Exhibit 40- 2 Other Illustrative applications of ERM and Standardized steps/approach in Proactive Risk Mitigation Action

*First and foremost, the **SAAR** epidemic (2020 -2004) should have been a "warning sign" of things to come by the **WHO** and most governments that follow its directions. (Regretfully, **if true**, **WHO** was allegedly aware of the beginning of the resultant COVID-19 in China, some 6 weeks before informing the world.*

*(This timeframe might have allowed for substantially **mitigating the risk** by countries utilizing the **proactive** attributes of **ERM** for doing so.)*

(The biggest advantage is that the ERM paradigm follows a universal standard ISO 31000 a widely accepted standard for enterprise risk management by private corporations, government bodies, and non-profit organizations throughout the world.)

*Secondly, **Canada** (and other countries) utilizing **ERM** would not have had to "invent the wheel" - (new processes/administration) to deal with most **COVID-19 risk** mitigation even though much "science" about the epidemic needed **WHO direction.***

*The few examples that follow illustrate not only the **versatility, consistency** and **ease of application** of the **ERM** paradigm but also its accepted solution for **proactive** risk mitigation.*

PLEASE NOTE"

1. ***The information that follows will utilize for convenience, graphic (summary) illustrations of the ERM program in place by the entities noted followed by "links" to access the detailed information.***
2. ***My personal background involving ERM took place in the early '90s when as a professional accountant (CMA) and (FMA) financial management advisor, I undertook self-study courses from both New Zealand (originating country of ERM and the standards used today –worldwide) and from Australia (which country was the 2nd to adopt the ERM Standard- This was followed by consulting services in ERM that I performed for various entities including involvement in an ecological entity after retiring from a long career in government legislative investigations and management.***
3. ***My only purpose for this circulation is to inform the Federal Government of an important alternative management process that could (and should be utilized at least, in dealing with COVID-19 administrative risks.) WJP***

It's also important to note the goals of ERM:

- ***Identifying, monitoring, and mitigating risks***
- ***Being proactive in risk prevention***
- ***Providing clear steps for remedying potential adversity***
- ***Creating transparency and accountability to increase faith and confidence of stakeholders***
- ***Conforming to industry/government compliance and regulatory rules***

Summary

- Phased-approach for implementation of risk management is necessary
- Risk management system will be simple, accessible and promote communication of information to all relevant stakeholders for optimal resource allocation and risk mitigation
  - Risk management should be used by all team members to manage risks – risk office personnel
  - Each group is assigned Risk Integrators who are facilitators for effective risk management
  - Risks will be managed at the lowest-level feasible, elevate only those risks that require coordination or management from above
- Risk reporting and communication is an essential element of risk management and will combine both qualitative and quantitative elements
- Risk informed decision making should be introduced to all levels of management
- Provide necessary checks and balances to insure that risks are caught/identified and dealt with in a timely manner
- Many supporting tools, processes & training must be deployed for effective risk management implementation
- Process improvement must be included in the risk processes

https://ntrs.nasa.gov/archive/nasa/casi.ntrs.nasa.gov/20110020315.pdf

ERM and Environmental Goods and Services (Alberta Agriculture –(2007)

*The **Alberta Agriculture** department convened an education "workshop" for the purposes of educating executives in the possible utilization of ERM to address the conservation of "natural areas" in Alberta. It was titled "**ERM and Environmental Goods and Services"***

***Summary notes retained** described the following:*

*With regards to **ERM** and **Environmental Goods and Services** the Department convened, with the help of an executive of an Alberta Branch of an international wide "ecological" organization, a group of U of A scientists and natural resource economists.*

The focus was on conservation of the remaining "natural areas" (trees, shrub, grasslands wetlands) in the privately owned western Canadian Agriculture dominated landscapes in Alberta.

Evidence supported that a wide array of benefits such as carbon sequestration, removal and cleaning of pollutants of water, habitat for hundreds of species of biota including insects, plants fungi, and vertebrates, many of which we are only beginning to understand their roles and importance to humans.

The loss (conversion of natural areas to cultivated farm land continues in a step by step, year by year process whereby landowners drain wetlands, clear trees and Cultivate grasslands- To create more acres of annual cropland and income.

*Institutional and or government support and conservation tools such as incentives for conserving the remaining "privately owned, natural areas" and hence the continued flow of environmental goods and services is at **foreseeable risk.***

*A senior executive of the conservation organization and myself conducted the **ERM** workshop. We employed all of the features demonstrated previously as part of the **ERM** process. Following the introduction and overview we utilized the general formula (discussed previously) and approaches.*

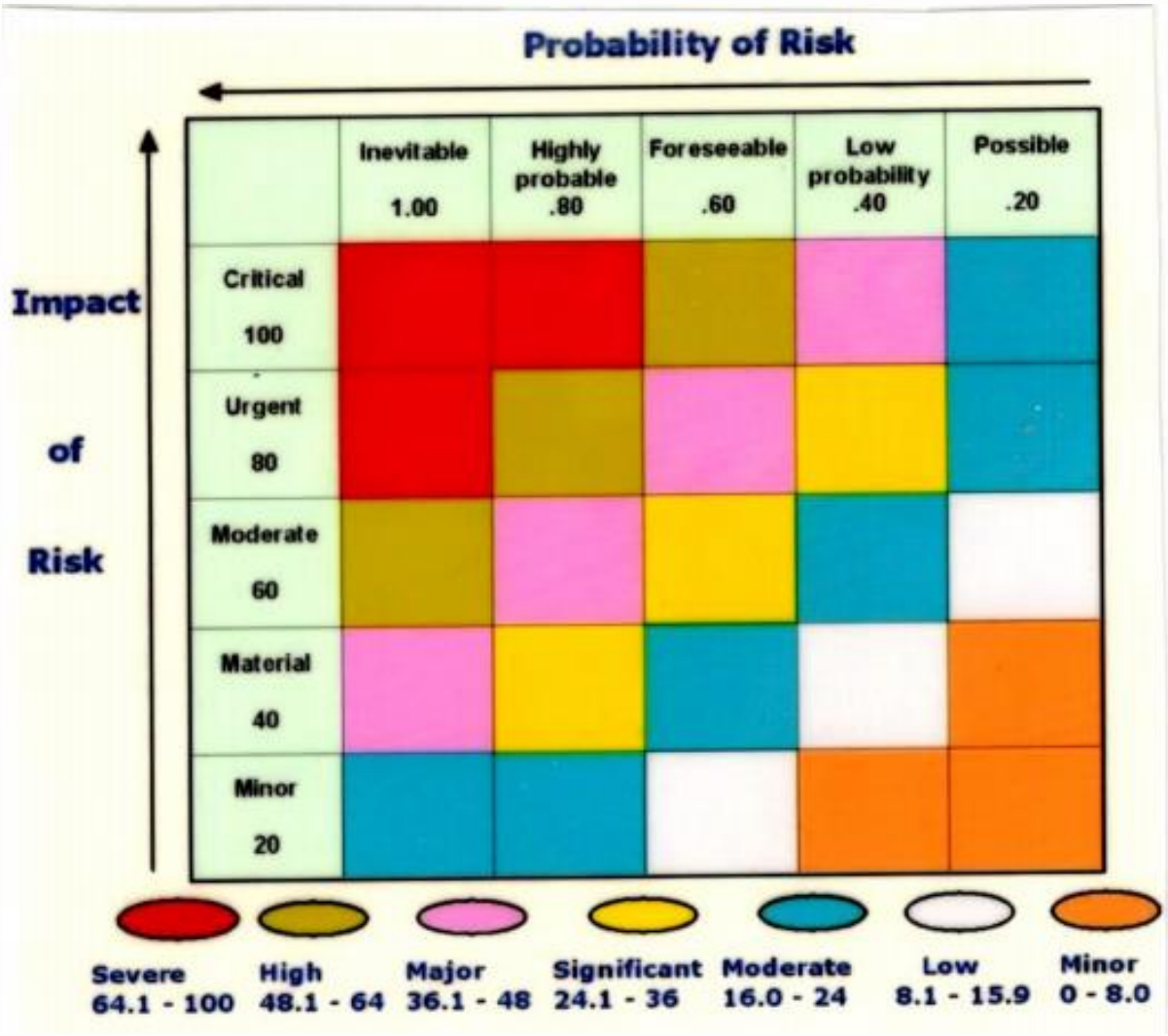
*One of the group assumptions was that **risk management** focussed on events that have already created physical and/or stewardship "mismanagement" damages. That was quickly dispelled as the presentation emphasized that "risks" are events that are usually futuristic in nature- **but that is what ERM attempts to recognize and mitigate.***

Likewise,** it should have been when **COVID-19** was first discovered and certainly was evident from the "SARS" experience. There should be very little room for excuses had **ERM been considered in health care matters at the time.

*Following is the "**risk matrix**" prepared by myself and the subject executive; used in the "work-shop". It illustrates the ease with which ERM can be applied, calculated and demonstrated.*

*The attendees were extremely pleased with the information; what became of the result? information is now in the "Archives" of the government involved at the time! -**WJP***

ERM "Risk Matrix"



(***To be noted is that this chart wilh all of it values can easily be converted to an "EXCEL" computer program for ease of computation by user. -WJP)***
