

ASSESSMENT DETAILS

ESCALATION CONTACT:

Team Lead:	Contact No.:
Affected Parties:	

ACTIVITY OR SERVICE DETAILS

Purpose:	Date:
<p>Benefit: Enhances business resilience against unforeseen challenges. Ensures sustainability by aligning risk strategies with goals. Identifies and mitigates financial and operational risks. Improves decision-making through comprehensive risk analysis. Reduces financial losses through proactive measures. Supports compliance with industry regulations and standards.</p>	

HAZARDS

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Credit risk	Credit risk, loan defaults, financial instability	Expands lending capabilities, increasing revenue streams.	Perform rigorous credit assessments, use advanced scoring models, set conservative exposure limits, and actively monitor borrowers' financial health. Establish reserve funds for defaults. (ALL)	Lenders, Borrowers, Organization	Before Measure: High After Measure: Med
Cyberattacks	Cyberattacks, system intrusions, malware infections	Enables adoption of innovative technology that enhances competitiveness.	Deploy intrusion detection systems, maintain up-to-date cybersecurity training for employees, and perform regular stress testing on critical systems. Establish comprehensive recovery protocols for worst-case scenarios. (ALL)	Customers, IT Department, Organization	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Data breaches	Data breaches, unauthorized access, data theft	Accepting this risk allows leveraging digital systems for efficiency and scalability in financial operations.	Implement advanced encryption protocols, multi-factor authentication, data access controls, and regular security audits. Establish a rapid response team for breach incidents to minimize data exposure. (ALL)	Customers, Employees, Organization	Before Measure: High After Measure: Med
Economic downturns	Economic downturns, reduced revenue, increased defaults	Expands risk tolerance for aggressive market moves with higher payoffs.	Diversify revenue sources, maintain a portion of earnings in liquid reserves, and implement cost-control measures during peak periods to buffer downturns. (ALL)	Organization, Investors, Financial Managers	Before Measure: High After Measure: Med
Employee misconduct	Employee misconduct, fraud, legal issues	Encourages recruitment of high-performing individuals with innovation potential.	Establish clear codes of conduct, set up an independent ethics hotline, and implement regular audits of internal operations. Conduct biannual ethics training. (ALL)	Organization, Employees, Stakeholders	Before Measure: High After Measure: Med
Environmental liabilities	Environmental liabilities, regulatory fines, operational shutdowns	Accesses funding opportunities and tax breaks for green initiatives.	Comply with environmental standards, invest in green technologies, and regularly audit operations for sustainability. Partner with regulators to co-develop eco-friendly solutions. (ALL)	Organization, Employees, Regulators	Before Measure: High After Measure: Med
Environmental, social, and governance (ESG) risks	Environmental, social, and governance (ESG) risks, sustainability issues, stakeholder dissatisfaction	Accesses socially responsible investment opportunities, appealing to a growing market segment.	Integrate ESG criteria into investment decisions, conduct impact assessments, and engage stakeholders to address sustainability concerns. (ALL)	Investors, Organization, Stakeholders	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Exchange rate volatility	Exchange rate volatility, currency losses, financial uncertainty	Facilitates international expansion and global financial transactions.	Hedge currency risks with options and forwards, diversify holdings across multiple currencies, and establish financial partnerships in key regions. Monitor currency trends daily. (ALL)	International Operations, Financial Managers, Organization	Before Measure: High After Measure: Med
Fraudulent activities	Fraudulent activities, financial fraud, internal fraud	Builds customer trust, encouraging business growth through credibility.	Install AI-driven fraud detection tools, mandate dual approvals for transactions, and regularly train employees to recognize and prevent fraudulent schemes. Create an anonymous reporting channel. (ALL)	Customers, Employees, Organization	Before Measure: High After Measure: Med
Health and safety incidents	Health and safety incidents, workplace accidents, employee injuries	Supports employee productivity and long-term retention.	Develop a health and safety policy, install protective equipment, and conduct regular training sessions. Establish real-time reporting tools for immediate intervention. (ALL)	Employees, Organization, Management	Before Measure: High After Measure: Med
Intellectual property theft	Intellectual property theft, loss of proprietary information, competitive disadvantage	Encourages innovation through protection of proprietary ideas.	Use strong patent protections, implement access controls on intellectual property databases, and monitor for infringement through specialized tools. Regularly review contracts with third parties. (ALL)	Organization, R&D Teams, Stakeholders	Before Measure: High After Measure: Med
Interest rate fluctuations	Interest rate fluctuations, increased borrowing costs, reduced profitability	Maximizes earnings by exploiting favorable interest environments.	Use interest rate swaps, monitor central bank announcements, and balance floating vs. fixed-rate loans to mitigate unexpected shifts. Regularly align strategies with economic forecasts. (ALL)	Organization, Investors, Financial Managers	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Legal disputes	Legal disputes, litigation costs, operational disruptions	Allows negotiation of complex deals with higher revenue potential.	Vet all legal agreements thoroughly, engage dedicated legal counsel, and implement dispute resolution mechanisms like arbitration. Regularly review contract terms with stakeholders. (ALL)	Organization, Legal Team, Stakeholders	Before Measure: High After Measure: Med
