

SOP 01 – EHSS Risk Management

S01.1 Purpose

The purpose of this Standard is to ensure EHS-related risks are managed in an effective manner and that EESL adopts a rigorous risk analysis process to make informed and proactive decisions. This includes consideration of corporate and operational EHS risks that could significantly impact EESL operations and activities and our stakeholders. This standard should be read in conjunction with DF 03 - EHSS Risk mitigation plan.

S01.2 Scope

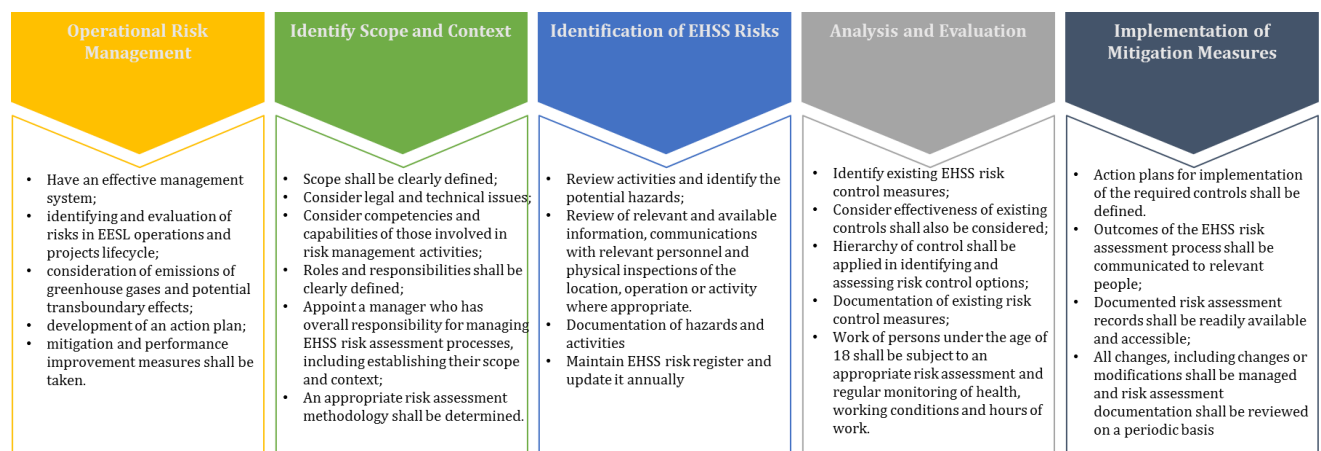
This Standard is mandatory and applies to EESL and its operational or managed sites, including both existing and upcoming programs, corporate offices and to all new and existing employees and contractor employees. This Standard is applicable to the entire operation lifecycle (including exploration and planning, evaluation, operation and closure).

S01.3 Requirements

All EESL operations are required to follow the requirements listed below with regards to stakeholder risk management.

S01.4 Risk Management

All EESL operations are required to follow the requirements provided in subsequent sections with regards to stakeholder risk management. The brief snapshot of stakeholder risk management is depicted by schematic below:



EESL shall ensure an effective EHSS risk management system is implemented throughout the business. EESL shall ensure that the risk management process is systematic and structured so that hazards and events that have the potential to materially positively or negatively impact upon the company's sustainability performance and goals are identified; the risks associated with the identified hazards, events and their anticipated likelihood of occurrence are analyzed and evaluated; required controls are identified and implemented such that the risks are reduced to a

level which is as low as reasonably practicable; the relevant hazards, risks and controls are communicated to those potentially affected; and monitoring and verification mechanisms are implemented to ensure the risks continue to be managed effectively. The steps for stakeholder risk management process are detailed below.

S01.5 Operational Risk management Process

Risk management processes, including identification and evaluation, at EESL and EESL operations shall meet requirements of the *IFC Performance Standard 1 – Assessment and Management of Social and Environmental Risks and Impacts*. This includes:

- having an effective management system in place appropriate to the nature and scale of EESL operations and commensurate with the level of its sustainability risks and impacts;
- identifying and evaluation of risks within the area of influence of EESL operations;
- Identifying risks related to all stages of the operation lifecycle including pre-construction, construction, operations, and decommissioning or closure. The scope of the identification process will be consistent with international good practice and will determine the appropriate and relevant methods and assessment tools;
- consideration of emissions of greenhouse gases and potential transboundary effects (e.g. pollution of air or international waterways) during the identification process;
- development of an action plan;
- Establishing and managing a programme of mitigation and performance improvement measures and actions that address the identified social and environmental risks and impacts.

This should include, where appropriate, consideration to involving representatives from affected communities to complement or verify monitoring activities; and consulting and communicating with local communities on identified risks and how they are being managed on an on-going basis.

