

RISK MANAGEMENT POLICY

Date Created
Status
Version
Review Date

01/12/2014
Final
7.0
3/12/2022



1. SCOPE

EasTec UK Ltd is committed to the management of risk as an integral part of its operations to minimise threats to the achievement of its organisational goals and objectives. Effective risk management allows us to:

- Have increased confidence in achieving our goals
- Manage risks at tolerable levels
- Make informed decisions
- Strengthen corporate governance procedures.

2. RESPONSIBILITIES

EasTec UK Ltd is accountable for ensuring risk is managed across all activities of EasTec UK Ltd. All employees are responsible for managing risk in so far as is reasonably practicable within their area of activity and are required to create an environment where the management of risk is accepted as the personal responsibility of all employees and contractors.

The management of risk is integrated into EasTec UK Ltd strategic planning and operational process and is fully recognised in the reporting processes.

EasTec UK Ltd regularly review the risk register to ensure it accurately reflects the risk to the business and controls are in place to mitigate any risks.

3. RISK MANAGEMENT

Risk management is the process of making and carrying out decisions that will minimize the adverse effect of accidental losses upon our company. The risk management process is vital to the personal health and safety of employees and the safety of the public. In financial terms, it is vital to our ability to pursue our goals, commence and operate programs, and to perform duties in an efficient and professional manner.

Sound risk management principles and practices are integral part of business operations and key processes. Risks are transparent across the business providing opportunities for involvement across a range of people. Risk Management performance is measured by a combination of ratings. Our risk register is used to record all the identified risks, mitigations and information on the status of the risks based on the impact and likelihood. The risk grades are assessed by taking account of four impact components, (financial, reputation, operations and health and safety) and the likelihood of the risk occurring.

Risk = Likelihood x Severity

Matrices & resources on next pages

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Illustrative Impact Ratings -

Impact Rating	Description	Finance	Reputation	Operations	Health and Safety
5	Catastrophic	> £300k	Substantiated widespread news item, significant reputation damage, third party actions	Business unit/s forced to cease indefinitely	Multiple Fatality
4	Significant	£200k - £300k	Substantiated news item, high impact news profile with embarrassment, possible 2nd or 3rd party involvement	Business unit forced to cease or suffer significantly reduced capacity for months	Extensive injuries / possible multiple injuries. Single Fatality
3	Major	£100k - £200k	Substantiated news item profile with embarrassment	Business unit forced to cease or suffer reduced capacity for days	First aid and ongoing medical treatment. Probable lost time
2	Moderate	£50k- £100k	Substantiated news item with low impact	Business interruption for hours	Some injuries / first aid required
1	Minor	<£50K	News item with no impact or is unsubstantiated	Business interruption for less than one hour	Minor injuries / first aid required

Risk Matrix example

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		CONSEQUENCE				
		1. INSIGNIFICANT Dealt with by in house first aid	2. MINOR Treated by medical professionals, hospital out patients	3. MODERATE Significant non permanent injury overnight hospital stay	4. MAJOR Extensive permanent injury eg. Loss of fingers, extended hospital stay	5. CATASTROPHIC Death, permanent disabling injury eg. Loss of hand, quadriplegia
LIKELIHOOD	A. Almost certain to occur in most circumstances	MEDIUM 8	HIGH 16	HIGH 18	CRITICAL 23	CRITICAL 25
	B. Likely to occur frequently	MEDIUM 7	MEDIUM 10	HIGH 17	HIGH 20	CRITICAL 24
	C. Possibly and likely to occur at sometime	LOW 3	MEDIUM 9	MEDIUM 12	HIGH 19	HIGH 22
	D. Unlikely to occur but could happen	LOW 2	LOW 5	MEDIUM 11	MEDIUM 14	HIGH 21
	E. May occur but only in rare circumstances	LOW 1	LOW 4	LOW 6	MEDIUM 13	MEDIUM 15

Control Rating

Rating	Description	Risk
0 to 6	The controls or mitigating practices are effective in managing the risk. Management accountability is assigned and controls or mitigating practices are well documented and regular monitoring and review indicates high compliance with the process.	Low
7 - 15	Controls or mitigating practices exist and are operating effectively which manage the risk. Some improvement opportunities have been identified but not yet actioned.	Medium
16 – 22	Controls or mitigating practices for managing the risk have been subject to major change or are in the process of being implemented and effectiveness cannot be confirmed.	High
23 - 24	No or ineffective controls or mitigating practices exist to manage the risk.	Critical

Residual Risk

Description	Management Action Required	Monitoring
High/Critical	Immediate Action	By event/daily/weekly /Monthly

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Medium	Senior management attention and action needed. Detailed management planning at senior levels. Management control and responsibility must be specified.	Quarterly
Low	No Immediate Action No major concern and can be managed by routine controls / procedures. Unlikely to need specific allocation of resources	Annually