Synergy Lifting Ltd, Unit 34, Forge Way North
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Risk Management Policy

1.0 – Risk Management Model:

1.1 – Synergy Lifting Ltd recognises that risk management is essential to its governance and to sustainable operation of its services. Risk management in Synergy Lifting Ltd will be designed to ensure:-

- the identification, assessment and management of risk is linked to the achievement of the company's objectives;
- all areas of risk are covered - for example, financial, governance, operational and reputational;
- a risk exposure profile can be created that reflects the comapny's views as to what levels of risk are acceptable;
- the principal results of risk identification, evaluation and management are reviewed and considered;
- risk management is ongoing and embedded in management and operational procedures.

1.2 – Synergy Lifting Ltd will regularly review and assess the risks it faces in all areas of its work and plans for the management of those risks.

1.3 – There are risks associated with all Synergy Lifting Ltd's activities - they can arise through things that are not done, as well as through ongoing and new initiatives. Risk exposure for Synergy Lifting Ltd will vary depending on circumstance. For example Synergy Lifting Ltd may be willing to expose itself to higher risks as the size of our reserves/size of our organization increases. Risk tolerance may also be a factor in what activities are undertaken to achieve objectives. Synergy Lifting Ltd will therefore ensure that there is an appropriate balance taken between higher and lower risk activities.

1.4 – Managers need to let employees know the boundaries and limits set by their risk policies to make sure there is a clear understanding of the risks that can and cannot be accepted.

2.0 – Identifying our Risks:

2.1 – As part of its business planning process, a risk register will be developed. This register is a 'living document' and forms the baseline for further risk identification. Synergy Lifting Ltd recognises that new risks will appear and other risks will become less or more severe or may disappear over the lifetime of the plan. Risk identification is therefore an ongoing process within Synergy Lifting Ltd. When new risks are identified by an employee, Synergy Lifting Ltd will update the risk register accordingly. Synergy Lifting Ltd will also annually review the risks identified in Synergy Lifting Ltd's risk register.

2.2 – In undertaking this, employees will consider:

- Synergy Lifting Ltd's objectives, mission and business plan;
- the nature and scale of our activities;
- the outcomes that need to be achieved;
- external factors that might affect Synergy Lifting Ltd such as legislation and regulation;
- the Synergy Lifting Ltd reputation with its major funders and supporters;
- past mistakes and problems that Synergy Lifting Ltd has faced;
- the operating structure - for example if we established a trading arm;
- comparison with other companies working in the same area or of similar size; and
- examples of risk management prepared by other organisations.

2.3 – In developing Synergy Lifting Ltd risk register, employees will identify/update risks in the following areas

- governance;
- operational risk

- finance risk;
- environmental and external risk;
- law and regulation compliance risk.

3.0 – Assessing , Monitoring and Evaluating Risk:

3.1 – Identified risks need to be put into perspective in terms of the potential severity of their impact and likelihood of their occurrence. Assessing and categorising risks helps in prioritising and filtering them, and in establishing whether any further action is required.

3.2 – When a new risk arises, Synergy Lifting Ltd will assess the risks identified based on how likely they are to occur and how severe their impact using the methodology set out at appendix 1.

3.3 – They will identify those risks that are major and propose appropriate actions to mitigate these risks. This will update Synergy Lifting Ltd's risk register and will be approved by the Director.

3.4 – Examples of possible actions to mitigate risks are set out in appendix 2.

Peter Stephens

Managing Director

Synergy Lifting Ltd.

Dated: 05/07/2021

SYNERGY LIFTING

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Appendix 1 – Risk Assessment Methodology

The risks for each activity have been rated on a scale of 1-10 for their severity (S) and likelihood (L). These ratings are multiplied together to give a total rating (T). A ranking (R) is then given to each of the risks based on this total rating to highlight whether the risk is minor (M), adequately controlled (A), undecided (U) or not adequately controlled (N). The tables below can be used to interpret the meaning of these ratings.

TOTAL RATING = SEVERITY multiplied by LIKELIHOOD			
LIKELIHOOD		**SEVERITY**	
Certain or Imminent	10	Multiple Deaths	10
Very Likely	8	Single Death	8
Likely	6	Major Injury	6
May Happen	4	Lost Time Injury	4
Unlikely	2	Minor Injury	2
Very Unlikely	1	Delay Injury	1

TOTAL RATING RESULTS	SEVERITY					
LIKELIHOOD	**MULTIPLE DEATHS**	**SINGLE DEATH**	**MAJOR INJURY**	**LOST TIME INJURY**	**MINOR INJURY**	**DELAY INJURY**
CERTAIN OR IMMINENT	100	80	60	40	20	10
VERY LIKELY	80	64	48	32	16	8
LIKELY	60	48	36	24	12	6
MAY HAPPEN	40	32	24	16	8	4
UNLIKELY	20	16	12	8	4	2
VERY UNLIKELY	10	8	6	4	2	1

KEY	
RANK	**DESCRIPTION**
(M) Minor Risk	Hazards with risk ratings that appear in the unshaded area can be considered a minor risk.
(A) Adequately Controlled Risk	Hazards with risk ratings that appear in the green shaded area can be considered as adequately controlled.
(U) Undecided	Hazards with risk ratings that appear in the orange shaded area must be examined against current standards to arrive at a decision whether the hazard is adequately controlled or not adequately controlled.
(N) Not Adequately Controlled Risk	Hazards with risk ratings that appear in the red shaded area can be considered as not adequately controlled.

Appendix 2 – Mitigating Risks

The following are examples of possible actions:

- the risk may need to be avoided by ending that activity
- the risk could be transferred to a third party (e.g. use of a trading subsidiary, outsourcing or other contractual arrangements with third parties);
- the risk could be shared with others (e.g. a joint venture project);
- the company's exposure to the risk can be limited (e.g. establishment of reserves against loss of income, phased commitment to projects);
- the risk can be reduced or eliminated by establishing or improving control procedures (e.g. internal financial controls, controls on recruitment, personnel policies);
- the risk may need to be insured against (this often happens for residual risk, e.g. employers liability, third party liability, theft, fire).

In assessing the actions to be taken, the costs of management or control should be considered in the context of the potential impact or likely cost that the control seeks to prevent or mitigate. It is possible that the process may identify areas where the current or proposed control processes are disproportionately costly or onerous compared to the risk they are there to manage. A balance will need to be struck between the cost of further action to manage the risk and the potential impact of the residual risk.