

Annual Principal Corporate Risk Report

Audit Committee
2021 January 28

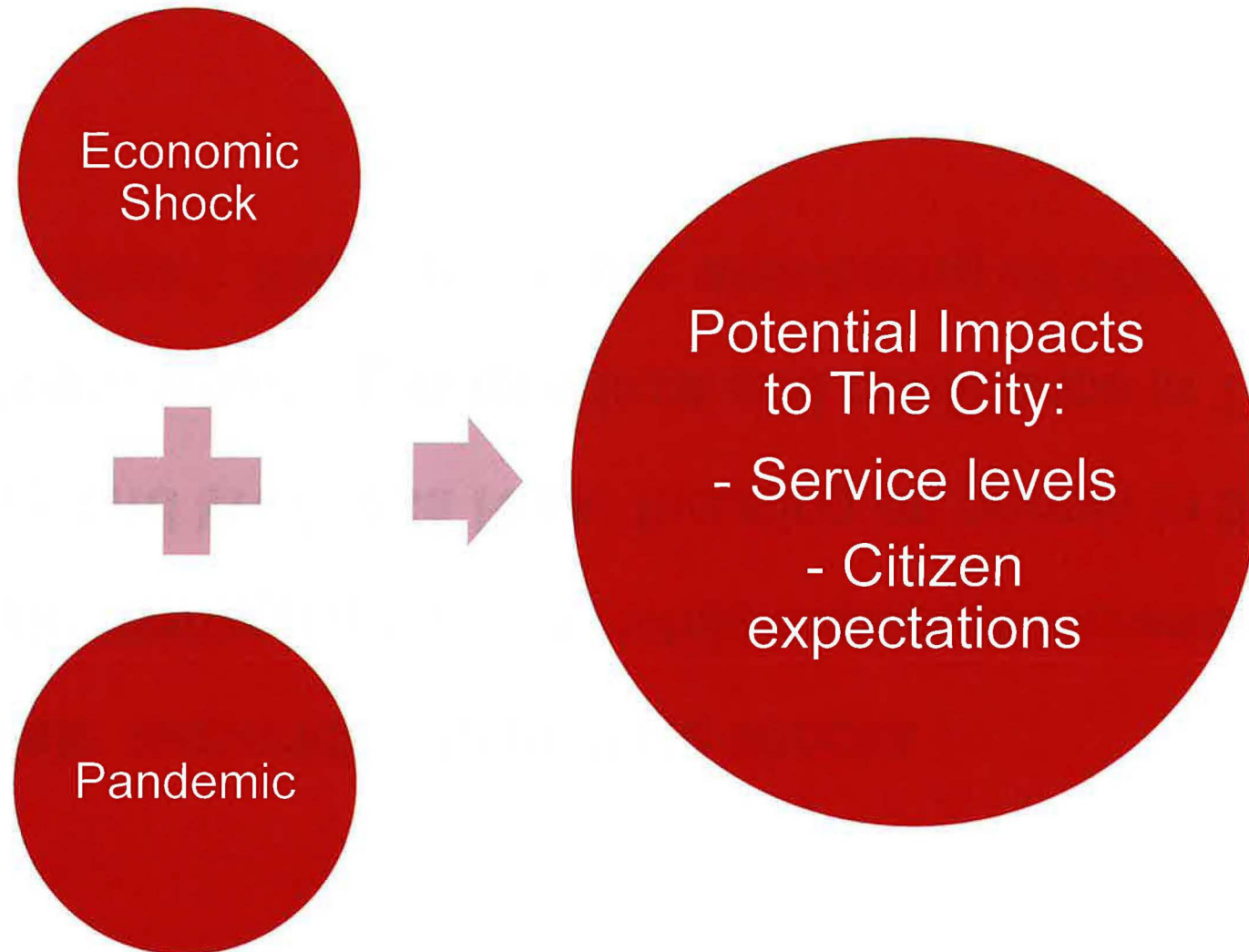




Why is this important to Calgarians and Council?

- Understanding, assessing and managing risk is critical to achieving Council's vision for Calgary – a great place to make a living, a great place to make a life.
- If risks are not identified, assessed, and managed, The City is at risk of incurring unnecessary costs and service disruption

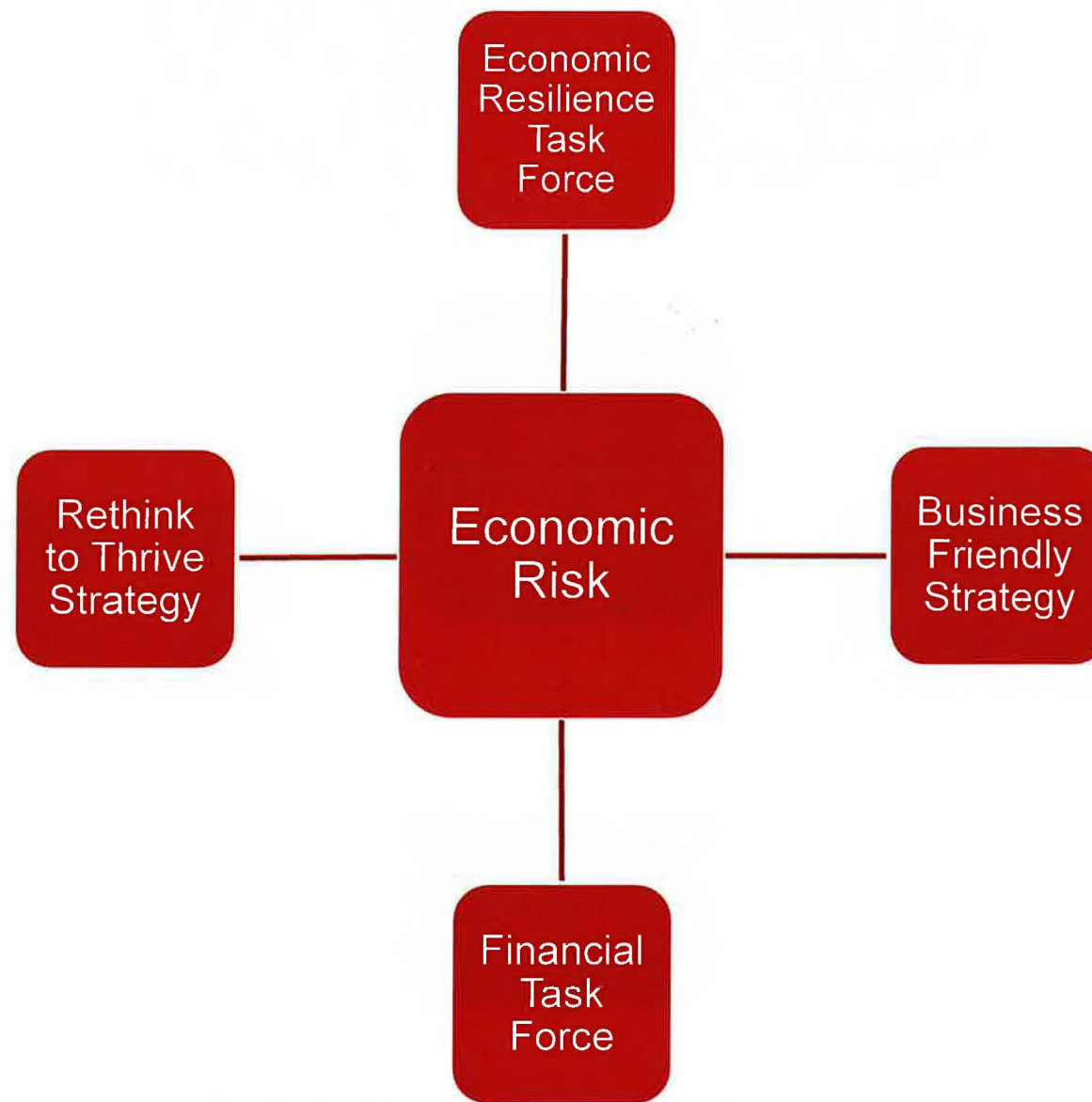
Systemic Risks Impact The City's Risks



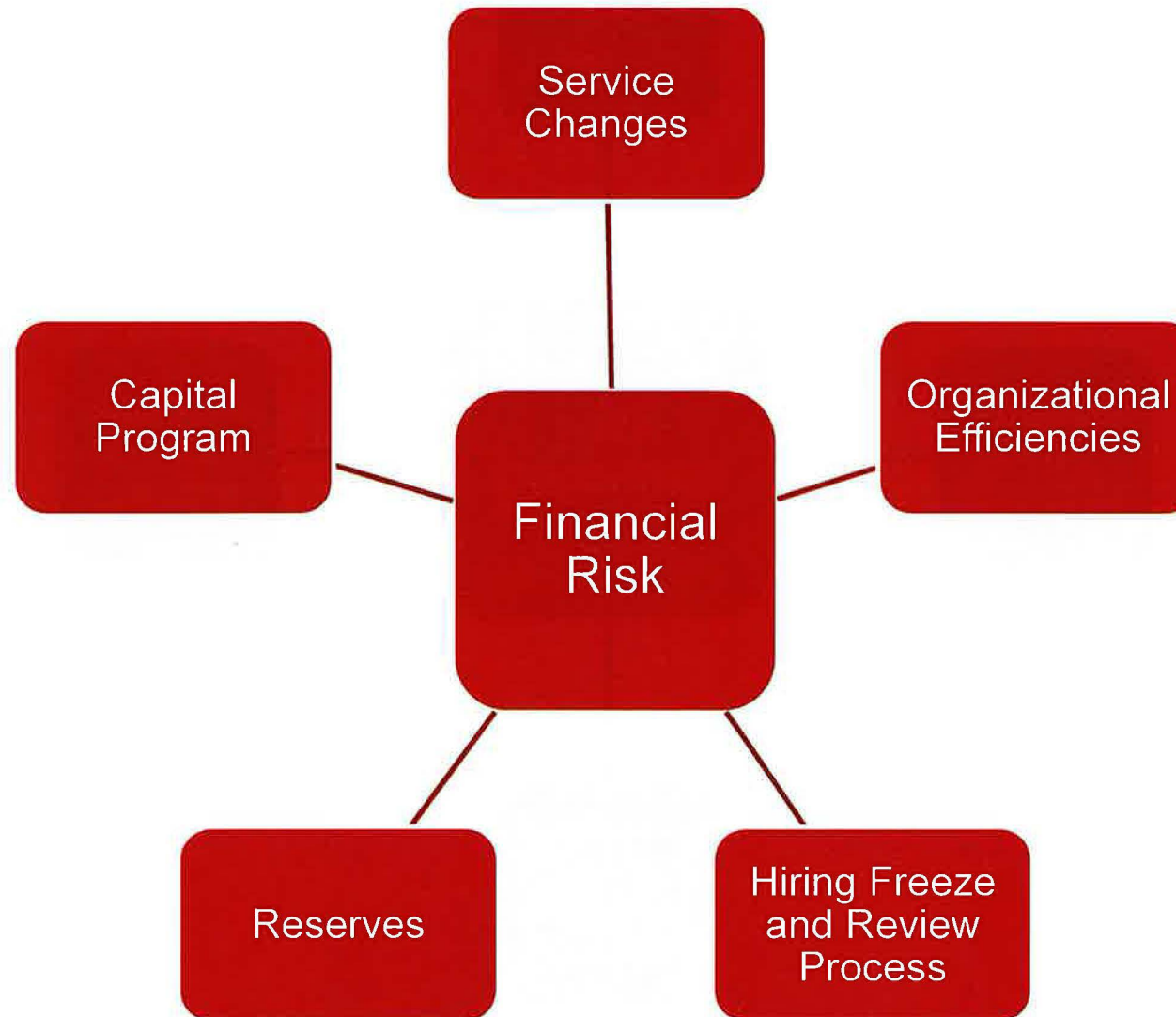
Five Priority Principal Corporate Risks

- **Economic Risk:** responding to multiple shocks
- **Financial Risk:** managing finances while exposure increases
- **Health, Safety and Wellness Risk:** focusing on people in the organization
- **Reputation Risk:** watching citizen trust and confidence in The City
- **Social Impact Risk*: Supporting the well-being of citizens**

We are Responding – Economic Risk



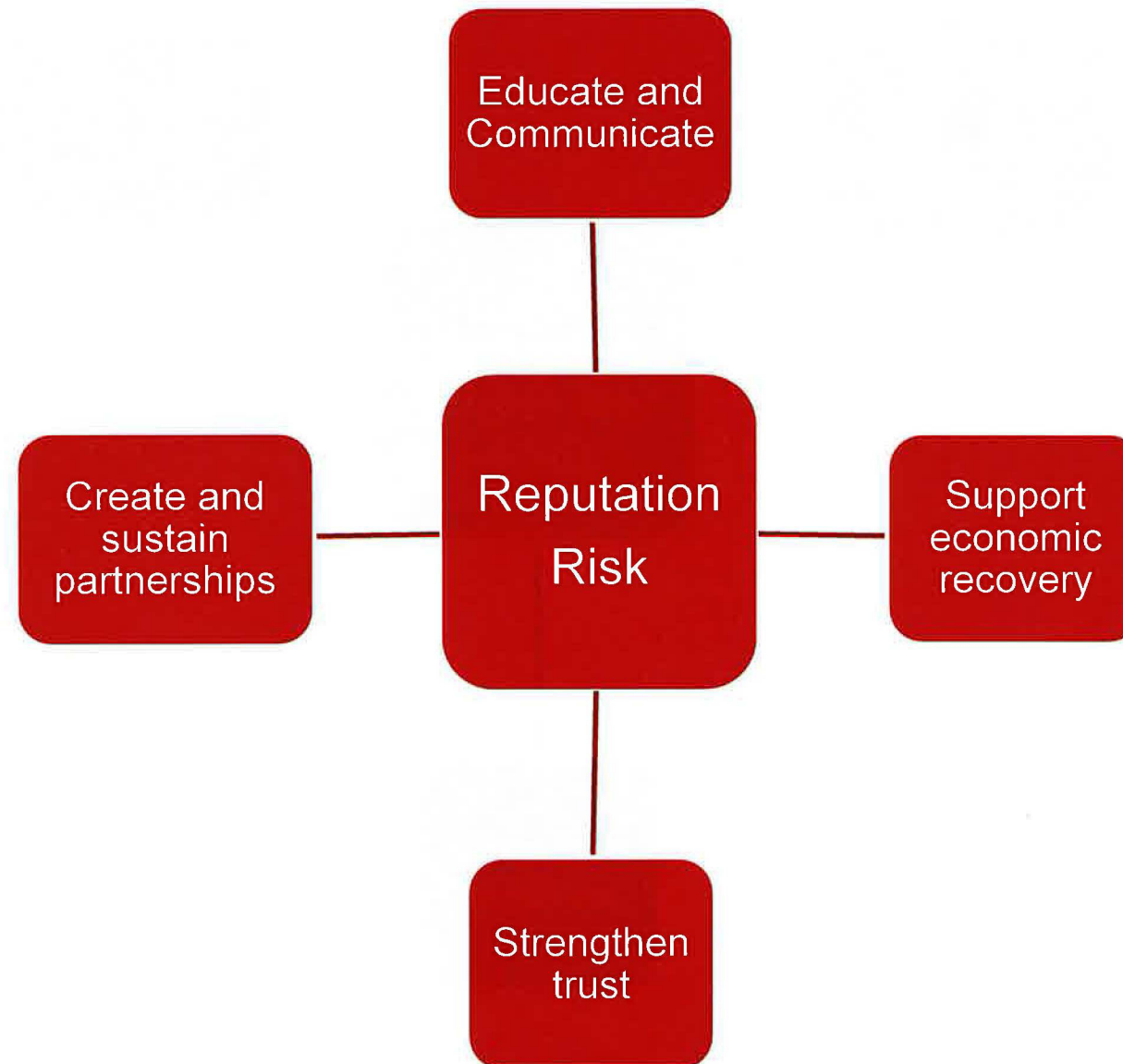
We are Responding – Financial Risk



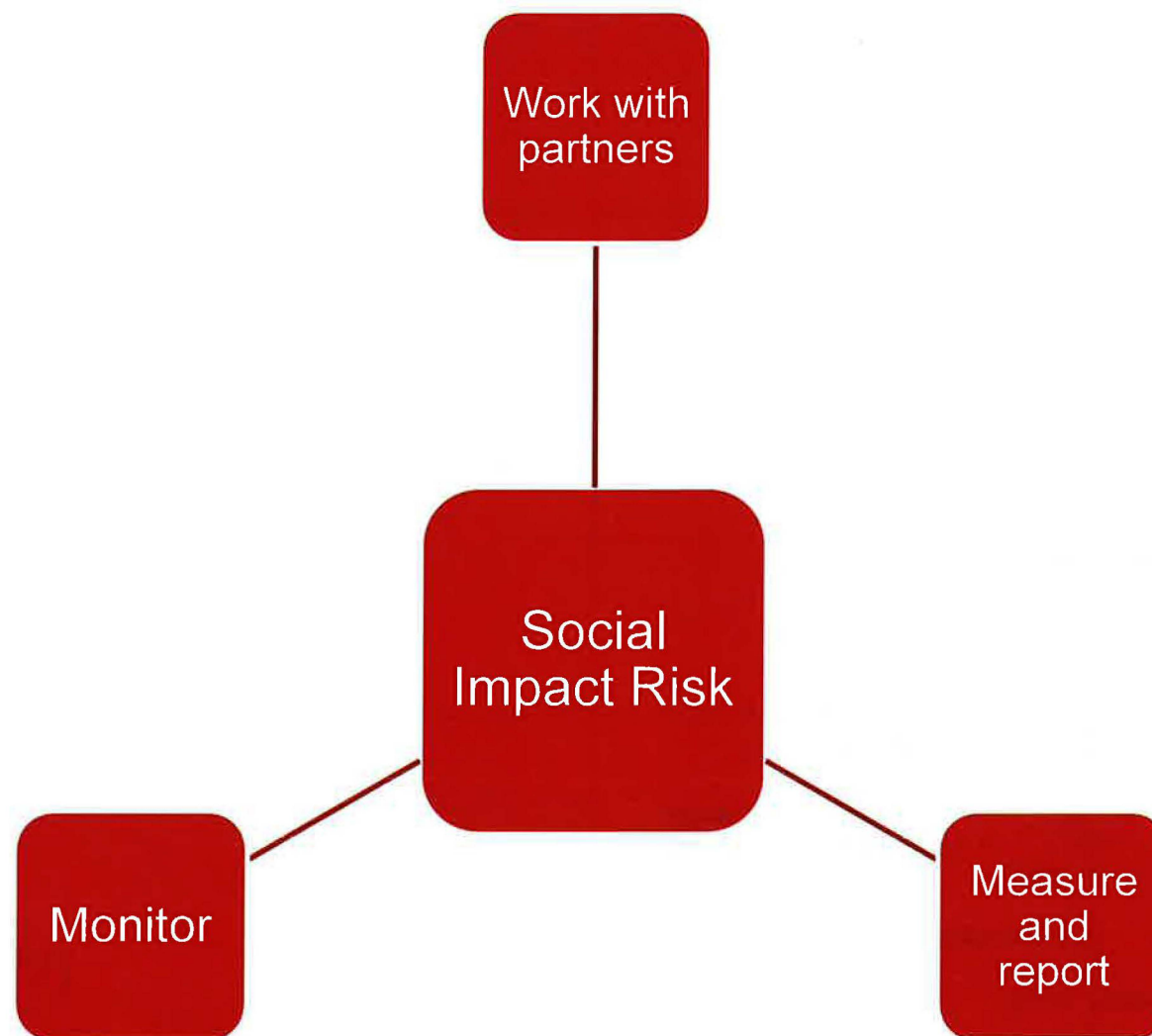
We are Responding – Health, Safety and Wellness Risk



We are Responding – Reputation Risk

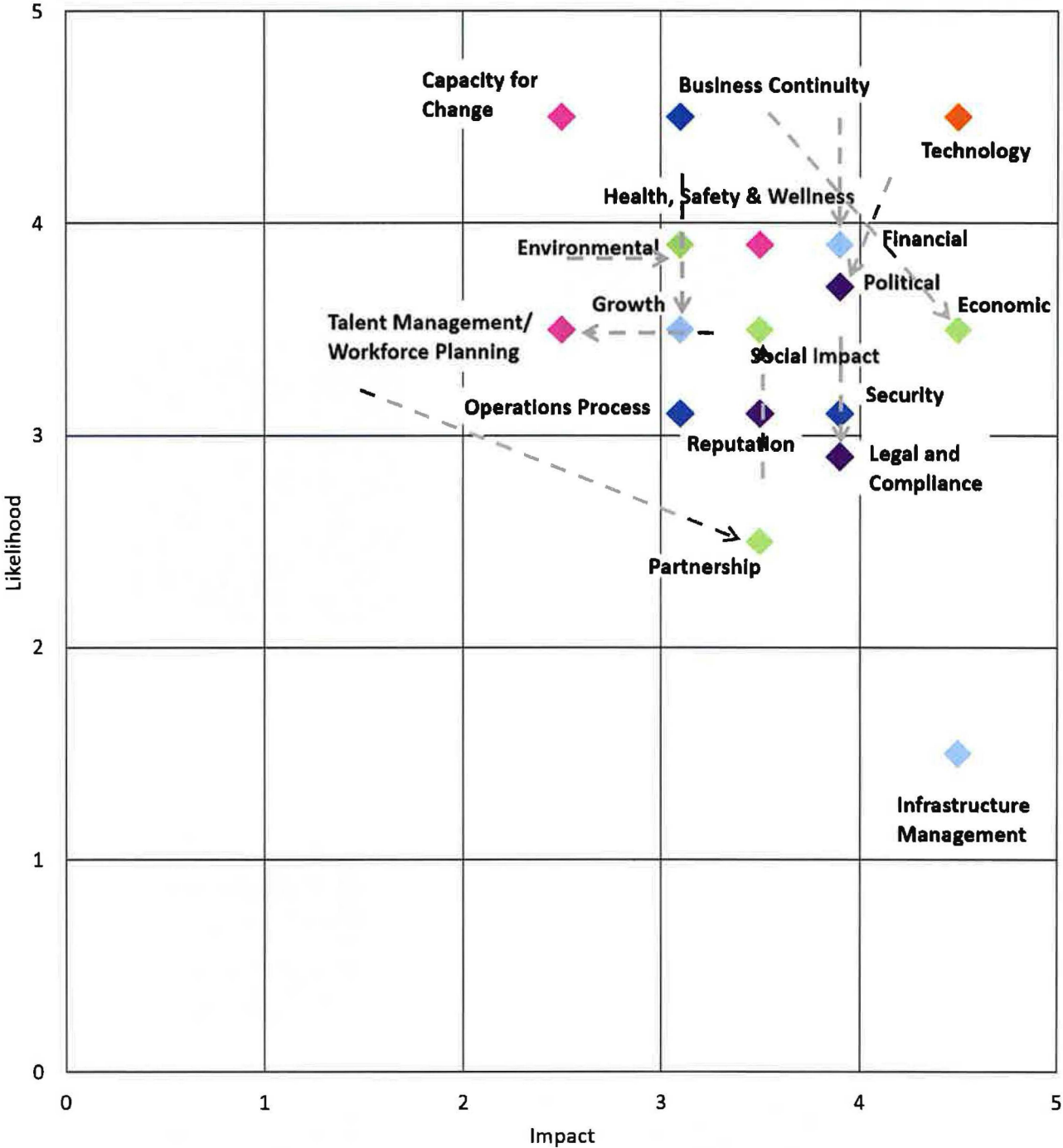


We are Responding – Social Impact Risk



The City's Principal Corporate Risks

9 PCR's have changed their rating since the 2020 Mid-year risk report.



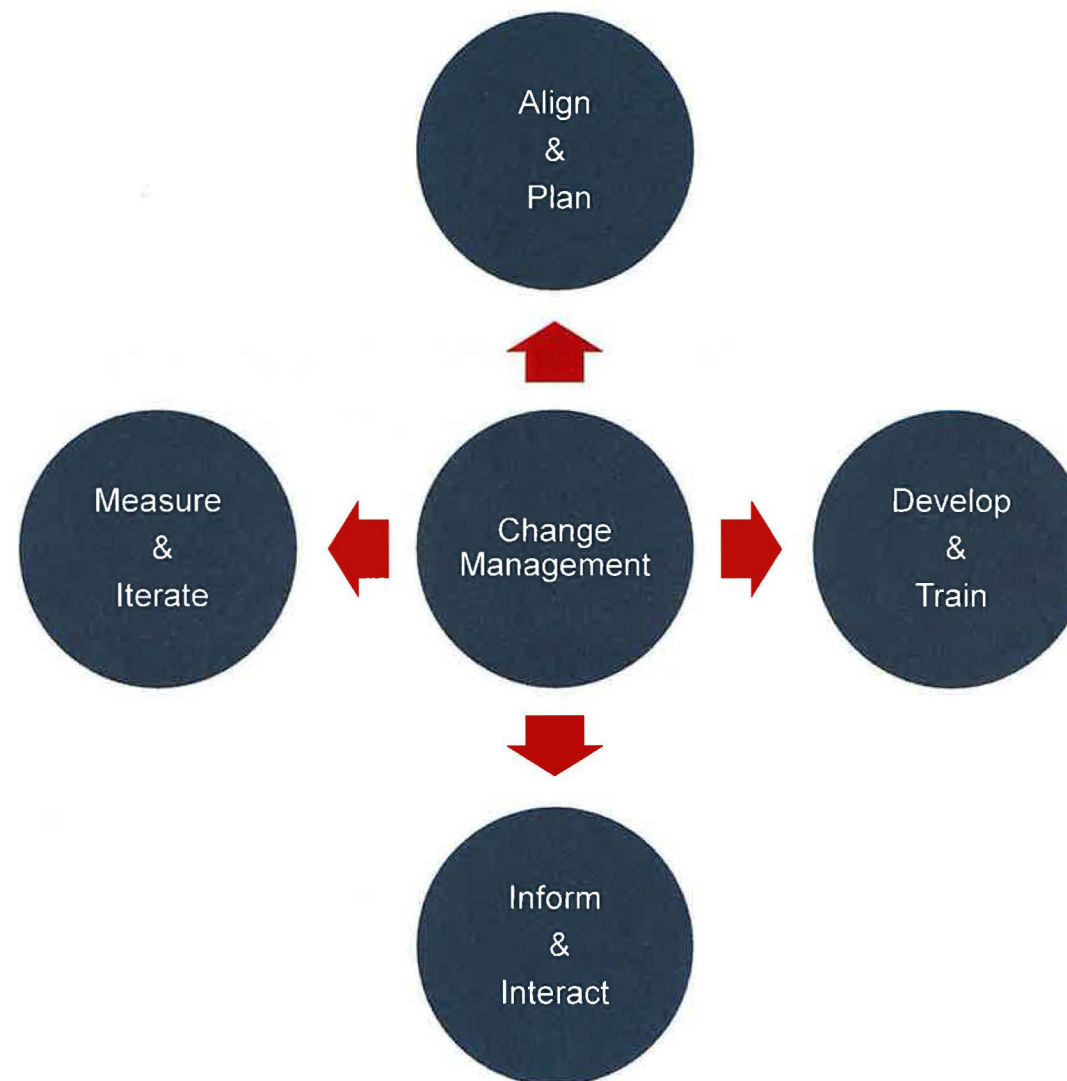
Critical Uncertainties (examples):

- Changing commuter habits and consumer behaviours
- Vacancies in downtown buildings
- Social unrest and protests
- Transit ridership, the way we move and interact
- Change in philosophy about health and how we recreate
- Working from home



"We need to recognize that we **miss opportunities** for innovation in management, service delivery and planning because of an **existing culture of risk avoidance**. We need to create a culture, including City Council, that embraces appropriate levels of risk, innovation, experimentation, and embraces lessons learned as opportunities to improve."

One Calgary, Council Directive



That the Audit Committee:

1. Receive Report AC2021-0037 and the presentation for information, discussion and the Corporate Record pursuant to Audit Committee Bylaw 33M2020, Schedule A, Section 5 (c).