



Risk Management Policy

The Trustees recognise that uncertainty is inevitable in any activity, and that uncertainty may on occasion create opportunity. The Trustees will be open to this possibility, but will generally take a cautious approach to handling uncertainty and risk, recognising that they act as Trustees for money provided for charitable purposes, and that ABF's recipients rely on ABF's ability to deliver funding and support in line with agreements made. Trustees are also conscious that a robust approach to risk management will be important when potential donors consider any ABF fundraising approaches.

The Trustees are conscious that a number of risks exist that may negatively impact ABF's ability to fulfil its aim and purpose. They therefore periodically review uncertainties and risks, including the risk register, and consider how best to address risks.

An ABF risk register is maintained by Trustees as changes to ABF's context and operations occur; and is more formally reviewed on a regular basis, generally annually.

The register uses the following categorisation of the likelihood and impact of residual risks (that is, the level of risk that persists with existing controls in place). Additional mitigation measures are listed in the register and will be reviewed regularly.

| Likelihood | Descriptor | Impact | Descriptor |
|------------|-----------------|--------|---------------|
| 1 | Unlikely | 1 | Insignificant |
| 2 | Possible | 2 | Minor |
| 3 | Probable | 3 | Major |
| 4 | Highly Probable | 4 | Extreme |

Trustees will consider and categorise risks as follows, with the listed appetite applying:

| Risk category | Appetite |
|-----------------|----------|
| Compliance (C) | Cautious |
| External (E) | Open |
| Financial (F) | Cautious |
| Governance (G) | Cautious |
| Operational (O) | Open |

This version approved by Trustees on 19 February 2025 as an update to the March 2019 policy