

RISK MANAGEMENT POLICY

ARV Corporate Policy

1. Statement

ARV recognises that effective risk management is fundamental to achieving our strategic objectives, protecting our people and communities, and fulfilling our obligations as a Victorian public entity. Managing risk is not a compliance exercise - it is a core leadership responsibility that supports informed decision-making, strengthens organisational resilience, and ensures the efficient and responsible use of public resources.

We are committed to maintaining a mature and proactive risk culture where risks are understood, openly discussed, and managed with transparency and accountability. ARV acknowledges that the alpine environment has inherent risks. We need to balance appropriately managing and controlling risk without being overly risk adverse.

We expect all leaders to demonstrate active ownership of their risks, maintain strong and effective controls, and ensure that any emerging issues, incidents, or changes in context are promptly escalated.

Strong risk management enables us to deliver safe, reliable, and sustainable outcomes for the communities we serve. ARV remains dedicated to continuous improvement in our risk practices and to fostering a culture where thoughtful risk taking, evidence-based decisions, and robust stewardship underpin everything we do.

2. Scope

This policy sets out how ARV manages risk. It applies to and is binding upon all ARV:

- Employees, including volunteers
- Contractors, consultants and labour hire employees whose contract requires them to comply with this policy
- ARV Board and Sub-Committee members.

Compliance with this policy meets ARV's requirement to be compliant with:

- AS ISO 31000:2018 Risk Management – Guidelines
- Victorian Government Risk Management Framework (VGRMF), as mandated by the Standing Directions 2018 under the Financial Management Act 1994

This policy applies to, and may be further supplemented by, specific risk profiles - including but not limited to emergency management, Occupational Health and Safety (OHS) and project management.

3. Requirements

Managing risk is everybody’s responsibility.

Individuals must integrate risk considerations into planning, budgeting, project design, operational decision-making, and service delivery.

Individuals should identify opportunities as well as threats.

Individuals must manage risk in accordance with this Risk Management Policy, including the Board [risk appetite](#) statement, and the Risk Management Manual.

Individuals must implement and monitor approved internal control to ensure they are operating effectively.

Board members, Executive and senior leadership teams must promote risk awareness and a strong culture of dynamic risk management across ARV.

ARV will regularly review its [risk appetite](#) and tolerance levels, as defined at Appendix A.

The Governance & Risk team should seek to continuously improve the systems that enable ARV to understand, manage and satisfactorily control risk exposures.

ARV must monitor, review and report on its risk management performance to the ARV Finance Risk and Audit Committee (FRAC). Reporting may also be available to the Board and DEECA, if requested.

ARV will comply with the annual attestation requirement under the VGRMF and [Ministerial Standing Direction 5.1.4](#) Financial management compliance attestation.

ARV will work with other agencies, as appropriate, to identify, manage and communicate risk, in accordance with the VGRMF.

ARV will insure¹ residual risks through the Victorian Managed Insurance Authority (VMIA), using the most appropriate product, level of cover and appropriate deductible.

ARV will work towards minimising exposure to insurable risk.

ARV will continuously monitor, review and report on our:

- Risk environment and context
- Known risks
- Implemented and planned controls and mitigations
- Risk management performance.

4. Responsibilities

Position	Responsibility
ARV Board	<p>The Board has overall responsibility for ensuring that a current risk management policy is in place and that the risk management framework to give effect to the policy is functional and effective.</p> <p>The Board is responsible for:</p> <ul style="list-style-type: none"> • Approving and reviewing the systems of risk management • Approving the Risk Policy, Risk Management Framework and Risk Appetite Statement • Approving the annual risk attestation statement

¹ To transfer or manage the risk of financial loss.

Position	Responsibility
Finance Risk and Audit Committee	<p>The FRAC assists the Board in fulfilling its responsibilities relating to risk management.</p> <p>The FRAC:</p> <ul style="list-style-type: none"> • Ensures a current and comprehensive risk management framework is in place. • Must be satisfied that effective monitoring systems are in place so that ARV objectives are achieved without unacceptable risk • Endorses the Risk Management Policy, Risk Management Framework and Risk Appetite statement.
Chief Executive Officer	<p>The CEO is accountable to the Board for risk management and for driving a culture of risk management throughout the organisation.</p> <p>The CEO is responsible to:</p> <ul style="list-style-type: none"> • Ensure the Board is aware of risks that may prevent or impact strategic objectives from being achieved • Champion positive risk culture across ARV
The ARV Executive and Senior Leadership teams	<p>The ARV Executive and Senior Leadership teams will ensure that risk management is maintained as a priority and are responsible for:</p> <ul style="list-style-type: none"> • Promoting a positive risk culture • Owning and actively managing risks that impact on their objectives • Reviewing the adequacy and effectiveness of controls • Implementing action plans to mitigate risk to as low as reasonably practicable • Actively escalating risks, as required. • Considering the potential impact of risk in all projects or business case assessments.
Head of Governance & Risk	<p>HOGR is responsible for maintaining and improving the risk management framework and specifically for:</p> <ul style="list-style-type: none"> • Establishment, implementation and review of the risk management framework and policy. • Preparing risk reporting to FRAC / Board • Coordinating periodic review of Risk Registers • Ensuring currency with dynamic and best practice risk management process. • Consult, educate and provide high level support to achieve stakeholder engagement and risk management ownership across the organisation.
All	<p>Everyone is responsible for:</p> <ul style="list-style-type: none"> • Assisting in their area to identify and manage risks. • Following agreed risk management processes. • Communicating with their manager / supervisor. • Implementing agreed strategies as required

