



Southern Power Maintenance provides transportation, installation, refurbishment, maintenance, and commissioning services of high voltage plants in Transmission, Distribution substations, and Generation power stations. Our know-how encompasses services in installation and maintenance of the entire HV yard plant and equipment such as transformers, circuit breakers, switchgear, instrument transformers, electrical busbars, power and control cables, earthing, cabling and stringing.

SPM is committed to ensuring risk is managed.

Mandate and Commitment

SPM is committed to the formal, systematic, structured, and proactive management of risks across SPM. SPM recognizes that whilst risk is inherent in all its activities, the management of risk is a good business practice, creates value, is integral to sound corporate governance, and in some instances, a mandatory legal requirement. In particular, effective risk management can lead to better decision-making and planning as well as better identification of opportunities and threats.

Risk Management Framework

SPM's risk management framework is a set of components that provides the foundations and organizational arrangements for designing, implementing, monitoring reviewing, and continually improving risk management throughout SPM.

SPM is committed to maintaining an effective, efficient, and tailored risk management framework that consists of:

- This policy and risk management procedure
- Supporting HR policies that complement risk management.

The framework will enable:

A formal, structured approach to risk management that is appropriate to SPM's activities and operating environment; A risk management approach consistent with the principles of ISO 31000:2009;

Risk Appetite

Risk appetite is the amount and type of risk that an organization is prepared to pursue, retain or take. It is expressed in the form of a risk appetite statement, which covers a number of critical risk categories.

The current risk appetite statement is:

- Financial - There is no appetite for decisions that have a significant negative impact on SPM's long term financial sustainability
- Legal and Regulatory - There is no appetite for non-compliance with legal, professional and regulatory requirements
- Human Resources - There is no appetite for compromising staff safety and welfare

Operational

- In considering opportunities a disciplined approach to the management of risk must be taken. SPM's approach to managing risk should set an example to our clients and competitors.
- There is considerable appetite for improvements to service delivery
- There is considerable appetite for improved efficiency of SPM operations

Environmental.

There is considerable appetite for decisions that promote ecologically sustainable development

Implementing Risk Management

SPM is committed to ensuring that a strong risk management culture exists and will develop and maintain a risk management plan that:

- Aligns risk management processes to SPM's existing planning and operational processes;
- Allocates sufficient funding and resources to risk management activities.
- Provides staff with appropriate training in risk management principles
- Assigns clear responsibilities to staff at all levels for managing risk
- Embeds key controls to manage risks into business processes
- Establishes appropriate mechanisms for measuring and reporting risk management performance
- Communicates risk management policies, plans, and issues to staff and other stakeholders;
- Takes human and cultural factors into account; and is dynamic, iterative, and facilitates continual improvement

SPM will consider all activities to ensure that risk is reported, controlled, and eliminated:

The following are activities:

- Annual review
- Management review
- Auditing
- Improvement
- Risk Management.

Approved by:

CEO: Mvuyo Tyobeka

Date: 25 March 2021

References:

ISO9001:2015	ISO 45001:2018	ISO14001:2015
5.2	5.2	5.2

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