

2017 DSS Global Risk Survey Findings



2017.11.16

KRCC Annual Workshop

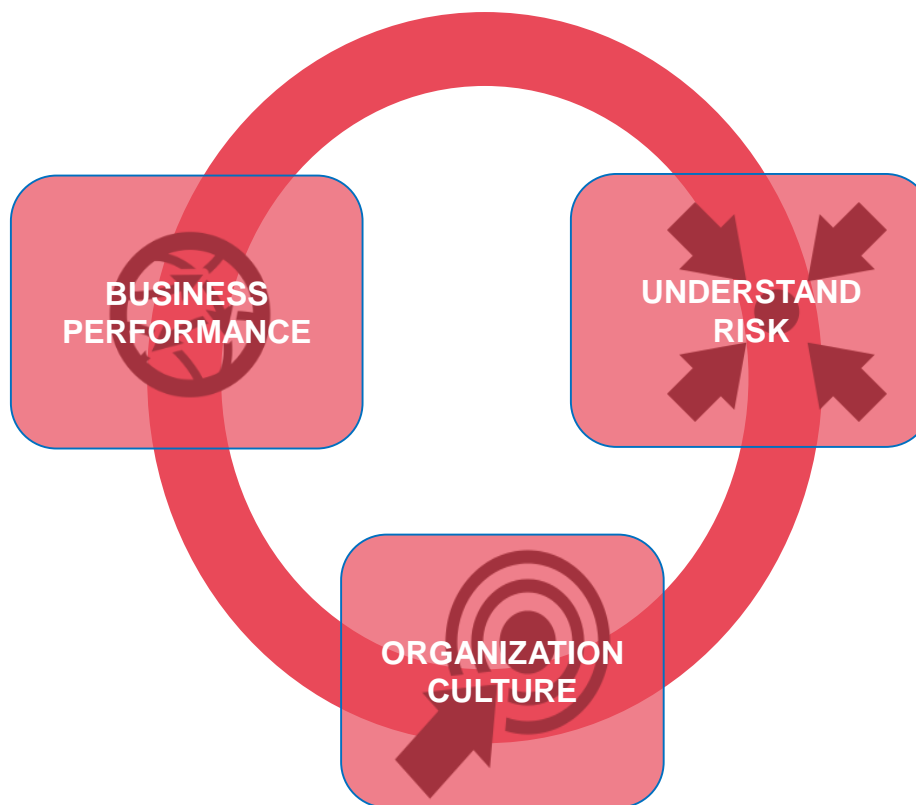
Srinivasan Ramabhadran

DSS Managing Director – Asia Pacific

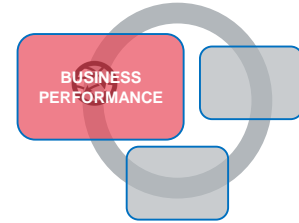
Our Global Risk Survey identified three major focus areas of interest



Global Risk Survey Key Findings



What are your top drivers for investment in the business?



