



RISK MANAGEMENT POLICY

Version 3 – December 2025

Version Control

Title	Risk Management Policy
Developed By	Global Operations Team
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Applicable to	All who work for or carry out work for TRAFFIC
Related Documents	
Distribution	All TRAFFIC staff worldwide. Available on TRAFFIC's website and Intranet

Document History

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1. Scope

This policy is applicable to all staff employed directly or on behalf of TRAFFIC, irrespective of location, length of service or position within the organisation. It includes any individual that serves as a board trustee of a TRAFFIC entity, any volunteers or exceptional consultant working for TRAFFIC and any seconded staff to TRAFFIC. All individuals will be collectively referred to as "TRAFFIC staff" for the purpose of this policy

2. Background

TRAFFIC is a leading non-governmental organisation working globally to ensure that trade in wild species is legal and sustainable, for the benefit of the planet and people.

TRAFFIC International is registered as a company limited by guarantee and a registered charity in England and Wales and is subject to laws, regulations and guidance for the operation of charitable companies. The Board of Trustees, formed under the Articles of Association, is TRAFFIC's primary governing body. The registered office of TRAFFIC International is located in Cambridge, UK.

TRAFFIC International is a global, multicultural and multilingual organization that strives to ensure best practice in its everyday operations. TRAFFIC's local engagement is managed through Programme Offices with staff based in a hub office and at other strategic locations where necessary. Programme offices are established as locally registered branches or subsidiaries of the TRAFFIC International charity or through hosting agreements with a third-party organisation.

The Guidelines for the Operation of TRAFFIC: A Staff Handbook, or the 'TRAFFIC Guidelines,' explain the expectations for performance and behaviour of members of the TRAFFIC team worldwide and establish a range of common approaches and processes aimed to ensure effective co-operation and co-ordination among TRAFFIC staff and offices. All staff members working under a TRAFFIC mandate must act in accordance with these Guidelines and any other contractual conditions or instructions particularly local hosting agreements.

All TRAFFIC employees are expected to comply with this Policy and failure to do so will be treated as a disciplinary matter which may result in the imposition of a disciplinary sanction.

3. Policy

- (a) It is the policy of TRAFFIC to monitor and control the risks that the organisation faces. Managing these risks helps TRAFFIC meet its objectives more successfully. It helps protect staff, the people we work with directly or who could be affected by our work, donor funds, and the organisation's reputation.
- (b) By law, the UK Charity Commission requires the trustees to report on the major risks to which TRAFFIC is exposed.
- (c) The financial reporting standard, under which the UK Charity operates, requires that the Trustees report explains:
 - (i) the financial effect of significant events.
 - (ii) a description of the principal risks and uncertainties facing the charity and its subsidiary undertakings, as identified by the charity trustees, together with a summary of their plans and strategies for managing those risks;
 - (iii) and any factors that are likely to affect the financial performance or position going forward.
- (d) The purpose of this document is to: set out our responsibilities, and the responsibilities of

those working for us.

(i) provide general information and guidance to those working for us on how to monitor and control risk.

(ii) It should be read in conjunction with the additional reference documents in Section 6 that provide more specific guidance.

4. Who Is Responsible For Risk Management

(a) Ultimately The UK Charity Board of Trustees has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

(b) The organisation's Chief Operating Officer has primary responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. The Chief Operating Officer may delegate responsibility for day-to-day implementation to other staff members.

4.1 DETAILED RESPONSIBILITIES AND MECHANISMS FOR RISK MANAGEMENT

The responsibilities described below are specific to risk and are in addition to the terms of reference for the parties. Please refer to the terms of reference for detailed responsibilities.

A) THE UK CHARITY BOARD OF TRUSTEES:

- (i) Determine the appropriate risk appetite or level of exposure.
- (ii) Approve the approach to risk management taking into account recommendations from the Operations Committee
- (iii) Approve the Risk Management section of the Trustees report.
- (iv) Review a summary of principal risks twice a year.

B) THE OPERATIONS COMMITTEE

- (i) Annually review TRAFFIC's approach to risk management and approve changes or improvements to key elements of its processes and procedures.
- (ii) Review the consolidated risk register on a six-monthly basis and receive risk updates at each quarterly meeting.
- (iii) Report to The UK Charity Board of Trustees any issues they should be aware of.

C) THE SENIOR LEADERSHIP TEAM (SLT):

- (i) Set the tone and influence the culture of risk management within the organisation.
- (ii) Communicate TRAFFIC's approach to risk across the organisation.
- (iii) Set the standards and expectations of staff with respect to conduct.
- (iv) Ensure that Offices are completing their risk register on a regular basis.
- (v) Monitor all medium-rated risks on a six-monthly basis to ensure appropriate actions are being taken.
- (vi) Monitor all high-rated risks on a at least monthly basis to ensure appropriate actions are being taken.
- (vii) Report all medium- and high-rated risks and the relevant action being taken to the

Operations Committee on at least six-monthly basis.

