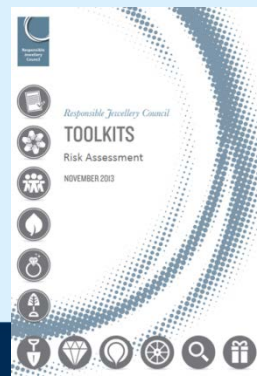




RJC Code of Practices 2013

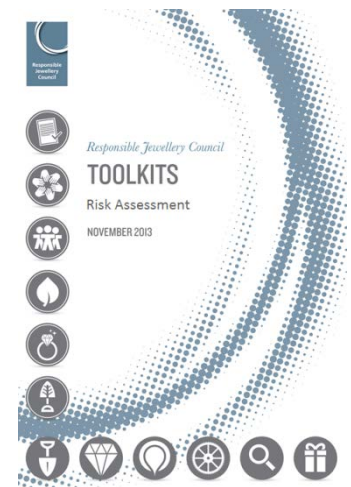
Risk and Risk Assessment Toolkit

Training Module - December 2013



Outline

1. What is Risk and a Risk Assessment?
2. Benefits of Good Risk Management
3. Risk Assessments and the RJC Code of Practices
4. How to use the Risk Assessment Toolkit
5. Where to find further information



What is Risk?

“The effect of uncertainty on objectives.”

(ISO31000:2009 Risk Management – Principles and Management)

- Objectives may include achieving financial, health & safety, environmental, community or legislative requirements.
- Risk can be thought of in terms of the likelihood of potential adverse impacts on the business, its stakeholders or the environments from something happening and the consequences if this were to happen.

Risk Assessments

Risk Assessment:

- An examination of key issues that could impact on the operation of your business including:
 - financial,
 - security,
 - labour,
 - social,
 - health, safety or environment.
- Helps to focus on things with the greatest potential to negatively impact your business and can be an important step in complying with the law.

Good Risk Management

- Risks arise when practices, your own or those of your business partners creates vulnerabilities.
- Managing these risks, including those relating to social, environmental and ethical issues, is increasingly a competitive necessity
- Risk Assessments provides a useful management approach for implementing the Provisions in the RJC Code of Practices.

Code of Practices

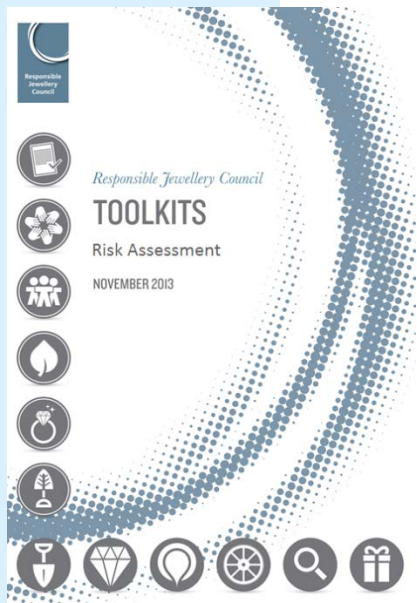
Provisions with <i>Mandatory</i> Risk Assessment	Other Provisions where a Risk Assessment may be conducted
<ul style="list-style-type: none"> 6. Human Rights 7. Sourcing from ASM 9. Bribery and Facilitation Payments 10. Money Laundering and Finance of Terrorism 11. Security 18. Forced Labour 21. Health & Safety 22. Environmental Management 23. Hazardous Substances 30. Community Engagement (Mining sector only) 32. Impact Assessment (Mining sector only) 37. Tailings and Waste Rock (Mining sector only) 	<ul style="list-style-type: none"> 1. Legal Compliance 2. Policy and Implementation 3. Reporting 4. Financial Accounts 5. Business Partners 8. Community Development 12. Provenance Claims 13. General Employment Terms 14. Working Hours 15. Remuneration 16. Discipline and Grievance Procedures 17. Child Labour 19. Freedom of Association and Collective Bargaining 20. Non-Discrimination 24. Wastes and Emissions 25. Use of Natural Resources 26. Product Disclosure 27. KPCS and WDC System of Warranties 29. EITI (Mining only) 31. Indigenous Peoples and FPIC (Mining only) 33. ASM (Mining only) 34. Resettlement (Mining only) 35. Emergency Response (Mining only) 36. Biodiversity (Mining only) 38. Cyanide (Mining only) 39. Mercury (Mining only) 40. Mine Rehabilitation and Closure (Mining only)

About the Risk Assessment Toolkit

The RJC Risk Assessment Toolkit has been designed to assist with the implementation of the Code of Practices. Members are free to use their own approach but the Toolkit is likely to be most useful for:

- small to medium enterprises, and/or
- those undertaking Human Rights Due Diligence for the first time.

However it can be used by any kind of business, and supplemented where needed with more detailed risk tools or in-house processes.



Function of the Risk Assessment Toolkit

- Identify the key issues (risks) associated with your business practices, locations and facilities.
- Prioritise those issues in terms of the likelihood and consequences of adverse impacts. These are rated as:
 - Low
 - Moderate
 - High
 - Extreme
- Lists the controls and systems in place that should be in place to address key issues and risks
- Develop and track risk reduction actions to address any unacceptable risks identified during the assessment
- Record the details of the risks assessment including cross reference to the Code of Practices Assessment Workbook