

Risk Management Policy

People, property, earning capacity and reputation are key determinants of OPT's future. Their development, preservation and security are essential for growth and long-term survival. OPT seeks to protect and preserve both its tangible and intangible assets from loss or damage that could materially affect its ability to fulfill its commitments in which it operates. OPT also seeks to assume, and manage, risk associated with strategic business opportunities that may leverage its domain knowledge and its intellectual, technical and financial capita.

Effective implementation of the risk management process improves the quality of decision-making in the face of uncertainties. The risk management process in process in OPT requires managers to:

Identify and assess risk and opportunities associated with OPT's business activities;

Identify and use appropriate risk management tools, training and techniques that facilitate and enhance the quality of decision-making;

Select and implement cost-effective risk control measures to avoid or reduce undesired exposures to loss or unwanted volatility;

Implement appropriate risk financing and risk transfer strategies (including, but not limited to insurance) to offset the financial effects of any losses or unwanted volatility, so that the lowest sustainable cost of risk is obtained over the long term;

Commitments to acquire new business; to allocate resources to geographically or politically challenging zones; to launch new business activities; or to accept atypical or onerous contractual terms and conditions must be supported by reasoned and reportable risk and reward analyses - to support the appropriate management approval process.

Department and Project Managers have the primary responsibility and accountability for identifying and assessing operational risk. Evaluation of risk control options is performed in close liaison with the business support functions, notably, HSE, Risk Management, and Legal & Contract Management.



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