

TAF Draft Risk Register

May 2020

TA6.4 Attachment 1

Risk ID	RISK CATEGORY	RISK	EXAMPLES	LIKELIHOOD	LIKELIHOOD RANKING	IMPACT	IMPACT RANKING	RISK RANKING	RISK RESPONSE	RISK RESPONSE ACTIONS	PERSON RESPONSIBLE	MONITORING ACTIVITY	MONITORING / REVIEW DATE	STATUS	NOTES
1	REPUTATIONAL	Actions taken by TAF staff, Board or Committees or by LC3 colleagues damage TAF's reputation in the eyes of its stakeholders, funders and/or the public.	Conflict of interest, non-compliance with governance requirements, inappropriate public communications, fraud, etc.	Low	1	High	3	4	Reduce	<ul style="list-style-type: none"> - Ensure relevant staff, Committee and Board members are aware of TAF's key governance requirements (e.g., TAF's policy advocacy guidelines, conflict of interest policy, etc.) and how they must comply with them. - Institute and maintain strong internal controls to prevent financial fraud. 	Julia	<ul style="list-style-type: none"> - Circulate key policies to relevant staff, Committee and Board members for review annually. - Have external auditor review TAF's financial controls at least once every three years. 	<ul style="list-style-type: none"> - Every year by June 30 - June 30, 2021 	Active	
2	OPERATIONAL	Staff capacity and/or governance capacity are inadequate to deliver on TAF's mandate.	Excessive turnover; lack of diversity in staff or volunteer skills, experience and perspectives; administrative burden distracts from effective program delivery and governance.	Low	1	Medium	2	3	Reduce	<ul style="list-style-type: none"> - Provide competitive remuneration packages; foster a work environment that promotes staff satisfaction (e.g., through challenging and innovative work, regular individual and team-based professional development opportunities, frequent social events, open communication, etc.) - Ensure adequate administrative support; streamline reporting to TAF's Committees, Board and primary funders wherever possible. 	Fatima	<ul style="list-style-type: none"> - Review TAF's remuneration package at least once every four years. - Earmark an annual budget for individual and team-based PD opportunities 	<ul style="list-style-type: none"> - June 30, 2023 - March 31, 2021 	Active	
3	OPERATIONAL	TAF's activities give rise to legal liability or litigation.	Allegations of human rights violations; workplace healthy and safety claims; injury at construction site.	Low	1	High	3	4	Reduce	<ul style="list-style-type: none"> - Solicit advice from TAF's HR consultant to ensure compliance with the latest human rights and workplace safety legislation; maintain a workplace Health and Safety Committee that undertakes training as needed. 	Fatima	<ul style="list-style-type: none"> - Review requirements annually to ensure ongoing compliance 	<ul style="list-style-type: none"> - Every year by June 30 	Active	
4	OPERATIONAL	Information Technology disruption	Data breach, server failure, etc.	Medium	2	Medium	2	4	Reduce	<ul style="list-style-type: none"> - Solicit advice from TAF's IT consultants as needed; train staff on how to protect against data breaches; replace critical equipment (e.g., server) before end-of-life; proceed with plans to migrate to the cloud. 	Fatima	<ul style="list-style-type: none"> - Assess the adequacy of TAF's IT systems annually - Circulate advice for preventing data breaches to all staff annually 	<ul style="list-style-type: none"> - Every year by September 30 - Every year by September 30 	Active	
5	PROGRAM	Risk aversion constrains TAF's ability to fulfill mandate.	Low risk tolerance with respect to direct investments, grants, program design, policy advocacy, etc. limits the ability of TAF to take sufficient risk to generate strong returns and to advance innovative and impactful solutions.	Low	1	High	3	4	Reduce	<ul style="list-style-type: none"> - Continue using Board-approved Strategic Plan, Annual Business plan and Statement of Investment Objectives and Principles to guide TAF's investment decisions. 	Julia	<ul style="list-style-type: none"> - Submit annual Business Plan to Board for review and approval annually. - Undertake a strategic planning exercise at least once every five years. 	<ul style="list-style-type: none"> - Every year by March 31 - June 30, 2023 	Active	
6	PROGRAM	External factors affect TAF's ability to reduce carbon emissions.	A recession diverts public and political attention away from the climate crisis; the government invests inadequate resources in climate solutions and/or invests in carbon lock-in infrastructure.	Medium	2	High	3	5	Reduce	<ul style="list-style-type: none"> - Continue to work with allies in the environmental sector and other sectors to demonstrate the multiple benefits (i.e., economic development, public health, social equity, resilience) of strong climate action. 	Julia	<ul style="list-style-type: none"> - Consider opportunities to incorporate a multi-benefits approach in the design of all new programs. 	<ul style="list-style-type: none"> - Every year by March 31, 2020 (as part of business planning process and ongoing as needed) 	Active	
7	FINANCIAL	TAF's financial situation deteriorates	A capital market downturn or an under-performing direct investment reduces TAF's financial resources and its associated capacity to invest in low carbon solutions.	Medium	2	Medium	2	4	Reduce	<ul style="list-style-type: none"> - Ensure an appropriate level of investment diversification in terms of asset classes, sectors, and fund managers. - Seek regular financial guidance from TAF's expert fund managers, Investment Committee and Board. 	Rob	<ul style="list-style-type: none"> - Review TAF's investment decisions, both individually and as part of the wider portfolio, regularly with the Investment Committee. 	<ul style="list-style-type: none"> - At least every quarter by March 31, June 30, September 30, December 31 	Active	
8	FINANCIAL	TAF mismanages its finances	Poor internal controls lead to costs exceeding revenues, reserves prove inadequate, etc.	Low	1	Low	1	2	Reduce	<ul style="list-style-type: none"> - Develop annual budget in consultation with the Senior Management Team and the Board; review actual costs and revenues against projections. 	Rob	<ul style="list-style-type: none"> - Review annual budget for the following year in consultation with the SMT - Seek Board approval of annual budget 	<ul style="list-style-type: none"> - Every year by December 31 - Every year by March 31 	Active	
10	POLITICAL	TAF loses its endowment(s)	A new administration is hostile to TAF's mission and/or is seeking new revenue generation opportunities, and withdraws TAF's endowment funds.	Low	1	High	3	4	Reduce	<ul style="list-style-type: none"> - Continue to demonstrate TAF's value proposition to its funders; maintain compliance with all funding requirements; ensure that all work remains strictly non-partisan and evidence-based. 	Julia	<ul style="list-style-type: none"> - Ensure compliance with funding requirements as part of development of quarterly CEO report 	<ul style="list-style-type: none"> - At least every quarter by March 31, June 30, September 30, December 31 	Active	