S01.5.1 Scope and Context of the EHSS risks

EESL shall define and communicate the scope of risk assessment processes. The scope of the risk assessment processes shall be appropriate to the nature, scale and complexity of the operations and associated hazards, and ensure a thorough risk assessment is undertaken. The following aspects must be considered:

- The context for risk management shall take into account legal and technical issues (e.g. forthcoming legislation or industry best practice standards), values and perceptions of stakeholders and EESL operations objectives;
- The context for risk management shall also take into account the competencies and capabilities of those involved in risk management activities and the resource requirements that might be required (e.g. health and safety, environmental, social) to have an effective risk management process in place;
- The roles and responsibilities of those involved in risk management, the risk assessment methodology and the documentation/documents that will be generated from the risk assessment process (and which are required to be maintained) will also be defined;
- EESL operations shall identify and appoint a manager who, as part of their defined roles and responsibilities, has overall responsibility for managing EHS risk assessment processes, including establishing their scope and context;

- An appropriate risk assessment methodology shall be determined which shall be appropriate to the EESL operation (e.g. high risk locations/activities may require a fully quantitative approach whilst lower risk locations/activities such as an office may require a qualitative approach).

S01.5.2 Identification of EHSS risks

EESL operations shall review their activities and identify the potential hazards and events that may give rise to EHS hazards. Routine, non-routine and emergency situations shall be considered during the identification process. The identification process shall include a review of relevant and available information (e.g. previous risk assessments, incident reports, industry standards, exposure monitoring information, stakeholder/ sub-contractor concerns etc), communications with relevant personnel and physical inspections of the location, operation or activity where appropriate. Identified activities and the hazards or unwanted events shall be documented using an appropriate and agreed risk assessment format. EESL operations shall maintain a current EHS risk register that includes the risks identified for that location. The register shall be reviewed on an annual basis or when changes occur that potentially impact the risk profile of the location.

S01.5.3 Analysis and Evaluation of identified EHSS risks

Existing EHS risk control measures that are already in place for the activities/hazards or unwanted events shall be identified and evaluated by competent personnel to determine whether, with these controls in place, risks are reduced to a level which is as low as is reasonably practicable. The following steps must be followed:

- The effectiveness of existing controls shall also be considered and taken into account where risk is not reduced to a level which is as low as reasonably practicable through the application of existing controls, additional controls shall be considered
- The hierarchy of control shall be applied in identifying and assessing risk control options (e.g. elimination, substitution, engineering, separation, administration and, as a last resort, personal protective equipment (PPE) for health and safety risks)
- All existing risk controls which are considered to be appropriate shall be documented in the agreed risk assessment format
- All work of persons under the age of 18 shall be subject to an appropriate risk assessment and regular monitoring of health, working conditions and hours of work.

S01.5.4 Preparation and implementation of the EHSS risk mitigation plan

Action plans to implement the required controls shall be defined. The action plans should identify the actions required, accountabilities and responsibilities, timescales for completion and, where appropriate, resource requirements and reporting and performance measures. The outcomes of the EHS risk assessment process, including the hazards, controls and action plan, shall be communicated to personnel who are exposed or potentially exposed to the hazard. The outcomes of the risk assessment process, including the hazards, controls and action plan, shall be communicated to personnel who have roles and responsibilities to implement/maintain or monitor the effectiveness of control measures. Documented risk assessment records shall be readily available and accessible to those affected by the operation or activity. The format specified in DF 03 – EHSS risk mitigation plan should be used.

All changes, including changes or modifications (both permanent and temporary) to processes, activities, operations etc, (and including retrospectively unplanned changes), shall be managed. Risk assessment documentation shall be reviewed on a periodic basis to ensure it remains relevant and appropriate to the EESL operation and its activities.

S01.6 Roles and Responsibilities for EHSS risk management

The EHSS department shall ensure that roles and responsibilities for implementing and complying with this Standard are allocated. Key responsibilities shall be included in job descriptions, procedures and/or other appropriate documentation.

S01.7 Compliance and Performance with respect to EHSS risk management

Each EESL operation shall ensure that it complies with the requirements of this standard. Performance against the requirements of this Standard shall be assessed periodically, documented and, where required, reported to EESL. The evaluation of performance shall include, as a minimum, confirmation that:

- Stakeholders/ sub-contractors have been identified and engaged with;
- Both corporate and programs EHS risk registers are in place and these have been reviewed and updated;
- EHS Manager at the operation level has been assigned with ultimate responsibility and accountability for EHS risk management issues;
- Risk assessments are conducted, documented, available and accessible;
- Risk assessments are reviewed by competent personnel;
- An action plan is in place to implement control measures where these have been identified;
- Hazards, risks and control measures have been communicated to affected personnel;

History of amendments

The latest versions of the Documentation Format must be used at all times. This page needs to be updated whenever there is a change in the version number of the documents.

S. No	Date of amendment	Version	Details of amendment
1.	DD.MM.YYYY	01	Initial approval of the documentation format

Prepared by

Approved by