

## ASSESSMENT DETAILS

### ESCALATION CONTACT:

<b>Team Lead:</b>	<b>Contact No.:</b>
<b>Affected Parties:</b>	

## ACTIVITY OR SERVICE DETAILS

<b>Purpose:</b>	<b>Date:</b>
<p><b>Benefit:</b> Enhances accessibility to homeownership through financing solutions.   Ensures transparency in the mortgage selection process.   Provides tailored mortgage options to meet client needs.   Reduces risks of overborrowing with expert analysis.   Secures competitive rates and terms for borrowers.   Simplifies the mortgage process with expert guidance.</p>	

## HAZARDS

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Client default	Financial losses, increased provisioning, reduced profitability, credit rating impact	Allows for high-risk yet high-reward lending opportunities, expanding market reach.	Develop risk-based pricing, maintain a comprehensive client risk profiling system, and establish emergency loan restructuring protocols for at-risk clients. <b>(ALL)</b>	Company, Investors	Before Measure: <b>High</b> After Measure: <b>Med</b>
Client misrepresentation	Financial losses, increased provisioning, reputational damage, compliance penalties	Broadens client reach and allows the business to identify genuine opportunities.	Conduct detailed client interviews, verify all provided information through independent sources, and utilize fraud detection software to identify inconsistencies in client applications. <b>(ALL)</b>	Company, Investors	Before Measure: <b>High</b> After Measure: <b>Med</b>

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Currency exchange fluctuations	Financial losses, increased costs, reduced profitability, cash flow instability	Enhances the ability to operate in international markets with a competitive edge.	Utilize hedging strategies, maintain multi-currency accounts, and monitor exchange rates to manage the impact of currency fluctuations on international transactions. <b>(ALL)</b>	Company, Investors	Before Measure: <b>High</b> After Measure: <b>Med</b>
Cyber-attacks	Data breaches, service disruption, financial loss, reputational damage	Encourages technological innovation while maintaining operational security.	Establish a cybersecurity framework certified by ISO 27001, deploy end-point threat detection, and regularly update all digital systems. Conduct employee phishing drills quarterly. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Data breaches	Unauthorized data access, data loss, reputational damage, financial loss	Accepting this risk allows innovation in digital client service platforms, offering convenience while managing sensitive data securely.	Deploy multi-layered encryption, implement zero-trust architecture, ensure secure backups, and conduct biannual penetration testing. Provide staff with advanced cybersecurity training to identify and mitigate phishing and ransomware threats. <b>(ALL)</b>	Clients, Company	Before Measure: <b>High</b> After Measure: <b>Med</b>
Economic downturns	Reduced loan demand, increased defaults, lower revenue, operational constraints	Accepting the risk positions the company as a resilient market leader capable of weathering economic fluctuations.	Diversify revenue streams by offering complementary financial services, create contingency budgets, and develop community-driven programs for at-risk borrowers. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Employee misconduct	Fraud, legal penalties, reputational damage, client loss	Accepting this risk fosters an open and ethical workplace, enhancing employee morale and public reputation.	Conduct rigorous background checks, establish a whistleblowing mechanism with anonymous reporting, and enforce strict compliance training and behavior monitoring using secure platforms. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Environmental risks	Regulatory penalties, property damage, increased operational costs, reputational damage	Encourages responsible investment and builds a reputation for due diligence.	Assess properties for environmental hazards, comply with environmental regulations, and obtain necessary environmental insurance to mitigate potential liabilities. <b>(ALL)</b>	Company, Clients, Public	Before Measure: <b>High</b> After Measure: <b>Med</b>
Fraudulent loan applications	Financial losses, legal penalties, reputational damage, increased operational costs	Encourages wider client access to products while improving underwriting efficiency.	Use AI-driven fraud detection, verify employment histories and income sources, and partner with fraud databases. Implement multiple points of verification across all departments. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Inaccurate financial reporting	Misinformed decision-making, legal penalties, loss of investor trust, operational inefficiencies	Enhances credibility with stakeholders, supporting greater investment opportunities.	Use advanced financial software with built-in auditing features, conduct regular third-party audits, and implement robust version control for financial data entries. <b>(ALL)</b>	Company, Investors, Regulators	Before Measure: <b>High</b> After Measure: <b>Med</b>
Inadequate client verification	Identity theft, fraudulent loan applications, money laundering, compliance violations	By accepting the risk, you streamline onboarding processes, fostering faster client acquisition while enhancing trust.	Implement a comprehensive Know Your Customer (KYC) process involving advanced ID verification software, biometric checks, and cross-referencing client data with government databases. Regularly audit the process to ensure accuracy and compliance. <b>(ALL)</b>	Clients, Company	Before Measure: <b>High</b> After Measure: <b>Med</b>

