


HS&E RISK			
DOCUMENT TYPE: MANAGEMENT STANDARD	REFERENCE: HSE MS 09-00	STATUS: MANDATORY	
Purpose			
To establish requirements for the management of HS&E (Health, Safety and Environmental) Risk in our manufacturing, office and service environments in compliance with GP ER 1 Manage Risk. This management standard will act as the Risk Management Plan for HS&E within the group in accordance with the requirements of GP ER 1 Manage Risk.			
Scope			
All Rolls-Royce wholly owned companies and all non-wholly owned Rolls-Royce companies where Rolls-Royce has management control.			
Exemptions			
No exemptions apply.			

REQUIREMENTS	TOOL BOX
Tiers of HS&E Risk Management Governance	
<ol style="list-style-type: none"> HS&E risk identification and management shall be undertaken at a minimum of four tiers: <ul style="list-style-type: none"> Tier 1 shall relate to Group level risk; Tier 2 shall relate to Division level risk; Tier 3 shall relate to Business or Function level and; Operational HS&E Risk Tier – this Tier relates to site, area, activity or operation (including a service provision or specific programme). In adherence to HSE MS 05 – MANAGEMENT REVIEW - the governance forums operating at Tiers 1,2 & 3 shall: <ul style="list-style-type: none"> Maintain an adequate oversight of all business significant HS&E risks; Define roles and responsibilities for business significant HS&E risks; Provide adequate resource and organisational arrangements to address all medium and high HS&E risks; and Ensure that business significant or high HS&E risks are communicated upwards. The Director for HS&E shall act as HS&E Risk Leader for the group and shall appoint a Risk Champion and Risk Co-ordinator. 	<div>INFORMATION HSE MS 09-01 Glossary</div> <div>MANDATORY HSE MS 05 Management Review</div>
Tier 1: Group Level Risk	
<ol style="list-style-type: none"> Group-wide accountability for HS&E risk management and performance shall rest with the Board and the Chief Executive Officer (CEO). The Group HS&E Board and any specialist subcommittees reporting to it shall provide the Board with assurance that arrangements are in place or planned to suitably control all significant Tier 1 business HS&E risks. 	

<p>6. The HS&E Executive shall inform the Group HS&E Board of:</p> <ul style="list-style-type: none"> • All identified significant Tier 1 business HS&E risks; • The status of the risk; and • Current and proposed controls. • They shall also ensure that it is communicated in accordance with HSE MS 09-02 HS&E Risk Profile Template. <p>7. The HS&E Executive shall appoint a HS&E Risk Committee to:</p> <ul style="list-style-type: none"> • Maintain and oversee the Group HS&E risk profile; • Ensure clear and consistent communication and action on matters of HS&E risk management; and • Work under its agreed Terms of Reference (TOR), including the maintenance of a register of actions and decisions. <p>8. A Group HS&E risk profile shall be produced and reviewed bi-annually by the HS&E Risk Committee.</p>	<p>INFORMATION HSE MS 09-02 HS&E Risk Profile Template Pack</p>
Tiers 2 & 3 Level Risk	
<p>9. Governance of HS&E risk at Tiers 2 & 3 shall comply with the requirements of HSE MS 04 – Governance</p>	<p>MANDATORY HSE MS 04 Governance</p>
Risk Registers	
<p>10. HS&E risk registers at Tiers 1, 2 & 3 shall as a minimum, be formed using intelligence gained from the lower Tier, external influences and known or foreseeable top-down (higher Tier) HS&E risks, using the process identified in HSE MS 09-03.</p> <p>11. All business significant HS&E risks shall be recorded, communicated and managed on the company Active Risk Manager Tool (ARM) to form the relevant HS&E risk register.</p> <p>12. HS&E Boards at Tiers 2 & 3 shall ensure that a HS&E Risk Register is developed, reviewed, recorded and communicated for their area of responsibility in adherence to HSE MS 05 – Management Review.</p> <p>13. Risk Registers shall be produced at Operational HS&E level (ie. site, area or business) and include any risks identified as Medium (amber or with a risk rating of 11) or above. Further information on this requirement can be found on HSE MS 09-03.</p>	<p>INFORMATION HSE MS 09-03 Risk Register Process</p> <p>MANDATORY HSE MS 05 Management Review</p>
Operational HS&E Risk	
Hazard Identification and Risk Assessment Process	
<p>14. Hazard identification and assessment of risk shall be overseen on every site, area, activity or operation by competent persons. This must also consider:</p> <ul style="list-style-type: none"> • Normal conditions; • Abnormal conditions; and • Emergency conditions. • Further guidance to this can be found in HSE MS 09-04. <p>15. Hazard identification shall be undertaken with:</p> <ul style="list-style-type: none"> • A trained and competent risk assessor (See HSE MS 09-05); • One or multiple operators or employees who are familiar with both the process and the area to be assessed. It is essential to involve these persons as they will be able to provide a much deeper and valuable overview of all the hazards in that area; and • A list of hazards or a checklist to help employees identify all of the risks. 	<p>INFORMATION HSE MS 09-04 Hazard Identification and Risk Assessment Process</p> <p>MANDATORY HSE CS 09-05 Training Matrix</p>

