



## Ishar Risk Appetite Statement

### 1. Introduction

This Risk Management Appetite Statement considers the significant risks to which Ishar is exposed in the pursuit of its goals and provides an outline of the approach to managing these risks. The Statement is aligned with the 2021-2026 strategic and operational plans that Ishar has in place.

Ishar is an incorporated not for profit organisation (governed by a voluntary Board of Directors), which focuses on the delivery of services related to the health and wellbeing of women from all walks of life and cultural backgrounds, and their families.

Ishar is committed to ensuring all of its activities are conducted legally, ethically and with integrity. It has developed policies and procedures to help its employees and volunteers meet these high standards of ethics and conduct. In all of its work, Ishar seeks to protect its clients, its staff and the resources entrusted to it.

### 2. Risk Appetite Statement

Ishar's risk appetite statement reflects its risk management philosophy and sets out a vision on how risks are to be viewed.

Ishar's risk appetite provides the basis for setting acceptable levels of risk tolerance and thresholds, and contributes to the identification and implementation of mitigation actions.

The Ishar Board has responsibility for the organisation as a whole, the security and safety of its staff, for the setting and oversight of strategic goals and for the managing of risk associated with its activities. Ishar has many stakeholders including its funders, the Government, supporters, clients and suppliers.

The risks arising from Ishar's support activities can be significant. To remain a stable organisation with the capacity to work for Ishar's clients and stakeholders long into the future, these risks must be managed through processes that enhance Ishar's brand and reputation, drive innovation, direct program delivery and strengthen advocacy.

Learning from past experience and continually improving processes, depending on results from year to year, Ishar may choose to increase or decrease its risk appetite in favour of higher or lower risk activities.

### 3. Risk Management Framework

Ishar seeks to have a risk management framework in place that will effectively identify and manage risk across the organisation. The framework sets the requirements and responsibilities for staff and emphasises that the management of risk and risk reporting is everyone's responsibility and also to have appropriate controls in place to ensure the effectiveness of these controls.

Risks are identified, analysed, evaluated and monitored at both an organisational (top-down) and operational (bottom up) level.

The Ishar Board has ultimate accountability for this process. It may choose to delegate part or all of the oversight of this process to its Finance and Risk Committee



(FRC) to manage the process on behalf of the Board. The Ishar Board may at its discretion have a formal annual review of the risk appetite process.

## 4. Coverage

### 4.1. Strategic Risks

Ishar recognises that the actual or perceived inability to deliver strategic initiatives could have a significant impact on its ability to achieve its objectives as well as reputation. A framework is in place to ensure these initiatives are prioritised appropriately and are managed and reported on a consistent basis.

Ishar has to keep abreast of state and national issues that may impact on strategic risks, e.g. immigration policy changes, changes to women's health policy agenda or funding priorities.

Ishar will remain true to its mission of delivering culturally sensitive, holistic, health and wellbeing services to women using the social model of health. With limited public policy investment in women's health in the last 5 years, Ishar's services aim to remain pertinent to the needs of its clients, with a specific focus on refugee women and their families.

Ishar has processes in place to mitigate these risks which are prioritised through a well-defined framework that involves regular Board and Senior Management communication and reporting. Ishar has a **low-risk appetite** for those strategic risks that will realise its strategic goals and objectives.

### 4.2. Financial Risks

Ishar assesses its financial risks both from a strategic and operational perspective. Ishar requires at all times a balance between adequate reserves and liquidity, and understands that it is not always possible to eliminate all risks. Ishar will manage associated balance sheet risks to an acceptable level through a framework of policies and financial controls. Ishar has a **low risk appetite** for financial risk.

### 4.3. Fundraising and Corporate Engagement Risks

Ishar seeks to diversify revenue through a range of fundraising and corporate engagement activities, value-add programs and activities. Ishar will mitigate the associated risks by ensuring that fundraising/corporate engagement activities are efficient, adhere to Ishar's values and meet accepted Australian industry standards. Ishar has a **high-risk appetite** in identifying and exploring new ways of unlocking fundraising and corporate engagement opportunities within the broader markets it operates in.

### 4.4. Innovation Risks

Ishar embraces innovation and continuous improvement. From its internal operating systems, public engagement activities, advocacy engagement and our program work in the field, Ishar needs to be innovative in all aspects of its work. Ishar has a **high-risk appetite** for innovation and the value it will bring to Ishar as well as the communities and supporters we serve.

