

RISK MATRIX			CONSEQUENCES				
			Negligible	Minor	Moderate	Major	Catastrophic
People			Minor Health effect / Minor Injury / FAC	Moderate health effects/ serious injury / (MTC / RWC)	Major health effect / disabling injury / (LTI)	Fatality	Multiple Fatalities
Environment			No Enviromental Impact	Minor environmental impact. Contained on board. (<1/2 barrel on board)	Moderate environmental impact. Controlled by ship's resources. (1/2 - 1 barrel on board)	Major short term environmental impact that may require third party response. (1/2 - 1 barrel on board)	Catastrophic environmental impact necessitating significant response resources
Asset			Insignificant impact to equipment or vessel	Minor impact to equipment or vessel operations. Impact can be controlled on board / low cost of repair	Significant impact to equipment or vessel operations resulting in 1-5 days out of service	Critical impact to equipment or vessel operations resulting in >5 days out of service / high cost of repair / Vessel safety compromised	Extensive damage to equipment (lengthy repair or total loss)
Reputation			No impact	Local impact	Area impact	National impact	International impact
			1	2	3	4	5
L i k e l i h o o d	Highly unlikely Never heard of in industry	1	1	2	3	4	5
	Unlikely Heard of in industry	2	2	4	6	8	10
	Moderately likely Has happened in our fleet or more than once/year in industry	3	3	6	9	12	15
	Likely Has happened on board or more than once/year in fleet - Many occurrences in the industry	4	4	8	12	16	20
	Highly likely Has happened more than once per year on board or Very common occurrence in the industry	5	5	10	15	20	25

Risk Category	Risk Rating	Control Effectiveness	Action
Low	1-5	Acceptable	Controls are effective in mitigating the risk. No further action is necessary other than to ensure the controls are maintained.
Medium	6-9	Tolerable	Tolerable risks are to be managed so that the risk is kept as low as reasonably practicable (ALARP) by adopting reduction measures, unless the cost of the reduction is grossly disproportionate to the reduction in risk that could be achieved.
High	10-14	Marginally Tolerable	Substantial efforts should be made to reduce marginally tolerable risks to <b>ALARP</b> within the Tolerable Region. Risk reduction measures should be implemented urgently within a defined time period and maintained, particularly if the risk consequences are associated with major and catastrophic events. It may be necessary to consider suspending or restricting the activity.
Very High	15-25	Unacceptable	Risks regarded as unacceptable regardless of any perceived benefit. Activities causing unacceptable risks are prohibited until adequate control measures are identified to reduce the risk to at least within the Tolerable Region and <b>ALARP</b> .