<p>16. To identify HS&E hazards and assess the risks, the following steps shall be undertaken at the Operational HS&E Risk Tier:</p> <ul style="list-style-type: none"> • All hazards in the area being assessed shall be identified; • Who or what might be harmed (and how) shall be identified for each hazard; • The current likelihood of hazards being realised and their realistic impact shall be evaluated using the Probability and Impact Diagram in HSE MS 09-07; and • The findings shall be recorded where there is a risk of harm or ill health identified during the above steps – please see HSE MS 09-06 for further guidance. <p>17. Special consideration will be given to all operational risk assessments for those who are potentially more vulnerable to risk. This will include, but is not restricted to:</p> <ul style="list-style-type: none"> • Young persons (see HSE MS 09-08 Guidance); • New and expectant mothers (see HSE MS 09-09 Guidance); and • Those with special needs or circumstances (see HSE MS 09-10). <p>18. Where required, specialist risk assessment techniques shall be used (eg. environmental aspects assessments, HAZOPs, HACs etc.). These will be identified through initial assessment and subordinate HS&E Control Standards.</p> <p>19. Risk owners shall confirm acceptance to both the findings of the assessments and any associated actions.</p> <p>20. Risks identified as high (red or with a risk rating of 18 or more) shall be escalated with immediate effect to the relevant member of the HS&E team for verification and assurance that activities are safe to continue.</p> <p>21. Risks identified as high (red or with a risk rating of 18 or more) following a review from the HS&E team, shall be documented in the risk register for the area. These activities shall either be stopped until they reach a medium level (amber or lower than 18 risk rating) or, where they can be, continued safely at the agreement of site/area management, under a robust and resourced control and action plan, until controlled to a suitable medium level.</p> <p>22. Risks may remain in high at risk rating 21 and be acceptable to continue only in exceptional circumstances (i.e. high process safety risks etc.). These risks shall be documented in the risk registers for the area.</p> <p>23. A flow of the entire Identification, Assessment, Control, Communication and Review process for HS&E risk management is detailed in HSE MS 09-11.</p> <p>24. In certain circumstances a dynamic risk assessment may be undertaken to support or in place of operational risk assessments – more information and support on this process is detailed in HSE MS 09-17.</p>	<p>INFORMATION HSE MS 09-06 Example HS&E risk assessment tools</p> <p>MANDATORY HSE MS 09-07 Tier 4 Probability & Impact Diagram</p> <p>GUIDANCE HSE MS 09-08 Young Persons</p> <p>GUIDANCE HSE MS 09-09 New & Expectant Mothers</p> <p>GUIDANCE HSE MS 09-10 Resilience</p> <p>HSE MS 09-20 (HS&E-IS-P.01.1) Environmental Aspects and Impacts Assessment Guidance</p> <p>MANDATORY HSE MS 09-11 HS&E Risk Management Process</p> <p>MANDATORY HSE MS 09-17 Dynamic Risk Assessment</p>
<p>Risk Control and Consequence Mitigation</p>	
<p>25. All business significant risks at Tiers 1, 2 & 3 and medium or high risks at Operational HS&E Risk Tier, shall have controls to lower the risk where possible, with the aim of elimination.</p> <p>26. All risk control measures considered shall comply with the following hierarchy, in the order listed below, unless a variation is specified in a HS&E Control Standard for a particular hazard:</p> <ul style="list-style-type: none"> • Eliminate the hazard; • Substitute with equipment, processes, materials or procedures that are less hazardous; 	<p>MANDATORY HSE MS 09-16 Controlling Risk</p>

<ul style="list-style-type: none"> • Engineering Controls - (physical engineering measures); • Administrative Controls – i.e. safe systems of work, inspection regimes, planned preventative maintenance, etc.; • Personal Protective Equipment (PPE). <p>For further information on controlling risk please refer to HSE MS 09-16</p>	
<p>27. The HS&E Control Standards will identify specific measures which shall be taken for certain hazards or risk. Where these hazards or risks are identified, the requirements contained within them shall be implemented and sustained. Refer to HSE MS 10-00 Operational Control and subsequent Control Standards for further information.</p>	<p>MANDATORY HSE MS 10 HS&E Operational Control</p>
<p>28. All business significant risks identified at Tiers 1, 2 & 3 and medium or high risks at Operational HS&E Risk Tier, shall have risk owners appointed to be responsible for ensuring that risks are controlled and any actions addressed.</p>	<p>INFORMATION Control Standards</p>
<p>29. Once further or new control measures have been applied, their effectiveness shall be reviewed and the risks reassessed.</p>	
<p>30. Mitigation measures shall be considered for all potential medium or high risks to ensure that should a risk be realised, its severity is reduced or controlled.</p>	
<p>Review</p>	
<p>31. Medium and high risks at Operational HS&E Risk Tier shall be formally reviewed on an annual basis. All other risks shall be reviewed at least every 3 years.</p> <p>32. All risks shall be reviewed where any significant change occurs which may increase the likelihood or severity of a risk being realised. This includes:</p> <ul style="list-style-type: none"> • Change of technology; • Change of staff; • Management reorganisation; and • Change of process. 	
<p>Communicate</p>	
<p>33. Risk owners shall ensure that significant risks and controls at Operational HS&E Risk Tier level shall be communicated to all those likely to be affected.</p> <p>34. Operational risks in higher risk areas (i.e. production, manufacturing, assembly or workshop areas) shall communicate the key risks and controls visually. An example of how this can be undertaken is detailed in HSE MS 09-12.</p>	<p>GUIDANCE HSE MS 09-12 Communicate Risk</p>
<p>Change Control</p>	
<p>35. Details of changes made to this management standard.</p>	<p>INFORMATION HSE MS 09-99 Change Record</p>