### 4.5. Program Risks

Ishar delivers services and program across five core goal areas. Program decisions are based on a thorough analysis and the application of risk management strategies. Ishar has a **low risk appetite** when it comes to protecting clients, partner agencies, staff and resources.

Innovation and the testing of new models of programming is key to finding viable and sustainable solutions to maintaining and expanding Ishar's operations in doing so the risk of occasional failure is accepted and lessons learnt used to drive continuous improvement.

#### 4.6. Advocacy Risks

Ishar approaches the delivery of its advocacy engagement activities both from strategic (impact and reach) and operational (structure and delivery) perspectives. Advocacy that furthers opportunities and equity for multicultural women is one of Ishar's core strengths and it approaches its advocacy activities in accordance with its policies, processes and controls in place to manage the risks inherent in this activity. Ishar has a **high-risk appetite**.

#### 4.7. Reputational Risks

Ishar aims to be transparent. Ishar will seek to ensure transparent and clear communication in order to mitigate this risk and that key stakeholders are informed. Ishar has a **low risk appetite** for activities that will compromise the ethics, brand or credibility of the organisation.

#### 4.8. Fraud & Corruption Risks

Ishar accepts that its operating environment may have modest exposure to the risk of fraud and corruption. These practices, as well as the misappropriation of resources, are in direct contravention to Ishar's values. Ishar will mitigate such actions as deemed necessary in line with our Finance Policy. Ishar's reputation for integrity and competence should not be compromised including in relation to key stakeholders, supporters and Government. Ishar has **no tolerance for fraud and corruption**.

#### 4.9. Compliance Risks

Ishar is committed to a high level of compliance with relevant legislation, regulation, industry codes and standards as well as internal policies and sound corporate governance principles. Minor breaches are expected from time to time, but will be reported and responded to. Ishar will seek to mitigate compliance risks through adherence to internal policies and good corporate governance. Ishar overall has a **low risk appetite** for non-conformance.

#### 4.10. Human Resources

Ishar's employees and volunteers are critical to the delivery of quality Ishar programs and the achievement of its vision. It is critical that Ishar have suitable people with the right skills, competence and behaviours. In order to attract and retain key talent, the Ishar Management will promote evaluation, adaptation, and professional development of its core resources. Ishar has a **low risk appetite** for non-compliance with Ishar stated policies and procedures.

#### 4.11. Information Technology Risks

Ishar requires its information management systems and procedures to be adequate and relevant for its intended purpose. Ishar's internal control processes need to ensure the development of robust technology systems to potentially mitigate significant and malicious threats to Ishar assets. Ishar has a **low risk appetite** to the non-availability of systems and **no appetite** for misuse of information.

#### 4.12. Operational Risks

Ishar carefully analyses risks in all of its operational activities, including ensuring that the benefit of the risk control measures exceeds the costs of these measures. Ishar has processes in place and can make resources available to manage operational



risks to acceptable levels. In terms of operational risks, Ishar has a **low appetite** for risk.

#### **4.13. Safeguarding Risks**

Ishar is committed to providing a safe, flexible and respectful environment for employees and clients free from all forms of discrimination, harassment, exploitation and bullying, and where people are protected from physical or psychological harm. The responsibility for maintaining a safe environment is a shared responsibility of all Ishar staff and volunteers. Ishar has **no tolerance for non-compliance** with accepted Work Health and Safety practices, abuse and exploitation of any nature to persons including children that may lead to harm and brings disrepute.

### **5. Process**

#### **5.1. Risk Appetite Implementation**

The Ishar Board and Senior Management will be responsible for the implementation and compliance with this Statement.

#### **5.2. Communication**

The Risk Appetite Statement is published on Ishar 's website as well as its Intranet.

#### **5.3. Reporting & Monitoring**

Ishar will monitor this Risk Appetite Statement against a number of existing risk metrics which will assist Management in assessing whether outcomes are consistent with the overall risk appetite. Performance against these metrics is tracked and reported to the Board on a regular basis.

#### **5.4. Review**

The Ishar Board may determine at its discretion to have a formal review of the risk appetite statement and risk management policy framework process undertaken. This review will be coordinated by the Finance and Risk Committee and proposed changes to the Risk Appetite Statement would be endorsed by the Board.

**Risk Appetite Statement Approved March 2021.**

**Risk Appetite Statement Reviewed and approved August 2023.**