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Inadequate internal controls	Fraud, operational errors, compliance violations, financial losses	Improves operational efficiency and ensures the accuracy of financial processes.	Develop and enforce comprehensive internal control policies, conduct regular audits, and establish a clear segregation of duties to prevent errors and fraud within the organization. <b>(ALL)</b>	Company, Investors, Regulators	Before Measure: <b>High</b> After Measure: <b>Med</b>
Interest rate fluctuations	Loan defaults, profit margin changes, client dissatisfaction, cash flow instability	Accepting this risk allows tailored products for specific client needs, creating competitive differentiation.	Hedge interest rate exposure using financial derivatives, forecast rate movements with AI analytics, and adjust lending criteria periodically to align with market trends. Educate clients on rate options. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Legal disputes	Financial penalties, legal fees, reputational damage, operational disruptions	Accepting the legal risks supports business growth through complex yet lucrative partnerships.	Maintain detailed documentation of all agreements, use arbitration clauses in contracts, and adopt secure e-signature technology to prevent contract mismanagement. <b>(ALL)</b>	Company, Clients, Partners	Before Measure: <b>High</b> After Measure: <b>Med</b>
Liquidity issues	Inability to meet obligations, reduced operational capacity, credit rating impact, increased borrowing costs	Accepting liquidity risks ensures greater agility in responding to growth opportunities or unexpected demands.	Develop liquidity forecasting models, maintain a revolving credit line with reputable banks, and regularly stress-test cash flow scenarios to prepare for potential shortages. <b>(ALL)</b>	Company, Investors	Before Measure: <b>High</b> After Measure: <b>Med</b>