Top Drivers for Business Investment

75 %
of responders

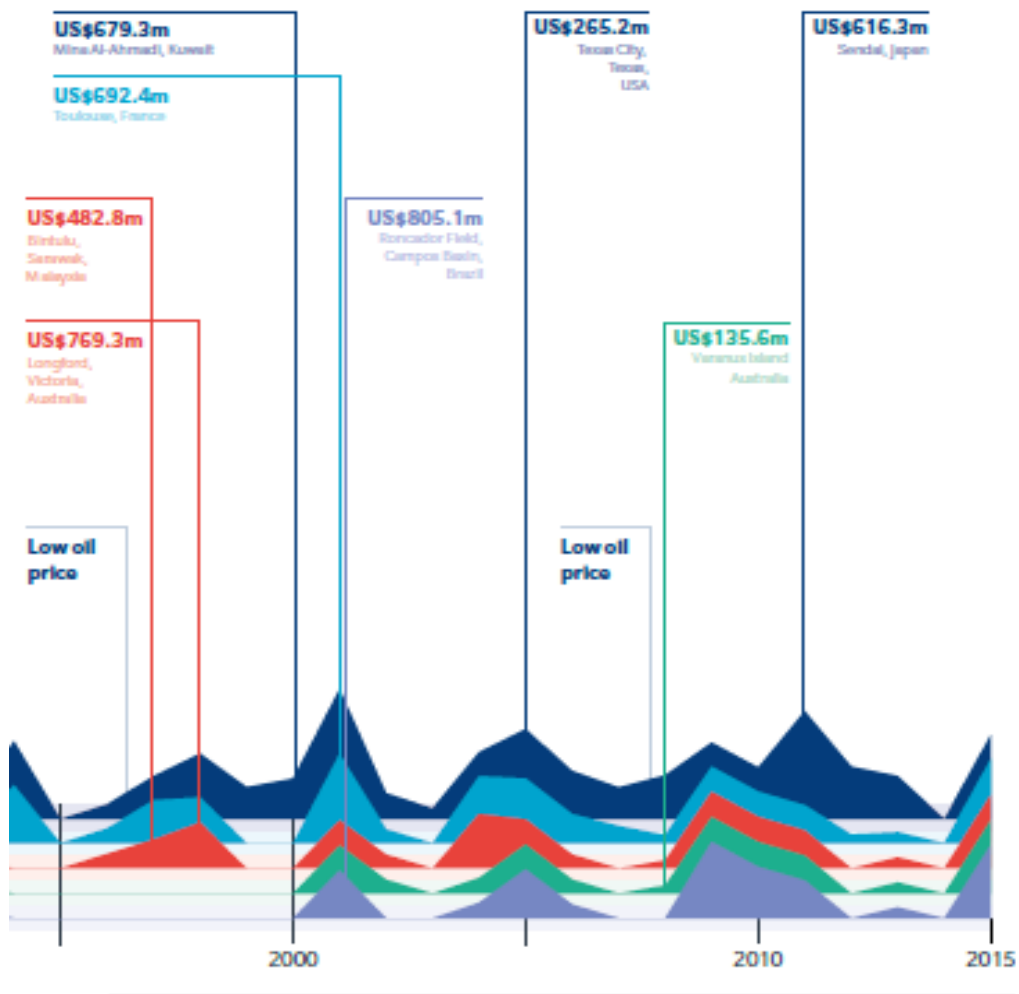
- **Meeting corporate goals**
- **Management of employee safety**
- **Meeting regulatory compliance**

75% also felt that their business performance management of operational risks was inadequate. How does this affect “investment” decisions?

Many large incidents occur after lower oil prices. Does that impact your investment decisions?



**Top 100
losses in 2015
were more
than US\$33
billion,
average loss
above
\$130MM**



Source: Marsh Research, The 100 Largest Losses 1974-2015 in the hydrocarbon industry

100 Largest Losses 12

- Refineries
- Petrochemicals
- Gas processing
- Terminals and distributors
- Upstream



Polling Question

When your company makes budget cuts, do they adequately consider risk to operations?

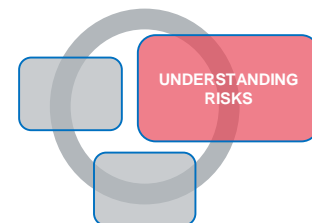
1 = Rarely

2 = Sometimes

3 = Often

4 = Always

Is your Board close enough to, and do they understand, operational risks?



