



I LATINAMERICAN FORUM
GOVERNANCE, RISK & COMPLIANCE
IN THE OIL AND GAS SECTOR
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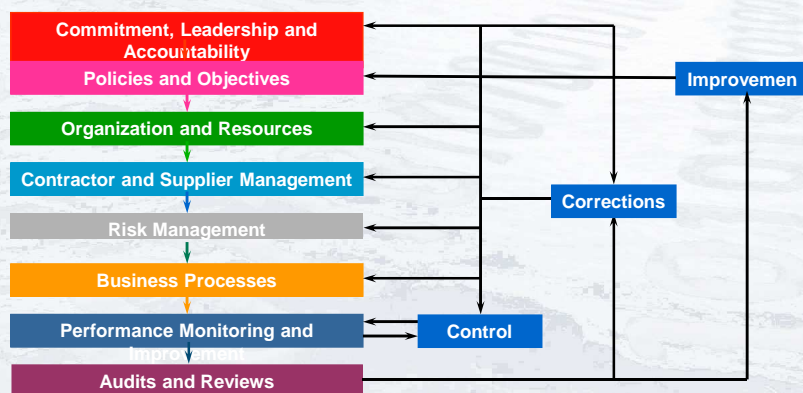
Corporate Risk Management in Brazil

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Management System

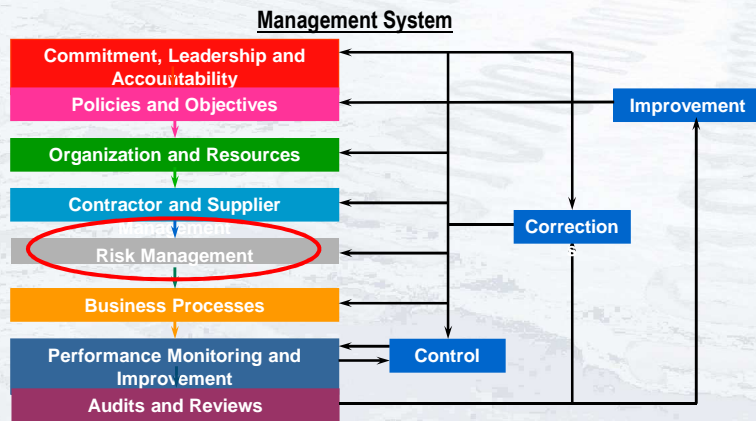
- Companies shall have a strong Management System in which Operational Segments and Support Functions can use as a resource for several matters while performing their tasks

Management System



Management System – Risk Management

- A Management System shall definitely include details on how the Company should manage Corporate Risks, which can be define as Risk Management Area

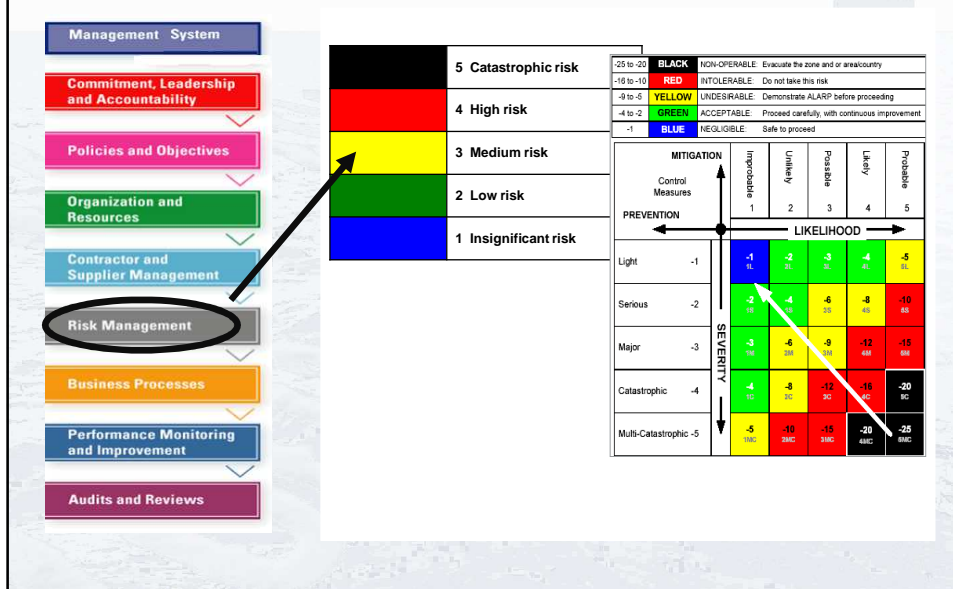


Risk Management – Identification & Assessment



- The Risk Management Area shall, among other objectives, seek to:
 - Identify Corporate Risks
 - Assess the level of main Risks in countries where the Company operates
- Companies shall use a Hazard Analysis & Risk Control Mechanisms based on severity vs. likelihood matrix
 - **Severity:** based on local laws and regulations
 - **Likelihood:** based on internal/external audits, litigation, investigations report, compliance reviews, etc

Risk Management – Identification & Assessment



Risk Management – Mitigation

- Once Corporate Risks are identified by the Company, control mechanisms shall be put in place in order to mitigate such risks. Some suggested mechanisms are:
 - ✓ **Compliance Programs (Corporate, HR, Regulatory, Trade Control and others)**
 - ✓ **Global Policies, Standards, Guidelines and Procedures**
 - ✓ **Reporting Mechanisms**
 - ✓ **Internal & External Audits**
 - ✓ **Operating Countries Law Analysis**
 - ✓ **Trainings**
 - ✓ **Agents & Business Partners Due-Diligence**
 - ✓ **Centralization of legal/contractual documents with specific Departments**
 - ✓ **Crisis & Media Relations Department**

