



PHILIPPINE MINING DEVELOPMENT CORPORATION

Control No:	PMDC-QP-14-00
Revision No.:	0
Effectivity:	June 20, 2019
Page No.	Page 1 of 1

Quality Procedure

Risk Identification, Assessment and Treatment

1.0 PURPOSE:

To ensure that all processes are designed to incorporate the risk-based thinking, that these are properly identified and assessed; that appropriate action(s) is done to mitigate or prevent the consequence(s) from transpiring.

2.0 SCOPE:

This procedure defines the responsibilities of the Process Owners, Department Heads, and Top Management in ensuring proper identification and assessment of risks. It covers activities from the process determination vis-à-vis associated risks, its assessment and consolidation; up to reviewing the adequacy and effectiveness of the action plan.

3.0 DEFINITION OF TERMS:

- 3.1 Risk - Effect of uncertainty on objectives
- 3.2 Risk Assessment - A systematic process of evaluating the potential risks that may be involved in a projected activity or undertaking
- 3.3 Risk Management - The forecasting and evaluation of risks together with the identification of procedures to avoid or minimize their impacts
- 3.4 Risk Assessment Matrix - A project management tool that allows a single page -quick view of the probable risks evaluated in terms of the likelihood or probability of the risk and the severity of the consequences.
- 3.5 Risk-based thinking - Ensure that the risks are identified, considered and controlled throughout the design and use of the quality management system

4.0 PROCEDURE DETAILS:

4.1 Responsibilities

- 4.1.1 The Risk Management Committee composed of either Department/Division Head or Process Owners, in consultation with their department members, identifies the risks of each relevant process. The Committee shall consider projects, outsourced services and future development during the identification phase
- 4.1.2 The Risk Management Committee shall assess the significance of the identified risks annually or as the need arises.

The IOA Team reviews the risks and significance rating and where necessary, provides technical assistance.

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Approved by: Jaime T. De Veyra
VP - Corporate Services

Date:

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	PHILIPPINE MINING DEVELOPMENT CORPORATION	Control No:	PMDC-QP-14-00
		Revision No.:	2 <i>for</i>
Quality Procedure	Risk Identification, Assessment and Treatment	Effectivity:	<i>Dec</i> 20, 2023
		Page No.	Page 2 of 2

4.0 PROCEDURE DETAILS:

4.1 Responsibilities

- 4.1.1 The Risk Management Committee composed of either Department/Division Head or Process Owners, in consultation with their department members, identifies the risks of each relevant process. The Committee shall consider projects, outsourced services and future development during the identification phase.
- 4.1.2 The Risk Management Committee shall assess the significance of the identified risks annually or as the need arises.
- 4.1.3 The IQA Team reviews the risks and significance rating and where necessary, provide technical assistance.
- 4.1.4 The Top Management shall approves the risks and significance rating.
- 4.1.5 The Process Owners shall implement the Action Plan to mitigate/ prevent significant risks.
- 4.1.6 The Process Owners shall monitor and report the status of each implemented item in the Action Plan to the Top Management.
- 4.1.7 The Top Management shall review and evaluate the effectiveness of the Action Plans implemented by the Process Owners.
- 4.1.8 The Process Owners shall compile, maintain and retain documented information related to the organization's risk identification, assessment, and treatment.
- 4.1.9 Each department shall create its own Risk and Opportunity Register, using template PMDC QP-14 F01 v.0, to properly identify all possible risks in their processes. The Risk and Opportunity Register shall contain all the identified risks and opportunities, properly updating of the same, and results of evaluation on the effectiveness of controls to mitigate the identified risks and opportunities for easier traceability and analysis.

4.1.1

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Vice President, Corporate Services

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