Most Discussed Topics in Board Meeting

55%
of responders

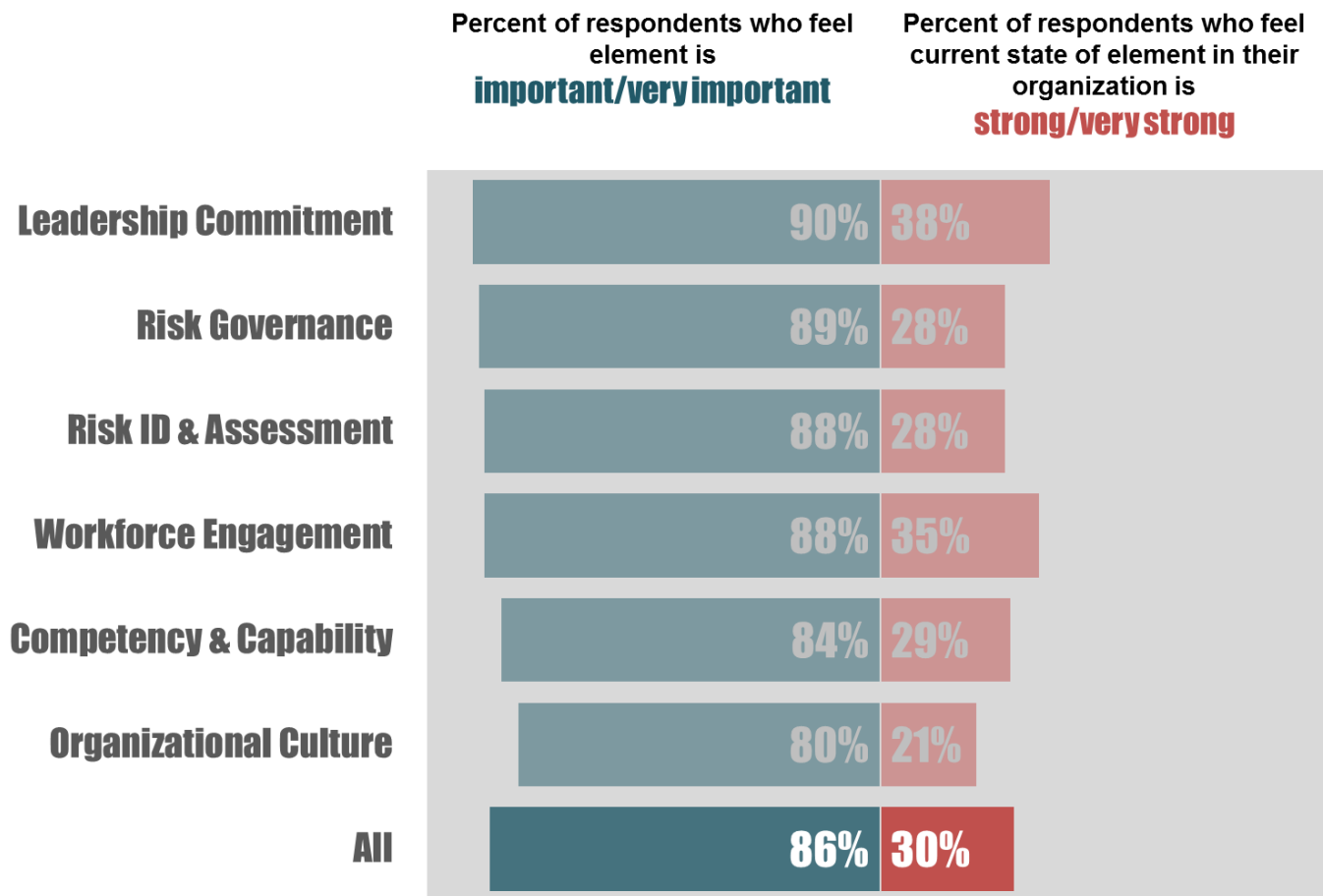
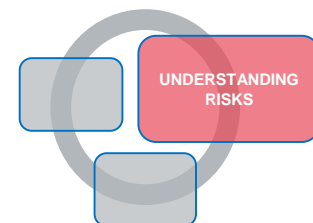
- **Financial**
- **Safety, health, environment**
- **Regulatory compliance**

Least Discussed Topics in Board Meeting

- **Contractor management**
- **Merger Acquisition**
- **Political**
- **Process Safety**

60%
of responders

Aren't all of these really inter-related and all have impact on operational risk?





Polling Question

How would you describe your organization's culture?

