



## HDRN Canada Risk Management Policy

### **PREAMBLE**

Risk is inherent in activities of Health Data Research Network Canada (HDRN Canada, the “Corporation”) and to varying degrees, network members and staff are involved in managing these risks on an ongoing basis.

HDRN Canada is committed to continuous quality improvement and taking the necessary steps to evaluate opportunities and threats to maintain this commitment.

HDRN Canada will actively pursue opportunities that further strategic and operational priorities in a manner that is risk aware. A degree of risk and uncertainty is inherent in most activities and the network is committed to balancing strategic opportunities with necessary risk management.

### **PURPOSE**

The Health Data Research Network Canada Board of Directors (the “Board”) has a responsibility to monitor corporate risks in a manner consistent with the Corporation’s Bylaws and policies. The purpose of this Risk Management Policy is to outline the Corporation’s approach to identifying, analyzing, assessing, managing, monitoring and communicating risk.

### **APPLICATION**

This Policy applies to the Corporation’s Board, Executive Committee (the “Executive”), Leads Team and staff. It is understood and expected that each HDRN Canada Organization is subject to its own institutional policies related to risk, and this Policy is not intended to supersede or replace existing policies.

### **DEFINITIONS<sup>1</sup>**

Issue: An event or condition that will occur with certainty or has already occurred.

Risk: A potential event or condition that would have an impact on one or more project objectives should it occur. It is assessed in terms of its likelihood and impact.

Risk management: Efforts (structure and processes) directed towards managing potential opportunities and adverse effects.

Risk types used in risk register:

Compliance risk: The risk of regulatory penalties for offences such as violation of privacy laws, improper use of funds from granting agencies, etc.

Financial / Resource risk: The risk of fraud, resource mismanagement and decisions based on inadequate or inaccurate information.

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<sup>1</sup> Definitions adapted from: Lindsay, H. (2009). *20 questions directors of not-for-profit organizations should ask about risk*. Toronto: Canadian Institute of Chartered Accountants.

Governance risk: The risk of insufficient oversight and decision-making processes.

Operational risk: Potential organizational/business loss resulting from inadequate policies, procedures or systems.

## **RISK MANAGEMENT PROCESS**

1. Risk identification: At the Annual Leads Team meeting, there will be a dedicated time to discuss and identify risks to include in the Corporation's risk register. On a quarterly basis prior to each Board meeting, the Executive will review the risk register maintained by HDRN Canada staff to identify new risks that should be brought to the Board's attention. Once established, the Strategic Advisory Council will advise the Executive on strategic risks and opportunities for the Corporation to consider.
2. Analyzing and assessing risk: HDRN Canada staff together with the Scientific Director and CEO and/or Executive will review the risk register to determine both likelihood and impact assessments on a 6-point scale from Low (monitor and accept) to Very High (requires immediate action).
  - 2.1 For key risks (i.e., new or substantial risks) identified by HDRN Canada management that require strategic discussion and guidance, a dedicated agenda item and/or Board retreat will be scheduled to enable appropriate planning and preparation for managing this risk. Should a risk be identified that warrants Board attention outside of the scheduled meetings, a special meeting may be called by the Chair of the Board, the vice-chair of the Board or any two (2) directors at any time in a manner consistent with the Corporation's Bylaws.
3. Managing risk: Scientific Director and CEO together with the Operations Director and Executive have responsibility to manage risks on an ongoing basis, with delegation to the Leads Team and/or network-funded staff as appropriate. Risks will be managed through one of the following approaches and will be specified as such in the risk register: mitigate, avoid, accept or transfer.
4. Monitoring and communicating risk: At each quarterly Board of Directors meeting, HDRN Canada staff will provide a summary of risks identified as being of Medium-High or above likelihood and/or impact, along with changes in status since the previous meeting (as reviewed in Step 1). On an annual basis at the Fall Board of Directors meeting or a time requested by the Board, the risk register will be reviewed in full.

Amendment: The Board may amend this policy.

Last Review:

Last Revision:

Approval Date: December 3, 2020