

ODL Group Risk Management Policy Statement

October 2007

The risk management policy of ODL is to adopt best practices in the identification, evaluation and cost effective control of its risks to ensure that they are eliminated or reduced to an acceptable level.

All members of the Board and employees should understand the nature of risk and accept responsibility for risks associated with their area of authority.

The risk management objectives of the Group are to:

- Integrate risk management into the culture of the organisation
- Manage risk in accordance with best practice
- Fully document major threats and opportunities
- Clearly identify risk exposure
- Implement cost effective actions to reduce risks
- Ensure conscious and properly evaluated risk decisions.

These objectives will be achieved by:

- Establishing a risk management organisational structure to act in an advisory and guiding capacity, which is accessible to all employees.
- Including risk management as an agenda item at the Management meetings.
- Provision of awareness training
- Embedding risk management principles into the various decision-making processes.
- Maintaining appropriate reporting and recording systems with investigation procedures to establish cause and prevent recurrence.
- Maintaining effective communication both within the Group and with the Group's shareholders.
- Monitoring arrangements for the management of risk on an ongoing basis

The Risk management committee is responsible for the development of specific procedures for risk management activities.

Role of the Risk Management Committee

- Preparing and recommending changes to the risk management strategy
- Identifying and assessing risks
- Preparing, monitoring and reviewing the risk register
- Recommending actions to address risks
- Reporting key risks to the Board
- Arranging risk management training as appropriate
- Identifying and assessing operational risk
- Consider and recommend the insurance requirements of the Group
- Review accident reports and health and safety records and recommend improvements to procedures.
- Identify the operational risks arising from new legislation,
- Review of risk management awareness among employees.