



Strategic Risk Oversight for Board Directors

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The recent financial crisis saw spectacular failures of sophisticated organizations who purportedly had robust risk management capabilities. If this is true, then how did they fail to identify the peril the business strategy was taking them? Did their board directors fail in their oversight of the company's risk management function? What can and must directors learn from this experience?

This program has been developed to address the increasing expectations placed on board directors with respect to their oversight of an organization's risk management function. It will provide practical tools and perspectives that directors need to guide their company's strategy within an environment of unparalleled uncertainty.

At the conclusion of this one day program participants will have:

- Developed skills needed to evaluate strategy and risk oversight dynamically
- Learned how to create an effective governance structure for risk oversight
- Learned how to select and employ various enterprise risk management frameworks
- Embed these new skills immediately in an experiential learning session of scenarios and case study discussions.

7:30am – 8:00am **Continental Breakfast**

8:00am – 8:15am **Opening Remarks and Introductions**

Dr. Chris Bart, FCA
Principal and Lead Professor
The Directors College

Session 1
8:15am – 9:30am

The Role of the Board in Strategy and Risk Management

Dr. Chris Bart, FCA
Principal and Lead Professor
The Directors College

Elliot Schreiber
President and CEO, Brand and Reputation Management LLC

An organization's strategic plan generates a multitude of risks. Directors demonstrate their oversight of a portfolio of risks by their approval of risk appetite and risk tolerance limits. To do so, directors need to possess a number of skills including:

- The ability to analyze how critical assumptions affect the performance of the business strategy and impact the risk profile of the organization.
- The ability to understand the dynamic nature of an organization's overall risk exposure from a portfolio perspective.

9:30am – 10:00am

Break

Session 2
10:00am – 11:30am

Fundamentals of Risk Integration

John Fraser
Senior Vice-President, Internal Audit and Chief Risk Officer
Hydro One Inc.

The probability of an organization achieving its strategic business objectives is significantly enhanced by integrating risk related concepts and practices throughout the organization. This session will provide insights into some of the key practices that achieve "risk consciousness" by:

- Providing an overview of various ERM frameworks, their key strengths and weaknesses, and how to identify the most appropriate framework.
- Provide insights into how integration of a risk framework into business practices can lead to the development of a risk-aware culture.

11:30am – 12:30pm

Lunch

Session 3
12:30pm – 2:30pm

The Oversight of Risk Management Mandate

McCarthy Tétrault, TBA

Elliot Schreiber
President and CEO, Brand and Reputation Management LLC

Whether the entire board participates in the oversight of risk or delegates specific risk-related responsibilities to an audit or risk committee, written, regularly monitored and communicated policies and procedures must be in place. In this session, participants will learn how to:

- Understand the board and committee fiduciary and legal responsibilities in risk management.

- Identify and discuss the factors that determine the oversight responsibilities of a board and/or a committee and discuss the implications of various approaches.
- Establish a proper framework for engagement around risk policies and procedures, boundaries of responsibility, the need for collaboration with other committees and board responsibilities.

2:30pm – 2:45pm

Break

Session 4

2:45pm – 4:45pm

Strategic Risk Oversight for Directors

Lloyd Komori, C.Dir.

Faculty

The Directors College

Break: 3:30pm – 3:45pm

Evaluating the impact of unexpected events or trends requires directors to have specific skills and perspectives. This session will provide directors with the opportunity to develop practical experience with new insights and knowledge in a simulated board environment. Specifically this session will:

- Provide participants opportunities to challenge and assess the content, inputs and assumptions used to create risk reports.
- Provide practical and experiential techniques that can be immediately applied in a risk oversight function. These techniques include perspectives from which to ask the “right questions”.

4:45pm – 5:00pm

Closing and Final Debrief

Dr. Chris Bart, FCA

Principal and Lead Professor

The Directors College

Participants are advised that The Directors College is not responsible for maintaining the confidentiality of any material that participants wish to share in sessions. Although real-life examples from participants can help illustrate issues in discussions, everyone is cautioned that there are no special protections given for such disclosures. In the event that any participant is concerned that they may be in breach of their own obligations of confidentiality to an employer, client or other person, they are urged to err on the side of caution and not present material that they are concerned about.