance process

Corporate procedure PR4605 The risk management process

Corporate procedure PR4612 Risk reporting

Corporate procedure 7.3 P6 Business interruption management

Corporate procedure 7.3 P7 Business interruption testing

ActewAGL crisis management manual

ActewAGL Business continuity plans

5. Definitions and abbreviations

Term	Definition
Governance	Processes by which organisations are directed, controlled and held to account. It encompasses authority, accountability, stewardship, leadership, direction and control exercised in the organisation ⁵ .
Legal Compliance Framework (LCF)	A conceptual structure that defines how ActewAGL manages legal compliance across the organisation.
Risk	Effect of uncertainty on objectives ⁶ .
Risk management	Coordinated activities to direct and control an organisation with regard to risk ⁷ .
Risk management framework (RMF)	A conceptual structure that defines how ActewAGL manages risk across the organisation.

⁵ ActewAGL Corporate Policy 5.0 Corporate Governance

⁶ From ISO Guide 73:2009 Risk management - Vocabulary

⁷ Ibid.

Term	Definition
Workers	Workers are defined within the ACT <i>Work Health and Safety Act 2011</i> as a person/s who carries out work in any capacity including an employee, contractor, employees of sub-contractors, labour hire workers, apprentices, students or volunteers.

6. Document control

Version	Policy Owner	Description of changes	Approved by/date
1	General Counsel and Board Secretary	Amalgamation of Corporate Policy 7.3 <i>Risk management</i> and Corporate Policy 6.0 <i>Legal compliance</i> .	Executive, February 2014