D) THE RISK MANAGEMENT COMMITTEE

- (i) Provides advice to the management and Board in respect of the development, implementation, and improvements to TRAFFIC's organisation-wide risk management framework.
- (ii) Supports the Review of corporate risk registers.
- (iii) Reviews and advises on strategic programme risks, including field operations in high-risk geographies.

E) TRAFFIC UNIT LEADERS AND TEAMS:

- (i) Must be aware of risks which fall into their area of responsibility or could affect their area of responsibility and the possible impacts and consequences these may have.
- (ii) Should consider their unit's performance indicators which monitor key activities, progress towards objectives and identify areas which require intervention.
- (iii) Regional Directors should regularly review risks and mitigation plans with the relevant Programme Office Directors.
- (iv) Should ensure that all risks are reported for inclusion on the office's risk register on a timely basis.
- (v) Should report any new medium or high risks identified or failures of existing control measures to senior managers in a timely basis.

F) THE RISK AND COMPLIANCE OFFICER:

- (i) Champions organisational risk management.
- (ii) Facilitates the identification of organisational risks and the adoption of risk-related organizational policies, procedures and processes.
- (iii) Monitors and evaluates compliance with risk management policies and procedures and validate risk registers.
- (iv) Facilitates regular review of risks by the SLT, Risk Committee and Operations Committee.
- (v) Builds capacity for risk management and supports the development of an appropriate risk culture in line with TRAFFIC's risk appetite.

G) RISK/SAFEGUARDING CHAMPIONS/FOCAL POINTS.

- (i) Risk Champions support the consistent and effective application of the risk management framework at the local level.
- (ii) Identify risk and safeguarding issues that the office/project(s) faces, and recommend mitigation actions to the Office Director/Project Manager on at least a quarterly basis.
- (iii) ensuring that risk registers and associated documentation are accurate and up to date.
- (iv) Regularly monitor and ensure follow up on agreed mitigation measures.
- (v) Escalate concerns with the Senior Risk and Compliance Officer or Chief Operating Officer as necessary.
- (vi) Provide input to proposals to ensure risk and safeguarding issues are included and budgeted for.
- (vii) Support the adoption of related policies, procedures, and processes by staff in their offices/projects and acting as a point of contact for guidance.

(viii) Ensure that they and staff are receiving regular training on risk and safeguarding.

H) INDIVIDUAL STAFF MEMBERS:

- (i) Should understand their accountability for individual risks.
- (ii) Should understand how they can contribute to continuous improvement of TRAFFIC's risk management framework.
- (iii) Should understand that risk management and risk awareness are a key part of the organisation's culture.
- (IV) Should report any new risks identified or failures of existing control measures to managers.

5. Implementing procedures

5.1 RISK APPETITE

- (a) Risk appetite is defined as the level of risk that an institution is prepared to tolerate to achieve its strategic objectives.
- (b) A risk appetite statement formalises the level of risk an organisation is willing to take related to its business objectives. This "risk philosophy" should be based on the organisation's vision, mission, strategic plan.
- (c) The UK Charity Board of Trustees approves the overall risk appetite, The Risk Appetite Statement is typically reviewed annually or whenever there is a significant change to TRAFFIC's operating environment.

5.2 RISK SCORING

TRAFFIC uses the standard five-level scale as recommended by the UK Charity Commission. Risk Rating: Where X= Likelihood and Y = impact then the formula $XY+Y$ is used to calculate the risk rating

5.3 RISK AREAS

Risk is grouped according to the guidance note issued by the UK Charity Commission however the allocation of a risk to a specific risk area is less important than ensuring a potential risk is recorded. These can be both operational and strategic.

- Operational risks including project deliverables and IT/data protection.
- Safeguarding risks protecting people's health, wellbeing and human rights.
- Compliance with laws and regulations for the countries in which we operate.
- Financial risks
- External risks such political or climatic risks.
- Governance

5.4 RISK MONITORING

Post Control Risk Score		Level/Frequency of Review
0-6	Low Risk	Line Manager bi-annually
7-12	Medium Risk	Senior Leadership Team bi-annually; Chief Operating Officer quarterly
13-30	High Risk	Executive Director/Chief Operating Officer reviewed at least monthly and monitor with SLT.

OFFICES

Each office must have a Risk focal point ('Champion') and a safeguarding focal point.

Officers should on an ongoing basis monitor the security situation in the places they are working to brief staff as necessary and keep informed the Chief Operating Officer/Risk and Compliance Officer of any escalating situations.

All offices in the Risk Network must prepare a risk register for their office on at least a quarterly basis using the standard template.

PROPOSALS AND PROJECTS

The Proposal Notification Form (PNF) includes an initial screening for risks that should be completed when a concept is submitted, issues identified should be addressed in the proposal itself if the concept accepted.

All proposals must include a preliminary risk assessment and mitigation plan if required before submission to ensure activities can be implemented within acceptable risk levels. The Sensitive Activities Management Policy provides further guidance. The budget and work plan should factor these mitigation plans. If the funding application is successful this preliminary assessment should form the basis of a project risk register.

During start up a project risk rating is specified using the template found in the Project Management Structure Guidance to assess the risk that a project poses to TRAFFIC and trigger specific management actions regarding team structure, safeguards, management processes and supervision.

