Policy statement

The Engineering and Geoscience Education Foundation Inc. (EGEF, the Foundation) recognizes the need for risk management in the execution of all aspects of its strategic and operational planning and day-to-day decision-making. The Foundation is committed to identifying, managing and minimizing risk.

Definitions

"Risk" is the exposure to events that will have a negative impact on the objectives of the Foundation. Risk has two elements:
* The frequency or likelihood (probability) of something happening (an "incident")
* The severity or impact of the consequences of such an incident

"Risk management" is the application of a management system to risk and includes identification, analysis, treatment and monitoring.

"Incident" is anything that happens that has potential immediate or future adverse consequences.

"Employee" includes any person hired or contracted by the Foundation.

Scope

The Board of Directors of EGEF is solely responsible for overseeing risk management.

All Board members, volunteers and employees contribute to the establishment and implementation of risk management systems for all functions and activities of the Foundation.

Board directors, volunteers and employees are responsible for reporting any incident, anticipated or already occurring, to the Board.

Policy provisions

Risk management is an ongoing function of the Board. The Board reports annually on its risk management activities and oversight.

The following are areas in which the Foundation can expect to find elements of risk for consideration in its risk management activities.

Related policies
* Conflict of Interest Policy
* Privacy & Data Protection Policy
* Discrimination & Harassment Policy and Procedures
* Director & Officer Removal Policy

Insurable risks
* Unauthorized use of resources which represent an insurable risk
* Professional negligence
* Legal liability

Non-insurable risks
- Prevention activities (any action undertaken to prevent or mitigate the effects of an incident, such as fraud and corruption prevention, disaster recovery, crisis contingency planning and policy development)
- Unauthorised use of resources which represent a non-insurable risk
- Reputation and image
- Loss of key personnel
- Administrative system inadequacies
- Poor work quality
- Property loss and damage
- Computer security
- Failure or disruption of a major income source or investment

Procedures

At a *minimum*, the Board shall:

1. Ensure that the Foundation has adequate policies and procedures in place to address anticipated areas of risk.

2. Elect, appoint, or otherwise ensure that a director of the Board will be designated **Risk Manager**

   - to oversee the risk management activities of the Foundation
   - to formally review/update this policy and compliance with it every year
   - to report on the risk management activities of the Foundation annually at the AGM, with said report included in the Foundation's annual report

3. Have a plan whereby, in the event of a key person's prolonged or severe illness or death, another person can intervene or take over the maintenance of critical tasks in a timely fashion.

4. Ensure that all Board directors, volunteers and employees report any incident, anticipated or occurring, to the Board immediately, and document it on the attached Incident Reporting and Risk Assessment Form.

5. Ensure that annual board training covers the areas of risk management for which the Board is responsible.

6. Select two individuals to review with the Treasurer the financial reports of the Foundation annually.

7. Ensure that a minimum of two directors know passwords and the location and storage of data.

Forms

The attached Incident Reporting and Risk Assessment Form shall be used to document and assess all incidences.

Appendix: Procedure for renewal or zero-base construction of the Risk Management Policy

The **Risk Manager** shall chair a committee of directors to undertake the following*:

1. Identify the potential risks involved in the context of the Foundation's work, for all stakeholders (board directors and members, employees, volunteers, donors and beneficiaries).

   - Consider the context of the Foundation's work within the different transactions or processes. Include
     - long-term strategic objectives and decisions (investments, strategic plan, crisis contingency plans, disaster recovery plans, fraud and corruption prevention plans, Foundation policies)
     - operational or day-to-day activities (reporting to CRA, reporting to the Companies Office, soliciting donations, receiving donations, acknowledging donors, setting up the AGM, holding board meetings, holding committee meetings, making grants, making online and in-person bank transactions, etc.)
     - financial management and controls (investments, audits, security of information, rates of return)
     - intellectual and information technology actions and knowledge (hardware, software, storage, security, key personnel, experienced directors, directors knowledgeable about the laws governing charitable organizations, etc.)
     - compliance/regulatory issues and policy decisions (CRA requirements, The Corporation Act, human rights legislation, organizational bylaws, etc.)

   - Document everything that could potentially go wrong and how that might happen. Divide this information into sections to address each individually.

2. Analyze all the potential risks and potential consequences of risk that you have identified.

   Describe how they may occur. Identify potential methods of prevention.

3. Assess all the past incidences that the Foundation has experienced and how these were handled.

   - Consult past records to determine how frequently incidences have happened, how they were handled, the processes that worked and where there were areas of improvement.

   - Estimate the likelihood of each risk re-occurring based on the history of the Foundation, best practices, and peer experiences.

4. Develop a treatment plan for all the risks that you have identified, prioritizing the risks that you have found will be more likely to occur.

   - Outline a step-by-step expectation for how each risk will be avoided, how it will be handled if it does occur, and how it will be recorded. ***These are the risk management policy recommendations***.

   - Ensure that all plans to avoid risk comply with applicable laws and regulating bodies.

5. Estimate the cost of implementing any measures required to align with the risk management policy recommendations Provide this information to the Board.

6. Prepare a report for both internal (Board, volunteers and employees) and external stakeholders, including what auditing steps are in place to revisit and evaluate the policy.

   The internal and external audiences need different information; internal audiences need to know the greatest risks, who is accountable for what, and how the process will be monitored. External audiences

need to know risk management is a part of the organization's culture and how the process and policy has been laid out.

7. Create a system to collect data on risk management potential, successes and failures.

    Use a risk assessment form for use after an incident (and in the case of an anticipated incident), as a tool to examine whether more precautions should have been taken. This allows all the data to be recorded right after the incident, the same types of information to be gathered each time, and resources required in the future to be identified.

8. Revisit the risk management policy annually to evaluate its effectiveness. Revise as necessary.
    Risk management planning and evaluation should be a continuous, evolving process that integrates seamlessly into the Foundation's culture.

* "How to write a risk management policy." wikiHow. Retrieved June 20, 2021 from https://www.wikihow.com/Write-a-Risk-Management-Policy

v.1 Approved November 17, 2021

Incident Reporting and Risk Assessment Form

This form is to be used to report to the Board of APEGM Foundation Inc. any incident which is anticipated, is occurring, or has just occurred, the consequences of which hold the potential to have an adverse impact on the Foundation or its members, volunteers, employees, donors or beneficiaries.

Immediately that an incident is anticipated, or identified as occurring or having just occurred, the involved persons and/or witness(es) shall
- take appropriate steps to verbally alert the Board
- take appropriate actions to mitigate the risks of an incident
- take remedial action, if within the scope and ability of said person(s)

Then, without delay, the involved person(s) and/or witness(es) **shall each individually** complete the following and submit it immediately to the Board.

Date of incident:_____ Time of incident: _____ Location: _____

Conditions/environment/context at the time of the incident _____

_____

Involved person(s): _____

Witness(es):_____

Police report made: Yes/No If yes, where? _____

What happened (or what do you foresee happening)? State only the facts (observable or known data and information). State what happened (or what you foresee happening), in chronological order. Document any action taken.

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

What risk(s) do you foresee in this incident?

_____

_____

_____

_____

_____

Name of person completing this form (print, please): _____

Signature of person completing this form: _____

Date and time this form was completed: _____

Thank you for completing the documentation of this incident.

Board comments (any additional risks identifiable, remedial action required, policy changes necessitated, etc.):

_____

_____

_____

_____

_____

_____

_____

_____

_____

Type of incident: _____

Signature of Risk Manager: _____

Date and time: _____