5. Legislation

- [Standing Directions 2018](#) under the [Financial Management Act 1994](#).
- [Occupational Health and Safety Act 2004 \(Vic\)](#)
- [Emergency Management Act 2013 \(Vic\)](#) & [Emergency Management Act 1986 \(Vic\)](#)
- [Privacy and Data Protection Act 2014 \(Vic\)](#)
- [Victorian Managed Insurance Authority Act 1996](#)
- [Public Administration Act 2004](#)

6. Related documents

- ARV Risk Management Framework
- ARV Risk Management Manual
- [Victorian Government Risk Management Framework](#)
- AS ISO 31000:2018 Risk Management – Guidelines

7. Definitions

For the purposes of this policy, the following definitions apply:

Term	Definition
Attestation	The requirement under the Ministerial Standing Direction 5.1.4 Financial management compliance attestation.
Control	Measure that maintains and/or modifies risk.
Risk	The effect of uncertainty on objectives.
FRAC	The Finance Risk and Audit Committee (FRAC) is as sub-committee of the Board.
Risk appetite	Defines the amount and type of risk an organisation is willing to accept to achieve its strategic objectives.
Risk culture	The culture of an organisation that supports successful implementation of the Risk Management Framework including risk management principles and their role and responsibilities in managing risk.
Risk management	The processes and activities to direct and control an organisation with regard to risk.
Risk management framework	The set of policy, procedures, people and artefacts that integrate together to fulfil the management of risk.
Risk Owner	Risk owners are allocated by the CEO, risk owners have responsibility and authority to manage risk, escalate risk and inform of when the risk should be retired.
Risk register	A location for documenting risks identified within an organisation. The register outlines the context, controls and actions required to reduce the risk to an acceptable level.
Strategic risk	Factors that have the potential to impact on an organisation's identified strategic goals.

8. Approval and implementation

Policy Custodian	Policy contact details	Approval Date	Approver
General Manager, Corporate Services	Geoff.fallon@alpineresorts.vic.gov.au	Feb 2026	Board

9. Version Control

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Comments:			

Appendix A – Risk Appetite

ARV will seek to manage risks in accordance with these Board directed Risk Appetite statements.

Financial

ARV recognises that taking financial risks is an inherent part of achieving our strategic goals. However, we are committed to cautiously exposing the agency to these risks to safeguard ARV's financial stability and ensuring long-term sustainability. ARV has **no appetite** for taking financial risks that could lead to a loss that exceeds 10% of total assets and/or 25% of revenue / expenditure.

Legal

ARV operates in a complex and dynamic environment with a wide range of legislative and regulatory obligations. We are averse to any serious regulatory non-compliance or unlawful activities. ARV has **no appetite** for conscious breach or unresolved treatment of legislation and regulations.

Reputation

ARV is committed to working with all stakeholders to collaboratively improve the overall reputation of the resorts. ARV maintains a **cautious appetite** recognising there may be occasional temporary tensions because of conflicting objectives. However, ARV has **no appetite** for any behaviour that could cause irreparable damage or long-term disharmony with stakeholders.

Safety

ARV is committed to providing a safe workplace and is strongly averse to physical and psychological harm to our people or visitors to our resorts and workplaces.

ARV recognised that there is inherent risk in the nature and location of ARV's operations, however has **no appetite** for dangerous behaviour that causes risk.

Service/Infrastructure

ARV recognises service/infrastructure operations may be impacted by unforeseen circumstances and is committed to comprehensive Business Continuity Planning. ARV maintains a **cautious appetite** on risks that could disrupt critical service/infrastructure. However, ARV has **no appetite** for any events or activities that could result in an inability to deliver critical services for more than 30 days.

Environment

ARV is committed to operating in an environmentally responsible manner. ARV recognises that some level of environmental risk is inherent in our operations and maintains a **cautious appetite** while we strive to manage these risks to minimise negative impacts on the environment, comply with regulatory requirements, and support our sustainability goals. ARV has **no appetite** for pursuing any actions that could result in environmental harm which takes more than 10 years to reverse.