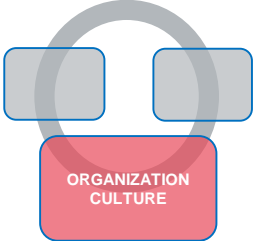
1 = Very strong

2 = Strong

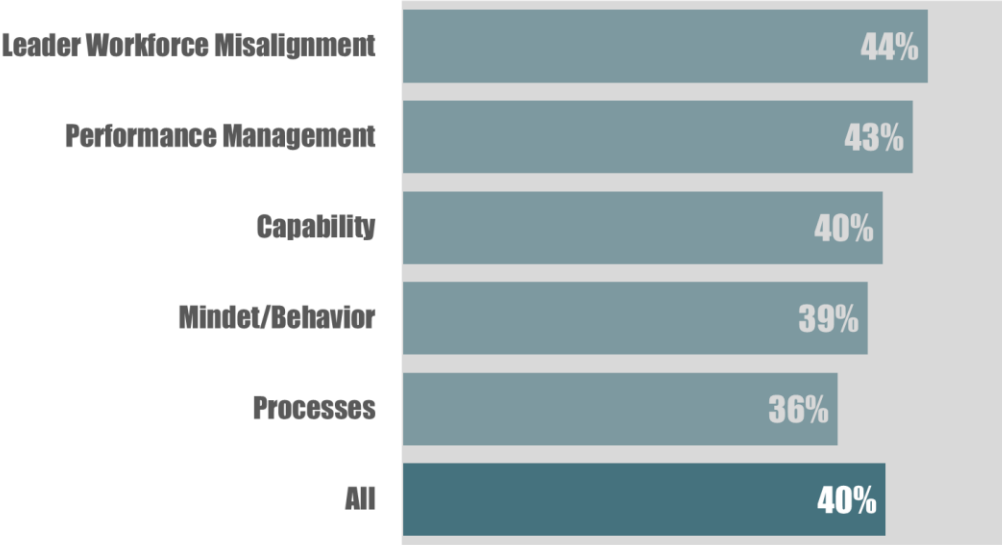
3 = Reasonable

4 = Lots of opportunity for improvement

It is important to look at accountability and critical challenges to managing risks. They are strongly linked



Critical/Most Significant Challenges in Managing Risks



DuPont™ Safety Perception Survey™ measures safety culture from over 2 million employees at 7,000 global locations in various industries

Percent of respondents who strongly agree or agree that managers and supervisors are held accountable:

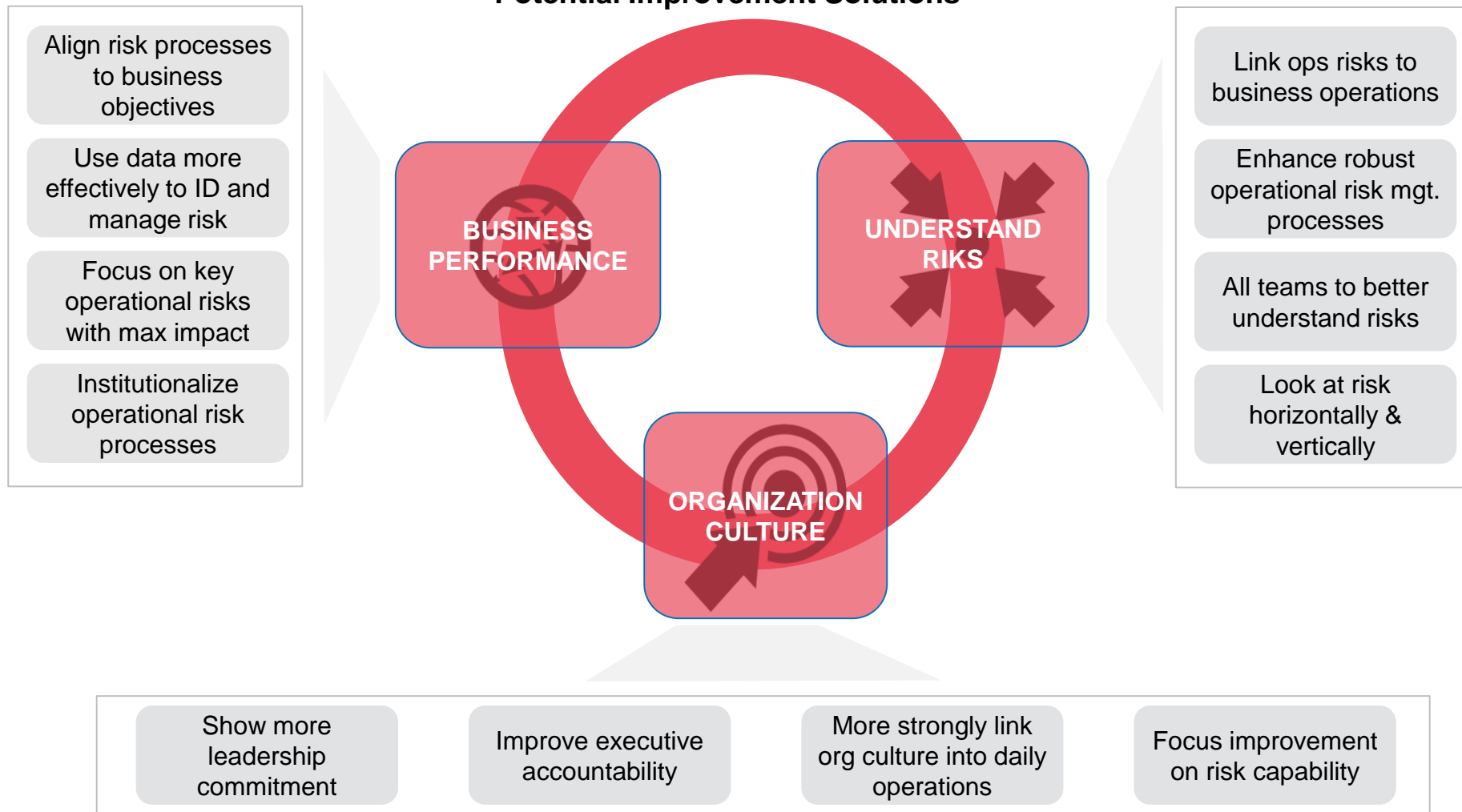
	Average	Benchmark Best
Managers	85%	95%
Supervisors	78%	1 00%
Workers	70%	93%

