RISK MANAGEMENT POLICY AND PROCEDURES

Purpose

The purpose of this Risk Management Policy and Procedure is to establish a structured and consistent approach to identifying, assessing, managing, and monitoring risks within Trendie. This policy aims to safeguard the organisation's assets, reputation, and interests by ensuring proactive risk management in all aspects of the business. It aligns with the ISO 31000:2018 Risk Management Standard, which provides guidelines for effective risk management practices.

Scope

This policy applies to all employees, contractors, and stakeholders involved in Trendie's operations. It encompasses all areas of the organisation, including strategic planning, operational processes, financial management, compliance, health and safety, and reputation management. This policy also incorporates the use of a risk matrix to assess and prioritise risks systematically.

Risk Management Principles

- **Proactive Identification:**

  Risk management at Trendie is a proactive process. All employees are expected to be vigilant in identifying potential risks in their areas of responsibility. This involves recognising risks before they materialise and reporting them promptly to ensure timely intervention.

- **Assessment and Analysis:**

  Once identified, risks must be thoroughly assessed to determine their potential impact and likelihood. This includes evaluating the potential consequences on the organisation's objectives, assets, and stakeholders. Risk analysis will be conducted using a risk matrix, which will categorise risks based on their severity and probability.

- **Risk Mitigation and Control:**

  Appropriate measures should be implemented to mitigate identified risks. This includes developing and implementing control measures to reduce the likelihood or impact of risks to an acceptable level. The organisation will utilise a range of risk treatments, such as avoidance, reduction, sharing, and retention, in line with ISO 31000 guidelines.

- **Monitoring and Review:**

  Risk management is an ongoing process that requires regular monitoring and review. This ensures that risk controls remain effective and that emerging risks are identified and addressed promptly. Regular reviews will be conducted to assess the effectiveness of risk management strategies and adapt to changing circumstances.

- **Continuous Improvement:**

  Trendie is committed to continuously improving its risk management processes. Lessons learned from past incidents, as well as feedback from employees and stakeholders, will be used to enhance risk management strategies. Continuous improvement aligns with ISO 31000's emphasis on integrating risk management into organisational processes.

ISO 31000 and Risk Matrix

Trendie adheres to the ISO 31000:2018 Risk Management Standard, which provides a systematic approach to managing risks. As part of our risk assessment process, we use a risk matrix to evaluate and prioritise risks. The risk matrix helps in determining the level of risk based on two key factors:

- **Likelihood:**

  The probability that a risk event will occur.

- **Impact:**

  The potential consequences or severity of the risk event.

Risk Matrix:

Likelihood/Impact	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	Moderate	High	High	Extreme	Extreme
Likely	Moderate	Moderate	High	High	Extreme
Possible	Low	Moderate	Moderate	High	High
Unlikely	Low	Low	Moderate	Moderate	High
Rare	Low	Low	Low	Moderate	Moderate

- **Low:** Acceptable risk with routine procedures.

- **Moderate:** Requires management attention and specific action plans.

- **High:** Significant risk, needing immediate management action and contingency plans.

- **Extreme:** Unacceptable risk, requiring urgent action to mitigate or eliminate.

Responsibilities

- **Employees:**

  All employees are responsible for being aware of potential risks in their work environment and reporting them to their manager or the Risk Management Team. Employees should participate in risk assessment processes when required and adhere to risk control measures implemented within their area of work.

- **Managers:**

  Managers are responsible for fostering a culture of risk awareness within their teams. They must ensure that risks within their areas of responsibility are identified, assessed, and managed effectively. Managers are also responsible for implementing risk mitigation measures and monitoring their effectiveness.

Emerald Tower, 786 Castlereagh Heights Sydney, NSW 2000 Australia
1300 TRENDIE (1300 873 634)
info@trendie.com.au
www.trendie.com.au

- **Risk Management Team:**

  The Risk Management Team is responsible for developing and maintaining the Risk Management Policy and Procedure. They provide guidance and support to managers and employees in identifying and managing risks. The team is also responsible for conducting regular risk assessments and reviews to ensure the effectiveness of risk controls.

- **Executive Management:**

  Executive Management holds the overall responsibility for the organisation's risk management framework. They are tasked with ensuring that adequate resources are allocated to risk management and that the organisation's risk exposure is within acceptable limits.

Risk Management Procedures

- **Risk Identification:**

  - **Process:** Employees and managers should regularly assess their work environment and activities to identify potential risks. This can be achieved through risk assessment workshops, safety inspections, audits, and feedback from stakeholders.

  - **Reporting:** Any identified risks should be documented and reported to the Risk Management Team using the organisation's Risk Reporting Form.

- **Risk Assessment:**

  - **Risk Analysis:** The Risk Management Team will analyse identified risks to determine their potential impact and likelihood. This involves categorising risks based on severity and probability using the risk matrix.

  - **Risk Evaluation:** Based on the analysis, risks will be prioritised to focus on those that pose the greatest threat to the organisation. The risk matrix will categorise risks into high, medium, or low levels.

Emerald Tower, 786 Castlereagh Heights Sydney, NSW 2000 Australia
1300 TRENDIE (1300 873 634)
info@trendie.com.au
www.trendie.com.au

- **Risk Mitigation and Control:**

  - **Control Measures:** Appropriate control measures will be developed to mitigate each identified risk. This may include implementing policies, procedures, safety measures, or training programs.

  - **Implementation:** Managers are responsible for ensuring that risk control measures are implemented within their areas of responsibility. The Risk Management Team will provide support and resources as needed.

  - **Communication:** All employees will be informed of the implemented risk controls and their role in maintaining them.

- **Monitoring and Review:**

  - **Ongoing Monitoring:** Managers and the Risk Management Team will conduct regular monitoring of risk controls to ensure their effectiveness. This includes conducting periodic risk assessments and reviewing incident reports.

  - **Review and Feedback:** The Risk Management Team will review the effectiveness of risk management processes and gather feedback from employees and stakeholders. Any deficiencies or areas for improvement will be addressed promptly.

- **Continuous Improvement:**

  - **Incident Analysis:** In the event of an incident, a thorough investigation will be conducted to determine the root cause and identify lessons learned.

  - **Policy Review:** This Risk Management Policy and Procedure will be reviewed annually or following a significant incident to ensure it remains relevant and effective.

  - **Training and Development:** Ongoing training will be provided to employees to enhance their understanding of risk management principles and practices.

Compliance and Enforcement

Compliance with this Risk Management Policy and Procedure is mandatory for all employees and stakeholders involved in Trendie's operations. Failure to comply with risk management procedures may result in disciplinary action, up to and including termination of employment.

Review and Updates

This Risk Management Policy and Procedure will be reviewed annually to ensure its effectiveness and relevance to the organisation's operations. Updates or changes to this policy will be communicated to all employees, and training will be provided where necessary to ensure continued compliance.

Implementation

- **Training:**

  All new employees will receive risk management training as part of their induction process. Refresher training will be provided annually to ensure ongoing awareness and understanding.

- **Resources:**

  The Risk Management Team will develop and provide resources, including templates, checklists, and guidelines, to support risk management activities.

- **Communication:**

  This policy will be accessible to all employees via the company intranet and will be included in the employee handbook.

By adhering to this Risk Management Policy and Procedure, Trendie is committed to creating a safe, secure, and resilient organisation that effectively manages risks in alignment with the ISO 31000:2018 Risk Management Standard.