

Risk Matrix and Tolerance Levels

Impact Likelihood	Extreme 5	Major 4	Moderate 3	Minor 2	Insignificant 1
Almost Certain 5	25	20	15	10	5
Likely 4	20	16	12	8	4
Possible 3	15	12	9	6	3
Unlikely 2	10	8	6	4	2
Rare 1	5	4	3	2	1

Tolerance Level	Risk Treatment
High Risk (16-25)	Risks at this level are so significant that risk treatment is mandatory
Medium Risk (6-15)	Risks at this level require consideration of costs and benefits in order to determine what if any treatment is appropriate
Low Risk (1-5)	Risks at this level can be regarded as negligible or so small that no risk treatment is needed