



Risk Management Policy

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1. Preamble

Curling Canada faces both internal and external factors that influence its ability to deliver on its strategic goals. These factors create a degree of uncertainty, which is how we are defining “risk”. This uncertainty can result in positive and negative consequences, and it is critical that it is managed in a forward-looking manner so that decisions can be made with all relevant information taken into consideration as reasonably possible.

To ensure that Curling Canada can be innovative, plan for change, and undertake new initiatives, Curling Canada has adopted a Risk Management Policy, Framework and Process. Risk Management Framework and Risk Management Process form an integral part of this Policy as Appendices “A” and “B” respectively.

The Risk Management Framework and Process provide guidance and parameters on the implementation of this Policy, including risk categories, appetite, as well as steps such as risk identification, assessment, treatment and reporting mechanisms.

Senior Management must refer to the Framework and Process to understand the principles and objectives of Curling Canada’s Risk Management Policy

Together, these documents aim to:

- I. **Foster a culture of risk management and ownership** by integrating risk into daily operations and enhancing decision-making and planning
- II. **Identify and assess risks** based on likelihood and impact.
- III. **Establish response and monitoring strategies** to create value for stakeholders, employees, customers, regulators, and society
- IV. **Support management in achieving objectives** by de-risking business plans and ensuring business continuity before, during, and after disruptions.

2. Definitions

Terms in the Risk Management Policy, Framework and Process are defined as follows:

Risk - The uncertainty that significantly impacts Curling Canada’s ability to achieve its strategic and operational objectives. Risk can present both opportunities (positive risk) and disruptions (negative risk).



Inherent Risk – the level of risk present in the absence of controls or mitigation measures.

Residual Risk – the level of risk remaining after control or mitigation measures have been applied.

Risk Appetite - the level of risk an organization is willing to accept or retain to achieve its strategic objectives.

Risk Appetite Statement - A written articulation of acceptable risk exposure for specific risks, reviewed regularly against internal and external contexts.

Risk Criteria – thresholds used to assess and evaluate the significance of a risk. They help determine whether a risk is acceptable, tolerable, or requires further action.

Risk Indicators - metrics or signals that provide early warning signs about potential risks, allowing for timely intervention or mitigation.

Risk Management - The process of identifying, assessing, prioritizing, and mitigating risks to minimize negative outcomes and maximize opportunities.

Risk Owners – Individuals or teams responsible for managing specific risks, ensuring mitigation measures are implemented, and keeping risks within acceptable limits to maintain accountability.

Risk Register- A central record of identified risks, including descriptions, likelihood, impact, ownership, mitigation plans, and status. It enhances decision-making by helping stakeholders address risks before they escalate.

Risk Tolerance - The acceptance of risk outcomes with adequate resources and controls to manage them, expressed through qualitative or quantitative criteria. While risk appetite sets the overall risk direction, risk tolerance defines measurable limits for individual risks.

Heat Map - A visual tool that displays the likelihood and impact of identified risks in a color-coded grid, helping organizations prioritize and allocate resources effectively.

3. Purpose

The Policy establishes a consistent approach to managing risk within Curling Canada, sets the requirements and responsibilities and emphasizes that the management and reporting of risk is everyone's responsibility.

4. Objectives

This Policy sets out to achieve the following objectives:

- 4.1. **Oversight:** All critical risks and opportunities are identified, managed, and monitored using a holistic approach aligned with Board-approved Risk Appetite Statements.
- 4.2. **Ownership and responsibility:** Risk ownership is assigned to management who are responsible for identifying, evaluating, mitigating, and reporting risk exposures.



- 4.3. **Assurance:** The Board, the Board's Risk Committee, and Senior Management ensure that all risks and opportunities are appropriately managed/explored within defined levels to add value to the organization.

5. Scope

This Policy applies to all of Curling Canada operations and governance related activities and is aimed at establishing the principles of and commitment to the management of enterprise-wide risks of the Organization.

6. Principles

Curling Canada follows 5 key principles in its risk management:

- 6.1. **Balance:** Effective risk management requires a proportionate mitigation response. This policy promotes assessing risk implications against existing controls to enable informed decision-making. As a lean organization reliant on live event profitability, Curling Canada lacks the capacity to eliminate all risks. Balancing risks at appropriate levels prevents overspending on controls where a higher degree of risk is acceptable.
- 6.2. **Innovation:** Risk is not just a potential threat but an opportunity to enhance Curling Canada's chances of achieving its objectives. Risk appetites are not restrictive but reflect a willingness to take on risks when adequate controls support strategic ambitions.
- 6.3. **Future-Relevance:** In a dynamic and complex environment, Curling Canada's decision-makers must ensure both current success and future relevance by adopting a forward-looking approach and anticipating potential risks while executing Curling Canada's strategic plan.
- 6.4. **Transparency:** Risk management is inclusive, encouraging all stakeholders to identify and report risks promptly. This enables the timely development of contingency plans and ensures effective mitigation.
- 6.5. **Trust:** This Policy empowers Curling Canada's team to make confident decisions and delegate authority, ensuring a shared understanding of necessary precautions before accepting different levels of risk.

7. Responsibilities

7.1. Board of Governors

The Board of Governors holds ultimate responsibility for overseeing risk management, guided in good corporate governance practices. Key responsibilities of the Board include:

- 1) Ensuring effective oversight of organizational risks.
- 2) Ensuring operations align with Curling Canada's Risk Appetite Statements.
- 3) Understanding and evaluating the breadth of risks and how critical risks are managed



7.2. Risk Committee

The Risk Committee makes recommendations to the Board for consideration and approval, as well as:

- 1) Ensures Curling Canada has risk management documentation, including policies, frameworks, and reporting mechanisms.
- 2) Periodically reviews risk documentation with management and recommends updates to the Board.
- 3) Oversees management's handling of material risks and reports to the Board as needed.

7.3. Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for maintaining an effective risk management process to safeguard Curling Canada's assets. Key responsibilities include:

- 1) Identifying, assessing, and prioritizing risks for Curling Canada while developing mitigation controls.
- 2) Developing the risk management framework, policies and reporting mechanisms; providing an annual assessment of the adequacy and effectiveness of Curling Canada risk management initiatives.
- 3) As part of the risk management process, assigning risk owners and monitoring compliance with the risk management framework through regular reporting from the Senior Management Team (SMT).
- 4) Promoting a culture of risk management across the organization and ensuring that staff receives appropriate risk management training.
- 5) Providing reports on significant risk exposures and governance issues at every meeting of the Risk Committee and the Board of Governors. Material changes in risk management will be communicated to the Board as soon as reasonably possible.

7.4. Senior Management Team (SMT)

Senior Management is responsible for identifying, managing, reporting, and controlling risks within their areas while fostering a risk-aware culture. Key responsibilities include:

- 1) Implementing and monitoring risk identification and assessment processes, ensuring risk owners manage key risks effectively.
- 2) Ensuring risk management systems operate effectively in line with Curling Canada's risk management policy and framework.
- 3) Regularly reporting to the CEO on the management of material risks and periodically reviewing the risk profile

7.5. Employees and Contractors

Employees and contractors are responsible for identifying, reporting, and controlling risks in their areas and contributing to a risk-aware culture. Their primary role is to:

- 1) Understand key risks in their area as discussed with their SMT leader.
- 2) Report inefficient or unnecessary controls.
- 3) Report loss events or near misses to their supervisor.