How can companies better manage their operational risks and improve business performance?



NON-EXHAUSTIVE

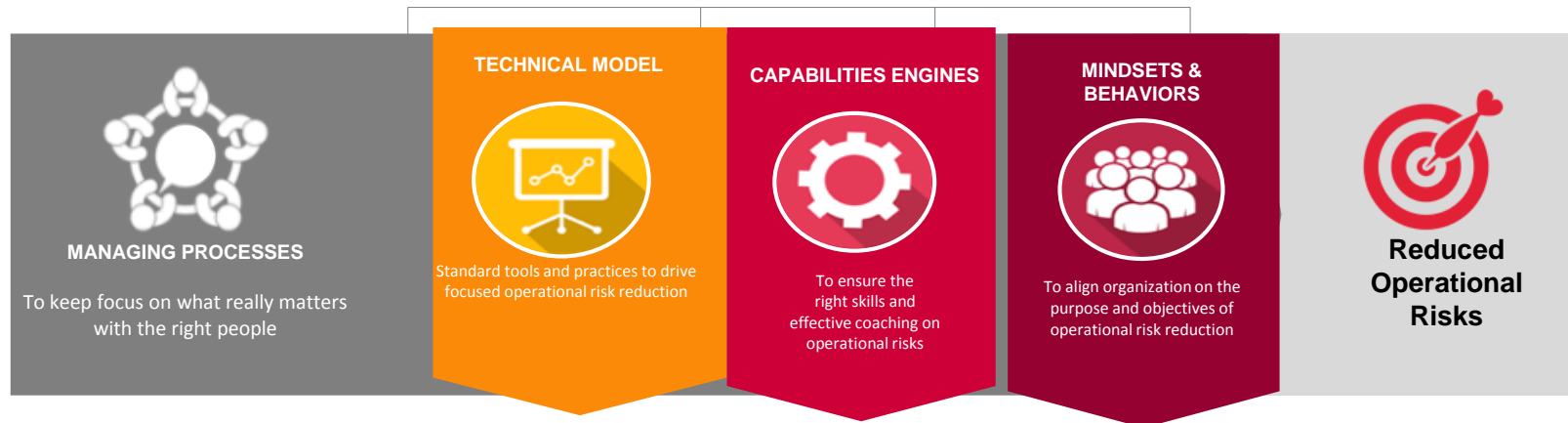
Potential Improvement Solutions



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An integrated approach to managing operational risks

Leaders



Deploy the right governance for process safety, enabling collaboration and performance monitoring down to shop-floor level:

- Performance management (e.g. KPIs, target setting)
- Talent management

Develop effective technical management standards to reduce risk and improve efficiency:

- Risk Profiling
- Risk Containment
- Risk Management

Secure and develop required capabilities across functions:

- Change org (e.g. structure, roles)
- Process safety skills
- Learning and development best practices

Encourage the right mindset and behaviors:

- Mindsets and behaviors (Behavioral, Social & Cognitive)
- Change management
- Incentive program

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DuPont Sustainable Solutions

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