

Risk Management Policy

Bylaw Number	<i>BOH125</i>	Approved Date	<i>February 20, 2019</i>
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REVISION HISTORY

Reviewed		Amended:	
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Purpose

This policy establishes guidelines and procedures to ensure that all significant risks are identified, assessed, controlled and reported on an ongoing basis as matters arise. By ensuring that risks are appropriately identified and managed, the board of directors of the Corporation (the “**Board**”) can help safeguard the assets of the Corporation to ensure it meets its statutory objective in a sustainable manner. The requirements prescribed by this policy are in addition to the annual risk reporting obligations under the Accountability Agreement between the Corporation and the Ministry of Health and Long-Term Care.

Scope

This policy applies to all decisions made by the Board and management. For the purpose of this policy, the definition of “risk” shall include: operational, strategic, financial, legal, reputational, cyber, litigation, organizational, compliance and safety of people or assets.

Regulation

a) Risk Management Process

The Board shall monitor and report on risks and develop mechanisms to monitor the effectiveness of risk management strategies that have been put in place.

b) Direction to Management Regarding Risk

Management shall consider and explicitly identify risk factors in bringing forth recommendations to the Board. Management shall report to the Medical Officer of Health or his/ her delegate with respect to risks on an ongoing basis.

c) Risk Considerations

In determining potential responses, the Board should consider such things as:

- Evaluating effects of potential risk responses on the risk likelihood and impact, and which response options align with the Corporation’s risk tolerances,
- Assessing the costs versus benefits of potential risk responses, and
- Possible opportunities to achieve organization objectives going beyond dealing with the specific risk.

d) Information and Communication

Management shall keep the Board up-to-date on performance, developments, risks and

other relevant events and issues. The Board should communicate to management what information it needs and provide feedback and direction.

e) Engaging Professional Service Providers to Manage Risk

Management may engage a third-party to manage an identified risk without Board approval where management deems the risk to be immediate and material.

f) Litigation and Reputational Risk

Where the Corporation is involved in litigation or there is possible or threatened litigation against the Corporation, the Board shall retain competent legal counsel to provide advice on the matter. All risks shall be considered in evaluating litigation options, including legal, financial and reputational. Settlement of any claims with a material reputational risk must receive Board approval, notwithstanding any other policies.

g) Managing Professional Service Providers

The Board shall conduct a periodic performance review of its legal counsel and auditors at least once every 5 years. Legal counsel and auditors shall be selected based on merit and having consideration for expertise, experience, track record. Procurement shall not be driven by the least expensive option, however cost may be considered as a factor in the holistic review.

Amendment

This policy shall be reviewed and approved by the Board every two years, and may be amended from time to time as the Board deems necessary.