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Market competition	Reduced market share, lower revenue, pressure on pricing, increased marketing costs	Accepting competitive pressures pushes the organization to exceed industry standards, driving excellence.	Perform regular competitor analysis, invest in differentiated product features, and leverage digital marketing to highlight unique value propositions. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Market volatility	Investment losses, reduced profitability, unstable cash flow, client attrition	Enables offering innovative financial solutions, creating opportunities to gain market share during downturns.	Build predictive analytics models, establish risk-adjusted pricing, and maintain a diversified product portfolio that includes fixed-rate, adjustable-rate, and hybrid mortgages. Offer clients flexible repayment terms. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Natural disasters	Operational disruption, data loss, property damage, client service interruptions	Enables operation in diverse geographic markets with disaster preparedness.	Build contingency frameworks involving secondary office locations, establish mobile work policies, and create client communication channels for emergencies. <b>(ALL)</b>	Company, Employees, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Political instability	Operational disruption, investment losses, market exit, reputational damage	Opens opportunities in emerging markets with high growth potential.	Monitor political developments, diversify investment portfolios across stable regions, and develop contingency plans to address potential political disruptions. <b>(ALL)</b>	Company, Clients, Investors	Before Measure: <b>High</b> After Measure: <b>Med</b>
Property fraud	Financial losses, legal penalties, reputational damage, operational disruptions	Facilitates smoother property transactions while fostering trust with clients and partners.	Implement thorough due diligence processes, including title searches, property history verification, and collaboration with reputable title insurance companies to detect and prevent fraudulent property transactions. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Regulatory changes	Compliance costs, operational disruptions, product adjustments, strategic realignments	Positions the company to take advantage of evolving market dynamics tied to regulatory shifts.	Partner with legal experts for proactive regulatory tracking, use real-time compliance updates in management systems, and frequently update internal policies. <b>(ALL)</b>	Company, Regulators	Before Measure: <b>High</b> After Measure: <b>Med</b>
Regulatory non-compliance	Fines, legal penalties, license suspension, reputational damage	Accepting regulatory risks enables the company to offer diverse and competitive financial products by navigating complex regulations.	Establish a compliance department equipped with real-time regulatory monitoring tools, develop a legal advisory panel, and incorporate AI-driven risk assessment systems to maintain adherence. Conduct frequent compliance audits. <b>(ALL)</b>	Company, Regulators	Before Measure: <b>High</b> After Measure: <b>Med</b>
Reputation damage	Client loss, reduced business opportunities, increased scrutiny, lower market value	Enables bold, innovative marketing strategies while maintaining the ability to mitigate reputational threats.	Build a comprehensive crisis communication plan, monitor online sentiment with AI tools, and create client advocacy programs. Regularly train executives on media engagement. <b>(ALL)</b>	Company, Clients, Public	Before Measure: <b>High</b> After Measure: <b>Med</b>
Technological disruptions	Service obsolescence, operational inefficiency, increased costs, client attrition	Positions the company as an innovator, appealing to tech-savvy clients and maintaining relevance.	Invest in scalable and flexible technology infrastructure, establish partnerships with technology providers, and develop rapid response strategies to adapt to technological changes. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Technological obsolescence	Reduced competitiveness, increased costs, service inefficiency, client attrition	Drives innovation by staying ahead of technological trends.	Create a technology roadmap with annual reviews, allocate a dedicated R&D budget, and engage in regular vendor-led workshops to adopt future-proof tools. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Technology failures	Service downtime, data loss, client dissatisfaction, operational delays	Accepting this risk facilitates the adoption of cutting-edge tools that improve client experience.	Implement redundant systems, cloud-based backups, and real-time monitoring with automated failover protocols. Conduct monthly infrastructure stress tests to prevent failures. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Third-party vendor risks	Service disruption, data breaches, quality issues, contractual disputes	Enables access to specialized third-party expertise, reducing costs and increasing service innovation.	Conduct initial and periodic due diligence, including security certifications and financial stability reviews. Establish vendor risk matrices and enforce contractual performance guarantees. <b>(ALL)</b>	Company, Clients	Before Measure: <b>High</b> After Measure: <b>Med</b>
Client dissatisfaction	Client attrition, negative reviews, reduced revenue, reputational damage	Encourages a culture of improvement, leveraging feedback for superior products and services.	Use advanced CRM tools to track client preferences, offer multi-channel communication, and establish escalation teams for resolving complex issues. Measure satisfaction with detailed analytics. <b>(ALL)</b>	Company, Clients	Before Measure: <b>Med</b> After Measure: <b>Low</b>
Inadequate training	Operational errors, reduced service quality, increased compliance risks, employee dissatisfaction	Accepting this risk creates opportunities for employee growth, driving innovation and loyalty.	Develop modular training programs with certifications, conduct annual skill gap assessments, and incentivize continuous professional development. Use simulation-based learning for real-world scenarios. <b>(ALL)</b>	Employees, Company	Before Measure: <b>Med</b> After Measure: <b>Low</b>

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Operational inefficiencies	Increased costs, delayed processing, reduced client satisfaction, employee burnout	Enhances scalability and competitive edge by balancing efficiency and client personalization.	Integrate workflow automation tools, adopt AI-driven loan processing, and establish performance metrics for all critical processes. Continuously refine protocols through customer and employee feedback. <b>(ALL)</b>	Company, Employees	Before Measure: <b>Med</b> After Measure: <b>Low</b>
Unforseen hazard	Illness, injury, death		Ongoing dynamic risk assessment conducted by all relevant personnel. Any identified potential risks should be immediately reported to the appropriate supervisor or risk manager, and corrective action should be taken as necessary. <b>(ALL)</b>	All	<b>N/A</b>

## NOTES

### Extra notes & evaluation:

Completed by

Reviewed/Approved by

Risk Assessment Date

Review Required Date