REPOWER
ENERGY
DEVELOPMENT
CORPORATION

Procedure for Enterprise Risk Management

All Employees:

1. Identify any risks – ie. Threats or opportunities – affecting REDC or its subsidiaries that are not able to effectively manage to reduce the risk of loss, or achieve the potential gains, in a manner compliant with legislation, sector best practices, Trent policies or the instructions of your supervisor.
2. Report these risks to your supervisor.

Risk Owners:

1. When commencing a new activity, conduct risk assessment.
2. If you become aware of an untreated risk in your portfolio, determine the potential impact of the risk on your operation, or the university, and the likelihood of that impact to occur.
3. Determine if you should.
   a. Avoid the risk – ie discontinue the activity giving rise to the risk if it will not negatively affect operational objectives;
   b. Transfer the risk
   c. Treat the risk – ie. Take additional measures to minimize losses and/or maximize gains such as altering procedures, adding physical safety measures, cross training personnel, duplicating important equipment or backing up data.
   d. Accept the risk – ie. The potential loss or gain is not significant.
4. If you are unable to take appropriate action due to lack of resources, authority or institutional support, consider working with one or more other risk owners (departments) to treat the risk.
5. If in doubt, seek advice from Supervisors and Managers.

Supervisors and Managers:

1. Validate the risk analysis in light of existing strategic planning objectives.
2. If the Risk Owner's recommended treatment is appropriate, determine whether you have the authority and can allocate resources to implement the treatment.
3. If the risk is likely to affect REDC's ability to achieve one or more strategic goals, the risk is an enterprise risk. Advise the Risk Management Team, even if you are able to treat the risk.
4. Implement the risk treatments and document the results.
5. Consult with Risk Management Team to evaluate the residual risk once the risk treatment has been implemented.
6. Prepare a report to Risk Management team by the due date, advising of the results and residual risk and recommending further action.
7. If you are unable to take appropriate action due or in doubt, seek advice from Risk Management Team

Risk Management Team

1. Review the risk analysis and determine which strategic objectives may be affected, negatively or positively, by the risk exposure.
2. Consider the current risk tolerance level(s) set by the Board.
3. Provide direction to Supervisors and Managers as follows:
   a. The risk treatment to be undertaken;
   b. The resources available to implement the risk treatment;
   c. The measurable results expected;
   d. The Risk Owner(s) who must implement the treatment; and

e. The due date to Supervisors and Managers for the first report on the results of the treatment.

4. Determine whether the risk treatment is in itself a strategic objective and should be included as an objective in any of the strategic plans.
5. Ensure the budget is amended to reflect any additional resource allocations.
6. Provide the above information to the Board Risk Oversight Committee to update the Risk Register.

Board Risk Oversight Committee

1. Provide advice and assistance to Risk Management Team with respect to risk analysis, risk scoring and risk treatments.
2. Maintain the Risk Register and ensure all new and updated risks are entered in a timely manner.
3. Monitor risk report
4. Coordinate complete ERM Risk Renewals every five years, or as required. Risk Renewal may include:
   a. Risk identification surveys and questionnaires to employees.
   b. Risk identification interviews with Risk Owners, Supervisors and Managers.
   c. Confirmation that the updated Risk Register is reflected in Integrated and Strategic Plans.
   d. An assessment of companywide engagement in the risk management and strategic planning processes.
5. Review and approve this Policy including the Risk Tolerance Statement annually.