Each project should have someone responsible for putting in place, and the day-to-day monitoring of, appropriate procedures for risk and safeguarding based on the projects activities and duration. If the project operates outside of a TRAFFIC office area this will include monitoring the security situation in the places they are working, to brief staff as necessary and keep informed the Global office of any escalating situations.

If this person is not the project manager then they should be briefed regularly on issues as they maintain overall responsibility for risk and safeguarding.

For projects with a Steering Group, risks should be a standing item on the agenda.

Activities that are considered to have a higher risk because of their context, location and participants for example should have an individual risk assessment prepared, using the standard template, before they are carried out. The initial assessments should not be relied on as the context could have changed.

If appropriate a TRAFFIC Environmental & Social Safeguards Risk Assessment Tool (ESSF) should be completed.

If activities are to be carried out by a 3rd party the project must check that the provider has suitable risk management processes in place, in particular, for safeguarding. These should be subject to ongoing monitoring.

Project staff and partners should receive the appropriate training for the risks the project could face.

TRAVEL

A business case and risk assessment should be provided as part of the approval request for business travel as per the travel policy. The traveller should ensure they keep up to date with the security situation in the places they intend to travel to and raise any concerns with their line manager and HR. All travellers must ensure that they have adequate travel insurance in place prior to travelling.

5.5 RISK REPORTING

OFFICES

The registers and mitigation plans must be reviewed and signed off by the Office Director and submitted on a quarterly basis to the Senior Risk and Compliance Officer, as directed by the Chief Operating Officer. Any risks with a residual score, post controls risk rating, greater than 7 that would impact on TRAFFIC will be added to the 'Master' Risk Register.

PROJECTS

Project risk registers must be reviewed and signed off by the Project Manager and submitted on a quarterly basis to either the office Risk Champion or the Senior Risk and Compliance Officer at Global office.

Escalating situations should be reported as soon as possible.

The Senior Risk and Compliance Officer will review the registers with the offices and the Chief Operating Officer who will require regular updates on risks with a residual score greater than 7. The Chief Operating Officer will brief the SLT on the 'Master' Register.

RISK COMMITTEE

The Risk committee, supported by the Senior Risk & Compliance officer and coordinated by the Chief Operating Officer, reviews all the offices and departmental risk registers. Its aim is to ensure that the main principal risks are captured and to prioritize them by setting up the "Master Risk register", as well as ensure that proper risk management response plans are developed and in place. This review by the Risk Committee is done prior to the SLT review.

BOARD

A summary bi-annual risk report is submitted to the Operations Committee of the board along with the risk registers for their review and comment. Additionally, updates are provided at the regular meetings.

A report outlining the principal risks the organisation faces and how they are being managed is presented to the trustees annually, with an update after 6 months. To be included as a principal risk, the risk must have a residual score of greater than 13 and have implications for the wider organisation rather than being isolated to one office.

All programmes presented for approval to the Trustees must contain a summary of the key risks associated with the proposed programme and how these risks will be mitigated.

The audited annual report contains a risk management statement. This outlines the major risks TRAFFIC faces and that the Trustees are satisfied that systems are in place to manage those risks.

Any potentially reportable incident is notified to the chair of the Operations Committee as soon as possible and reported at the next board meeting.

A reportable incident is an adverse event, whether actual or alleged, which results in or risks significant harm to people who come into contact with our work; loss of money or assets; harm to our work or reputation that the Charity Commission would expect us to report to them.

This Policy will be reviewed at least every 3 years in line with TRAFFIC's Policy Register commitment.

6. Additional reference documents

TRAFFIC policies and documents reference standards expected and how to raise concerns. The primary references are

- *Guidelines for the Operation of the TRAFFIC Network* – includes reference to working values, grievance procedures, whistle-blowing and obligations of consultants;
- *TRAFFIC Staff Handbook* - Every employee will have a relevant document for their location
- *Code of conduct*
- *TRAFFIC Whistleblowing policy* – guidance on how to raise a complaint.
- *TRAFFIC External Complaints Mechanism guidance for members of the public to raise concerns*
- TRAFFIC Risk appetite statement
- *Preparing risk monitoring tools*
- *Security Manual*
- Proposal Notification Form (PNF)

GOVERNANCE

- TRAFFIC Articles of Association
- Delegation of Management Authority (DOMA)

OPERATIONAL

- Data Protection Policy
- IT Policy
- Project Management Structure
- Law Enforcement Support Guidelines
- Market Monitoring Manual
- TRAFFIC Environmental & Social Safeguards Risk Assessment Tool (ESSF)
- TRAFFIC Travel Policy

FINANCIAL

- Financial Policies and Procedures manuals
- Anti Bribery and Corruption Policy
- Anti-Corruption Guidance
- Anti-Money Laundering (AML) Process
- Philanthropic Fundraising Policy

SAFEGUARDING

- TRAFFIC Safeguarding Policy
- Bullying and harassment Policy
- Protection from Sexual Exploitation, Sexual Abuse and Sexual Harassment Policy.
- Anti Human Trafficking Compliance Plan
- Sensitive Activities Management Policy
- *Survivor pathway guidance*