Liquidity shortages	Liquidity shortages, cash flow problems, inability to meet obligations	Supports strategic growth and seizes investment opportunities quickly.	Maintain a mix of liquid assets, establish credit lines with financial institutions, and conduct frequent stress tests on cash flow projections to ensure readiness for unforeseen needs. (ALL)	Organization, Financial Managers, Stakeholders	Before Measure: High After Measure: Med
Market volatility	Market volatility, financial losses, investment risks	Offers potential for high returns by capitalizing on market shifts.	Utilize dynamic portfolio management tools, hedging strategies, and comprehensive real-time market analysis to adjust positions swiftly. Regularly back-test strategies for effectiveness. (ALL)	Investors, Financial Managers, Organization	Before Measure: High After Measure: Med
Money laundering activities	Money laundering activities, illicit transactions, regulatory fines	Facilitates access to a broader customer base, including high-net-worth individuals, enhancing profitability.	Implement robust Anti-Money Laundering (AML) programs, including customer due diligence, transaction monitoring systems, and regular staff training to detect and prevent illicit activities. (ALL)	Organization, Compliance Officers, Employees	Before Measure: High After Measure: Med
Natural disasters	Natural disasters, physical damage, operational interruptions	Positions the organization to continue operations in high-risk but high-reward areas.	Build geographically dispersed data centers, develop robust disaster recovery plans, and secure comprehensive insurance for key assets. Regularly simulate disaster scenarios for preparedness. (ALL)	Organization, Employees, Stakeholders	Before Measure: High After Measure: Med
Operational failures	Operational failures, process disruptions, system outages	Optimizes processes, resulting in cost savings and improved service delivery.	Develop a robust operational risk framework, automate high-risk processes, and create detailed contingency plans for system outages. Test response systems periodically. (ALL)	Employees, Operations Team, Organization	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Pandemic outbreaks	Pandemic outbreaks, operational disruptions, employee health risks	Ensures operational resilience, allowing continued service delivery during global health emergencies.	Develop comprehensive business continuity plans, implement remote working capabilities, and establish health protocols to maintain operations during health crises. (ALL)	Employees, Organization, Customers	Before Measure: High After Measure: Med
Political instability	Political instability, regulatory changes, operational disruptions	Provides access to emerging markets with substantial growth potential.	Engage in political risk analysis, diversify operational locations, and establish cross-border partnerships to share geopolitical risks. Maintain flexibility in capital allocations. (ALL)	Organization, Management, Investors	Before Measure: High After Measure: Med
Regulatory non-compliance	Regulatory non-compliance, legal penalties, operational restrictions	Accessing opportunities in regulated markets with high barriers to entry.	Dedicate a compliance team to monitor legal changes, implement automated compliance systems, and conduct quarterly employee training. Engage with regulators proactively to ensure alignment. (ALL)	Organization, Compliance Officers, Employees	Before Measure: High After Measure: Med
Reputation damage	Reputation damage, loss of customer trust, brand erosion	Enables bold branding and marketing campaigns to increase market share.	Develop a proactive crisis communication plan, monitor public sentiment through social media analytics, and invest in consistent quality improvements across products and services. (ALL)	Customers, Organization, Stakeholders	Before Measure: High After Measure: Med
Sanctions violations	Sanctions violations, legal penalties, reputational damage	Allows engagement in global markets with complex regulatory environments, increasing revenue potential.	Maintain updated lists of sanctioned entities, integrate automated screening tools, and provide ongoing employee training to ensure adherence to international sanctions regimes. (ALL)	Organization, Compliance Officers, Employees	Before Measure: High After Measure: Med
Supply chain disruptions	Supply chain disruptions, logistics delays, inventory shortages	Improves agility in adapting to market demands and competitive pressures.	Develop multi-source supplier networks, use predictive analytics for supply chain risks, and maintain safety stock levels. Build relationships with logistics providers for flexibility. (ALL)	Organization, Suppliers, Customers	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Supply chain disruptions	Supply chain disruptions, logistics delays, inventory shortages	Enables flexibility in sourcing, potentially reducing costs and improving service delivery.	Diversify suppliers, implement supply chain risk management strategies, and maintain buffer inventories to mitigate the impact of disruptions. (ALL)	Organization, Suppliers, Customers	Before Measure: High After Measure: Med
Tax evasion facilitation	Tax evasion facilitation, legal penalties, reputational damage	Attracts clients seeking reputable institutions, enhancing market position.	Establish comprehensive tax compliance programs, conduct regular audits, and ensure transparent reporting to prevent facilitation of tax evasion. (ALL)	Organization, Compliance Officers, Employees	Before Measure: High After Measure: Med
Technological obsolescence	Technological obsolescence, outdated systems, reduced competitiveness	Gains competitive edge through early adoption of cutting-edge tools.	Allocate funds for annual technology reviews, invest in R&D for emerging solutions, and establish a technology adoption roadmap. Engage with consultants for periodic assessments. (ALL)	IT Department, Employees, Organization	Before Measure: High After Measure: Med
Technological obsolescence	Technological obsolescence, outdated systems, reduced competitiveness	Maintains competitive advantage and operational efficiency.	Invest in ongoing technology upgrades, monitor emerging technological trends, and allocate resources for research and development to stay current. (ALL)	IT Department, