***Insert Company Name***

**Risk Identification and Assessment Procedure**

|  |
| --- |
| ***General Instructions***   1. *Insert company logo in the header* 2. *Insert company name where indicated (“[insert company name]”)* 3. *Consider the guidance / follow the instructions given in the instruction boxes* 4. *Delete the instruction boxes throughout when the document is completed, including this box.* |

|  |  |
| --- | --- |
| **Document No.:** | XX |
| **Type of Document:** | Procedure |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Version No..** | **Issue Date** | **REVIEWED by (Team Members)** | **Reviewed by**  **(Relevant Manager)** | **Approved** | **Signature** |
|  |  |  |  |  | Signature |
|  |  |  |  |  | Signature |
|  |  |  |  |  | Signature |
|  |  |  |  |  | Signature |
|  |  |  |  |  | Signature |
|  |  |  |  |  | Signature |

NOTE:

This document is controlled whilst it remains on the system. Printed copies created from this document are deemed to be uncontrolled unless specifically identified as being controlled from the day of printing.

**Amendments**

|  |  |  |
| --- | --- | --- |
| **Version No..** | **Issue Date** | **description** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**Table of Contents**

[1 Purpose and Scope 4](#_Toc189220329)

[2 Objectives 4](#_Toc189220330)

[3 Legal and International Requirements 5](#_Toc189220331)

[3.1 National Laws and Regulations 5](#_Toc189220332)

[3.2 International Standards and Guidelines 5](#_Toc189220333)

[5 Definitions 6](#_Toc189220334)

[6 Abbreviations and Acronyms 7](#_Toc189220335)

[7 Risk Identification 7](#_Toc189220336)

[7.1 Risk Register 9](#_Toc189220337)

[8 Risk Management 9](#_Toc189220338)

[9 Risk Assessment Approach 12](#_Toc189220339)

[9.1 Baseline Risk Assessment 12](#_Toc189220340)

[9.2 Issue-Based Risk Assessments 14](#_Toc189220341)

[10 Monitoring and Reporting 14](#_Toc189220342)

[11 Training and Awareness 15](#_Toc189220343)

[12 Review and Continuous Improvement 16](#_Toc189220344)

[13 Roles and Responsibilities 16](#_Toc189220345)

[Annex A: Baseline E&S Risk Assessment 18](#_Toc189220346)

List of Tables

[Table 9.1: Baseline Risk Assessment Risk Matrix 13](#_Toc189220347)

[Table 9.2: Risk Analysis Action Guide 13](#_Toc189220348)

[Table 13.1: Key Roles and Responsibilities 17](#_Toc189220349)

List of Figures

[Figure 8.1: The Control Hierarchy 10](#_Toc189818928)

[Figure 9.1: Overview of the 2-Tiered Risk Assessment Approach 12](#_Toc189818929)

|  |
| --- |
| *Instruction Box – Delete when complete.*  General Instructions for Customisation and Compliance |
| This document provides a template from which your company can develop a Risk Identification and Assessment Procedure to identify, assess and manage risks regarding E&S matters. The primary objective of performing a risk assessment is to identify the potential negative E&S risks so that you can develop the appropriate strategies to address the risks and their potential impacts.  For companies that have E&S impact assessment (ESIA) report, the E&S risks and impacts identification process should be in formed by the ESIA as a minimum.  Your E&S risks and impacts identification process needs to include a standardised approach for identifying environmental, occupational health and safety, labour and community risks. Additionally, it needs to document aspects to consider when performing baseline risk assessments and issue-based risk assessments, i.e. routine activities, non-routine activities, emergency conditions, potential for human error and it needs to include controls for reducing E&S risks.  The risks and impacts identification process will be based on recent E&S baseline data at an appropriate level of detail. The process will consider all relevant E&S risks and impacts of the project, including the issues identified in Performance Standards 2 through 8, and those who are likely to be affected by such risks and impacts.  The identification of E&S risks and impacts must also consider the role and capacity of third parties (such as local and regional governments, contractors and suppliers) on which the project depends, recognising that the Company should address these third-party risks and impacts in a manner that is in line with the Company’s control and influence over third parties.  Below is a list of useful resources to consider when drafting your risk identification and assessment process:   * [IFC Performance Standards on E&S Sustainability (2012)](https://www.ifc.org/content/dam/ifc/doc/2010/2012-ifc-performance-standards-en.pdf) * [IFC General Environmental, Health and Safety (EHS) Guidelines (2007)](https://www.ifc.org/content/dam/ifc/doc/2000/2007-general-ehs-guidelines-en.pdf) * [IFC EHS Guidelines for Annual Crop Production (2016)](https://www.ifc.org/content/dam/ifc/doc/mgrt/annual-crop-production-ehs-guidelines-2016-final.pdf) * [IFC EHS Guidelines for Food and Beverage Processing (2016)](https://www.ifc.org/content/dam/ifc/doc/2010/2016-annual-crop-production-ehs-guidelines-en.pdf) * [IFC EHS Guidelines for Perennial Crop Production (2015)](https://www.ifc.org/content/dam/ifc/doc/mgrt/final-perennial-crop-production-november-2015.pdf) * [IFC ESMS Toolkit and Case Studies – Crop Production](https://documents1.worldbank.org/curated/en/414331491570397072/pdf/114083-WP-IFC-ESMS-Toolkit-Crop-Production-PUBLIC.pdf) * [IFC ESMS Implementation Handbook – General (2015)](https://www.ifc.org/content/dam/ifc/doc/mgrt/esms-handbook-general-v21.pdf) * [ESMS Self-Assessment and Improvement Guide](https://www.ifc.org/content/dam/ifc/doc/2010/esms-self-assessment-en.xlsx) * [BII Sector Profiles](https://toolkit.bii.co.uk/sector-profiles/) including [Agriculture and Aquaculture](https://toolkit.bii.co.uk/sector-profiles/agriculture-and-aquaculture/), [Food and Beverages](https://toolkit.bii.co.uk/sector-profiles/food-and-beverages/) and [Forestry and Plantations](https://toolkit.bii.co.uk/sector-profiles/forestry-and-plantations/) |

# Purpose and Scope

|  |
| --- |
| *Instruction Box – Delete when complete*   * *Insert the company name where indicated throughout the document.* * *Describe the purpose of the Risk Identification and Assessment Procedure.* * *Define the scope of application of the Risk Identification and Assessment Procedure and whom it applies to.* * *The section below is generic. Review and modify as required for your company.* |

The Risk Identification and Assessment Procedure outlines the steps for identifying and assessing operational risks and impacts within [insert company name] operating primarily in the agricultural sector, including warehousing facilities, logistics companies, food retail and other established business operations.

The assessment process aims to protect personnel from injury and occupational disease while preventing adverse impacts on the environment and surrounding communities. Every worker has the right and responsibility to refuse unsafe work. By conducting risk assessments for tasks, the process identifies appropriate controls to manage associated risks. Often, hazardous situations are uncovered during pre-job safety meetings or task discussions.

This procedure applies to all employees and contractors involved in activities that could impact operational safety and efficiency, including those working in production, customer service, and waste management.

# Objectives

|  |
| --- |
| *Instruction Box – Delete when complete*   * *State the objectives of the Risk Identification and Assessment Procedure and what it aims to achieve.* * *The section below is generic. Review and modify as required for your company.* |

The objective of the Risk Identification and Assessment Procedure is to identify and evaluate the environmental and social (E&S) risks and impacts linked to [insert company name]'s operational activities, with a secondary focus on new greenfield projects when applicable where a full-scale E&S impact assessment (ESIA) might be required. For companies that have an ESIA, the Risk Identification and Assessment Procedure should be informed by the ESIA as a minimum.

This procedure emphasises the importance of ongoing risk management within established operations while aligning with relevant legislative requirements across regions. The underlying philosophy includes:

* Identifying and assessing risks focusing primarily on the operational activities of the company, identifying and assessing E&S risks inherent to day-to-day operations, while also considering new greenfield projects when they arise.
* Investigating risk mitigation strategies as well as exploring and implementing effective methods to limit identified risks associated with operational activities, ensuring compliance with regional legislative requirements.
* Identifying management measures and developing comprehensive mitigation and management measures for unavoidable risks encountered in ongoing operations, ensuring these measures are in line with applicable local and international regulations.
* Highlighting roles and responsibilities of personnel involved in risk management, fostering accountability and ensuring that all team members understand their obligations under relevant legal frameworks.

# Legal and International Requirements

## National Laws and Regulations

|  |
| --- |
| *Instruction Box – Delete when complete*   * *Review country and local legislation relating to the topic and incorporate as may be required into this section.* * *List all relevant topic-related laws and regulations below.* |

This Risk Identification and Assessment Procedure has been developed to conform to the following national laws and regulations:

* *[Example of the types of names for such laws and regulations, include*
  + *National Environmental Management Act; and*
  + *Environmental Impact Assessment Regulations.*

## International Standards and Guidelines

|  |
| --- |
| *Instruction Box – Delete when complete*   * *List all relevant international standards, guidelines and delete any below that are not applicable.* * *The section below is generic. Review and modify as required for your company.* |

The Risk Identification and Assessment Procedure has been developed to conform to the following international standards and guidelines:

* IFC PS on E&S Sustainability (2012):
  + Performance Standard 1 – Assessment and Management of Environmental and Social Risks and Impacts: Highlights the importance of managing E&S performance throughout the life of a project. It requires that the organisations establish and maintain a process for identifying the environmental and social risks and impacts of the project. The type, scale, and location of the activities guide the scope and level of effort devoted to the risks and impacts identification process. The scope of the risks and impacts identification process will be consistent with good international industry practice and will determine the appropriate and relevant methods and assessment tools.
* IFC General Environmental, Health and Safety (EHS) Guidelines (2007);
* IFC EHS Guidelines for Annual Crop Production (2016);
* IFC EHS Guidelines for Food and Beverage Processing (2016); and
* IFC EHS Guidelines for Perennial Crop Production (2015).

1. **Other Relevant References**

|  |
| --- |
| *Instruction Box – Delete when complete*   * *List all relevant documents which are referred to in this document and / or which supported the drafting of this document.* * *Modify/delete/add to the list as required.* |

This Identification and Assessment Procedure should be read together with the following documents:

* [insert company name] Environment and Social Impact Assessment (ESIA);
* [insert company name] xxx Procedure; and
* etc

# Definitions

|  |
| --- |
| *Instruction Box – Delete when complete*   * *List definitions that need to be defined in order to ensure proper interpretation of the Risk Identification and Assessment Procedure.* |

| **Term** | **Definition** |
| --- | --- |
| Greenfield Projects | New ventures established in previously undeveloped areas, requiring comprehensive risk assessments prior to initiation. |
| Impact | Refers to the severity or significance of the consequences if the risk were to occur. It describes the effect that the event would have on the objectives, resources, or outcomes. Impact is typically measured in terms of how much harm, loss, or disruption the event would cause if it takes place. |
| Mitigation Measures | Strategies developed to minimize the impact of identified risks, ensuring compliance with legal and regulatory requirements. |
| Operational Risks | Risks arising from internal processes, people, systems, or external events affecting day-to-day operations. |
| Risk | Refers to the likelihood or probability of a negative event occurring that could affect an objective, project, or process. It represents uncertainty and the potential for harm or loss. Risk is typically assessed by considering the probability of an event happening and its potential consequences |
| Risk Assessment | The systematic process of evaluating potential risks and their associated impacts affecting ongoing activities or business operations. |
| Risk Management Hierarchy of Control | A framework for managing risks that prioritizes elimination, substitution, engineering controls, administrative controls, and personal protective equipment (PPE) in that order. |

# Abbreviations and Acronyms

|  |
| --- |
| *Instruction Box – Delete when complete*   * *List abbreviations and acronyms which are referred to in the document.* |

| **Abbreviations and Acronyms** | **Definition** |
| --- | --- |
| E&S | Environmental And Social |
| ESIA | Environmental Social Impact Assessment |
| IFC | International Finance Corporation |
| OHS | Occupational Health and Safety (OHS) |
| PPE | Personal Protective Equipment |
| PS | Performance Standard |

# Risk Identification

The in-country E&S representative supported by the Corporate E&S representative will be responsible for identifying E&S risks generated by the [insert company name]’s in-country activities, services, products, or equipment.

For each in-country activity, the risk analysis must consider location, routine, and non-routine activities as well as all people with access to them, including subcontractors and members of the local communities (if applicable). Risks will be identified and assessed through a variety of means, including internal and external audits, employee training, and incident reporting. For each in-country activity, risks linked to the following must be considered:

* Regulatory compliance.
* Physical, chemical and biological conditions, including E&S baseline conditions;
* Impacts on stakeholders including potential displacements (economic and physical), ecosystem services, tangible and intangible forms of cultural heritage or indigenous people.
* Potential environmental impacts including pollution events, waste generation, greenhouse gas or water abstraction.
* Potential biodiversity impacts on modified habitats, natural habitats, critical habitats, or protected areas.
* Potential impacts from the supply chain.
* Potential health impacts (fatigue, illness) for employees and third parties;
* Potential safety impacts (injuries, death, etc.) for employees and third parties;
* The equipment and materials used; and
* General well-being (light, temperature, stress, etc.).

Beyond risks directly associated with [insert company name]’s in-country activities the E&S representatives also need to consider indirect risks such as:

* Climate risks that could affect activities; and
* Local regulatory risks.

Key risks may be related to:

* Solid and liquid waste pollution;
* Use of pesticides and fertilizers;
* Water scarcity/salinity;
* Soil degradation/nutrient loss/erosion;
* Carbon footprint;
* Occupational Health and Safety (OHS);
* Biodiversity risks and impacts related to cross-fertilization between crops and local crops or other plant species (including natural habitats);
* Road safety risks;
* Grievance redress;
* Supply chain risks,
* Forced labour; and
* Child labor risks.

## Risk Register

[insert company name]’s E&S representatives must develop a risk register that documents all identified risks and the actions that have been taken to mitigate them. The risk register will be reviewed and updated on a regular basis. All identified risks will be recorded in an E&S risk register which will be kept in the E&S file. This register will allow everyone to quickly identify the level of risk and implement the required mitigation measures. The corresponding mitigation measures must also be indicated in the register.

# Risk Management

|  |
| --- |
| *Instruction Box – Delete when complete*   * *The section below is generic. Review and modify as required for your company.* |

Risk mitigation strategies must be appropriate to the level of risk, through applying the following risk management principles and considerations:

* Risk mitigation strategies must consider the ALARP (As Low As Reasonably Practicable) Principle;
* Risk reduction is to be based on the following hierarchy of controls, as illustrated in **Figure 8.1**:
  + - **Elimination**: the complete elimination of the risk by design;
    - **Substitution/minimisation**: replacing the hazard, material or process with a less hazardous one or to significantly reduce the magnitude of the risk;
    - **Engineering**: design in controls or redesign of the equipment or work process that avoids the need for any human intervention. This can include separation, by e.g. placing a physical barrier on the hazard by guarding or enclosing it;
    - **Administrative**: providing control such as training and procedures; and
    - **Personal Protective Equipment (PPE)**: use of appropriate and properly fitted PPE where other controls cannot be implemented effectively.

A diagram of a pyramid

Description automatically generated

**Figure 8.1: The Control Hierarchy**

*The Control Hierarchy comprises an ordered category of controls ranked by those which are considered more effective at reducing risk, to those that are considered least effective. Controls higher up the hierarchy should typically be considered and decided in the design phase. Those lower down require greater reliance on personnel to apply a control. As far as may be practicable, the Control Hierarchy should be applied when determining controls while undertaking all levels and types of risk assessments.*

* Risk identification will consider a Life Cycle Approach - giving consideration to the following:
  + - The value chain, from supplier of resources/materials to final disposal (i.e. upstream and downstream processes); and
    - The project or equipment life cycle (e.g., for new facilities, plants, mobile equipment) – from infrastructure and equipment design; operation and maintenance; and decommissioning.
  + Operational E&S risks and impacts on the external environment, i.e. E&S risks and impacts created as a result of the company’s activities, as well as E&S risks and impacts on the company (i.e. external E&S risks and impacts that affects/can affect the ability of the company to achieve its strategy and objectives – for example climate change, and lack of available resources).
  + Identification of opportunities, i.e. the positive or beneficial side of risk management in which actions, projects, or programmes that may either reduce current negative risks further, for example through eliminating hazards; or can enhance E&S performance further, even if the performance in certain areas are at an acceptable level, and/or improve the operation to enable defined objectives to be met.
* When determining controls, it is important that they include the following:
  + - Preventative controls: Controls that reduce the probability of the unwanted event occurring and prevents the hazard from manifesting, for example the following control measures could reduce the likelihood of potential for employees under 18 years old being employed by the company and its contractors:
    - Child Labour Policy included in Staff Handbooks and Employment Contracts;
    - Requirement for identity documents to be presented upon employment;
    - Contractor Management Procedure to include prohibition of child labour; and
    - Contractor Service Agreements to include prohibition of child labour.
    - Recovery controls: Controls that prevent a consequence from occurring or reduce the severity of the consequence of the event (e.g., airbags in a vehicle reduces the severity of the injury once the unwanted event has occurred).

Risks should be assessed for all operational activities within the scope of the ESMS. When conducting risk assessments the following aspects of the operations activities should therefore be taken into account:

* Routine activities (day-to-day operations and normal work activities);
* Non-routine activities (occasional or unplanned);
* Maintenance activities;
* Emergency conditions;
* Human factors – potential for human failures that impact the risk and type of controls required. Types of human failures to be considered can be categorised as follows:
  + - Human error - unintentional actions or decisions e.g., due to mistakes, lack of knowledge, forgetting or omitting steps; and
    - Violations - intentional failures – deliberately and knowingly doing an incorrect or prohibited action. However, intentional failures can be routine/cultural (everybody does it), situational (e.g., due to time pressure) or exceptional (done in an emergency)

Controls should therefore consider possible reasons that underly such failures;

* Activities within the boundary of an operation’s footprint, as well as outside of the company footprint, including, for example
  + - structures situated outside the operation’s footprint;
    - areas commonly used by personnel (e.g., access routes to site or areas outside/nearby a site); and
    - transportation and travel risks (of raw materials, product, equipment, and personnel);
* Risks to all people on site – employees, contractors, and visitors as well as risks to subsets of these – women, indigenous people, etc;
* Risks to the community, neighbouring facilities and the public;
* Risks to clients and their property (e.g., where [insert company name] is located on a client’s property); and
* Risks of suppliers.

# Risk Assessment Approach

In risk management, two common methodologies for assessing risks are Baseline Risk Assessment and Issue-Based Risk Assessment (IBRA). Both are essential, but they serve different purposes and are applied in different contexts. The methodologies for the two risk assessment types are described below.

A two-tiered approach to conducting risks assessments will be implemented, illustrated in **Figure 9.1** and detailed below.

The E&S risks and impacts identification process developed for [insert company name] has been informed by the ESIA developed for the operation.

**Baseline Risk Assessment**

Issue Based Risk Assessment (IRBA)

High level identification of assessment of hazards and consequences for processes/activities/areas.

Rated and evaluated to define appropriate level of control required to reduce risk to acceptable level.

Conduct an Issue Based Risk Assessment (IBRA) where a process, activity, subject or issue is complex, could have multiple risks, and/or where risks are not adequately understood.

**Figure 9.1: Overview of the 2-Tiered Risk Assessment Approach**

## Baseline Risk Assessment

The Baseline Risk Assessment is an operation-wide risk assessment aimed at identifying all key E&S hazards and aspects, and evaluating the risks and impacts.

The Baseline Risk Assessment will be conducted by the ESG Manager / Sustainability Manager and the Operations Manager (and any other persons with good knowledge of Company operations) using the Baseline Risk Assessment Template (**Annex A**).

The steps of the Baseline Risk Assessment process are outlined as follows:

* Step 1: List site areas and activities (such as workplaces, activities, etc.)
* Step 2: Identify all hazards/aspects for each area and activity (e.g., ergonomics, employee travel, emergency event, driver onboarding)
* Step 3: Analyse the risk – Determine and describe the event (what can go wrong), who/what might be harmed or impacted and how. Identify all actual or potential E&S consequences, as well as financial, legal and reputational, should the hazard manifest in an unwanted event. Consider:
  + - Likelihood of events and consequences;
    - Nature and magnitude of consequences; and
    - Effectiveness of existing controls.
* Step 4: Assess the risk – using the criteria in the 5x5 matrix (**Table 9.1**) each risk will be assessed, in order to provide an input into risk evaluation so that decisions can be made regarding the required controls to implement. This is done by analysing the residual risk – i.e. considering all current controls that are in place, taking into consideration the reliability and effectiveness of these controls.



* Step 5: Evaluate the risks and decide on risk treatment options (i.e., controls). Using input from the risk assessment, decisions must be made whether to:
  + - Do nothing (maintain existing controls);
    - Apply additional controls; and/or
    - Undertake further analysis (e.g., issue based risk assessment).

Risk Matrix descriptions are described in Baseline E&S Risk Assessment Template (**Annex A**).

**Table 9.1: Baseline Risk Assessment Risk Matrix**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | **Severity/Consequence** | | | | |
| Minor | Moderate | High | Major | Catastrophic |
| **Frequency1** | **Probability2** |  | 1 | 2 | 3 | 4 | 5 |
| < 1 in 5 years | Rare | 1 | 1 | 2 | 3 | 4 | 5 |
| Once in 5 years | Unlikely | 2 | 2 | 4 | 6 | 8 | 10 |
| Annually | Possible | 3 | 3 | 6 | 9 | 12 | 15 |
| Monthly | Likely | 4 | 4 | 8 | 12 | 16 | 20 |
| Daily to weekly | Almost Certain | 5 | 5 | 10 | 15 | 20 | 25 |
| 1Frequency: How often an event occurs within a given period of time or within a specific set of observations.  2Probability: The likelihood or chance that a particular event or outcome will occur.  Note: Use the ‘frequency’ column for evaluating a planned event, e.g., known / planned impacts such as effluent discharge into a river and use the ‘probability’ column for evaluating unknown events e.g., H&S incidents and accidents. | | | | | | | |

**Table 9.2: Risk Analysis Action Guide**

|  |  |
| --- | --- |
| **Risk Key** | **Guidance for action** |
| Low | Monitor control strategy to confirm appropriate |
| Medium | Revise control strategy to ensure appropriate strategy in place |
| High | Control strategy requires review as soon as possible to improve controls |
| Extreme | Control strategy requires urgent review to implement additional controls / strengthen effectiveness of existing controls |

## Issue-Based Risk Assessments

Issue based risk assessments are conducted where a process, activity, subject or issue is complex, could have multiple risks, and/or where risks are not adequately understood. The objective is to obtain greater understanding and in-depth knowledge on the hazards, risks, and impacts and consequences, in order to determine appropriate controls to minimise the risk.

They should be conducted for high or major risks either as determined in the baseline risk assessment, or where the risk level cannot be fully determined without further assessment.

There is no prescribed format for IBRA (although the same methodology as used for the Baseline Risk Assessment above can be used in many cases). Essentially, they can be any assessment, study, review where the nature of the risk (consequence and/or likelihood) is assessed in greater detail using a methodology appropriate for the required purpose. Examples include the following:

* Change management, e.g., risk assessment of a new process;
* Suppliers and contractors risk assessments; and
* Assessment of plans, programmes, initiatives as opportunities to improve performance.

# Monitoring and Reporting

|  |
| --- |
| *Instruction Box – Delete when complete*   * *If applicable, list the type of monitoring activities to be undertaken to ensure compliance with statutory requirements and / or permit or licensing requirements. For example, the monitoring of biodiversity impacts and mitigation measures may form part of the statutory requirements for environmental management in your country or is a requirement stemming from permit or licensing requirements.* * *Include the monitoring frequencies, i.e. monthly, quarterly or annual monitoring requirements in line with any statutory requirements and / or permit or licensing requirements.* * *The section below is generic. Review and modify as required for your company.* |

[insert company name] will implement the following to monitor the effectiveness of this Risk Identification and Assessment Procedure:

* The E&S representatives will monitor and review the effectiveness of the risk management processes on a regular basis and ensure compliance with the relevant laws and regulations.
* The E&S representatives will review the risk management processes at least annually and will provide a report to corporate on the effectiveness of the processes, compliance with laws and regulations, and any recommended improvements.
* Any incidents that occur will be investigated and the results of the investigation will be used to improve the risk management processes.
* All E&S impacts need be monitored and reported.
* Degree of completion of the proposed preventive measures need to be monitored and controlled regularly to ensure proper implementation within the allotted time, effectiveness and understanding.
* Risks must be reassessed at least every year or subsequently to the introduction of a non-planned activity. As such, the risk register must be updated.

It is necessary to distinguish corrective actions that already exist from preventative measures, which be implemented over time. The risk can then be re-categorized to define the net risk, or in other words the existing risk while taking into account the implementation of the proposed preventative measures

The reporting process will include:

Regular updates to the E&S risk register.

* Scheduled reviews of risk status by management.
* Communication of significant risks to all relevant stakeholders, including employees, contractors, and local communities.
* Reports should detail the nature of the risk, potential impacts, mitigation measures taken, and any changes in risk status. A feedback mechanism will also be established to encourage ongoing communication and improvement.

[Insert company name] will regularly report to communities affected by risks triggered by its operations on the progress of its commitments to resolve the issues identified during the stakeholder engagement process and through its grievance mechanism. The reports will be presented in the local language of the community as well as in a clear format during periodic engagements. The frequency of these engagements will be annually; however, in most cases, communication will be proportional to the scale of stakeholders’ concerns

# Training and Awareness

|  |
| --- |
| *Instruction Box – Delete when complete*   * *Include training that is provided to employees and contractors on the Risk Identification and Management Procedure.* * *The section below is generic. Review and modify as required for your company.* |

[insert company name] recognises the need for staff and contractors to be appropriately trained in the tasks that they are to undertake to identify, assess and manage risks.

All personnel and contractors conducting activities on behalf of [insert company name] will be provided with training and awareness in respect of the company’s risk management procedures and plans, to ensure risks are managed appropriately in line with requirements of this procedure.

# Review and Continuous Improvement

|  |
| --- |
| *Instruction Box – Delete when complete*   * *Include measures for regular monitoring of the effectiveness of this Risk Identification and Management Procedure.* * *State the frequency of the review and update of this Risk Identification and Management Procedure to ensure that it reflects and caters for any emerging issues and/or that it aligns with changes in regulations.* * *The section below is generic. Review and modify as required for your company.* |

Undertake regular assessments of the Risk Identification and Management Procedure’s effectiveness to ensure ongoing success and seek feedback from employees, stakeholders, or risk management professionals to make any necessary adjustments and updates to the Risk Identification and Management Procedure.

This Risk Identification and Management Procedure is a live document that will need to be reviewed on an annual basis to incorporate lessons learned, address any gaps, and adapt to changes in the regulatory environment and to assess its relevance and coverage of subject matter management issues and objectives.

As part of the annual ESMS compliance audit, undertake a compliance review of the Risk Identification and Management Procedure to identify areas for improvement.

# Roles and Responsibilities

|  |
| --- |
| *Instruction Box – Delete when complete*   * *Provide the names and positions of the personnel that are responsible for different aspects of risk management in your company. Give a brief description of the roles and responsibilities of each identified person and provide the environmental responsibilities of subcontractors at your company.* * *Select responsible employees, perhaps from your existing management team, to take charge of the risk identification and assessment process.* * *The section below is generic. Review and modify as required for your company.* |

The key roles and responsibilities for the implementation of this [insert name of procedure or plan] are described in **Table 13.1** *[modify as required].*

**Table 13.1: Key Roles and Responsibilities**

| **Role** | **Responsibility** |
| --- | --- |
| **Head of Environmental, Social and Governance (ESG) or Sustainability** | * Confirm any local regulatory requirements, and update internal requirements accordingly; * Provide / request necessary resources to implement the management procedure; * Identify and assess risks associated with the Company activities; * Conduct regular inspections at the worksite in conjunction with Production / Operations Manager; * Implement management measures in conjunction with Production / Operations Manager; and * Manage the risk register and ensure it is updated and relevant. |
| **Production / Operations Manager** | * Ensure risk management related regulatory requirements are met at all times; and * Implement management measures in conjunction with the Sustainability Manager. |
| **All employees** | * Attend management related training programmes required and ensure the implementation of requirements from this procedure during daily operations. * Responsible for identifying and reporting risks to their supervisor or to the Production/ Operations Manager . |

# Annex A: Baseline E&S Risk Assessment

Refer to separate Excel document