Directors and Risk Management

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Risk management has always been a part of an enterprise's management profile. Historically, boards of directors did manage risk, albeit in a less systematic way.

Greater emphasis has been placed on this aspect of management over the last few years. Thus, the practices which were recommended to Canadian reporting issuers with respect to governance emphasized the need to include risk management in the board of directors' mandate. In the United States, the Securities and Exchange Commission ("SEC") requires reporting issuers to disclose the risk management actions they have taken.

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