POLICY: Risk Management	POLICY No. C-6
EFFECTIVE DATE AS OF: **October 22, 2024**	PRIOR VERSIONS: **December 6, 2022** **June 26, 2018**

1. **Policy Purpose:**

   The purpose of this policy is to ensure that a Risk Management process is established by the board including broad parameters and principles and is implemented by the MITT administration.

2. **Policy:**

   A risk is the possibility that an event might happen in the future that could have a negative impact on MITT's ability to achieve its strategic and operational activities. Risk Management seeks to mitigate risks rather than eliminate risk.

   The board of MITT acknowledges that virtually all activities carry a degree of risk that requires MITT to strike an appropriate balance between managing risk and pursuing strategic opportunities. Risk cannot be avoided, but an effective and consistent approach to Risk Management will provide a level of due diligence to all MITT activities and will enhance the Institute's overall resilience.

   Risk Management is a systematic approach to managing uncertainty by identifying, analyzing, responding to, monitoring, and communicating risks across the organization. It is an important factor for the setting of priorities and strategic decision making in the best interests of MITT, as it facilitates the identification of potential risk and opportunities that may significantly impact the ability of MITT to achieve its strategic goals or maintain its operations.

   This policy articulates the board's approach to Risk Management and establishes broad parameters, principles, and functions that shall be undertaken by MITT administration to support the Risk Management function.

   The board is responsible to oversee risk management at MITT and ensure that management takes reasonable steps to implement appropriate systems, policies and procedures to manage such risk. The Audit and Finance Committee is responsible to regularly monitor risk on behalf of the board. The President of MITT bears the overall responsibility for managing risk and is responsible to identify and keep the board apprised of all significant risks and challenges facing MITT. Risk information is to be provided by the administration and reviewed by the board on a regular basis throughout the year.

   Annually, or at the board's request, a report will be submitted to the board indicating MITT's current risk level.

The board will satisfy itself that management is taking adequate measures to address the following:

- Develops and implement a Risk Management Framework that is scaled appropriately relative to MITT's capacity and operations, and aligned to and incorporated into MITT's Strategic Priorities, Business and Operational Plans and operation processes.

- Implements a phased in approach to undertake risk identification and assessment for board level consideration and approval. Levels of risk should be quantified and highest level of risks should be clearly identified to the board.

- Develops an ongoing communication process to keep all members of the board informed of risk management activities.

- Ensures that the board is immediately made aware of any imminent significant risks that MITT may face.

The MITT Risk Management process shall include the following:

- Determination and approval of MITT's risk appetite at the board level;

- Assess risks and opportunities against MITT's level of risk appetite;

- Anticipate and respond to social, competitive, environmental, and legislative conditions;

- Manage risk according to best practices and demonstrated due diligence in decision- making;

- Create a framework where risk is assessed, managed and reported on;

- Include risk management as a valuable and integrated source of information to assist the administration in making informed and consistent decisions throughout MITT, rather than an independent activity;

- Foster a culture of identifying, assessing and mitigating risks.

3. References:

MITT Board of Governors Policies:
B-7-iv Audit and Finance Committee – Terms of Reference
B-9 Role of the President and CEO

MITT Administrative Policies:
FI-7 Risk Management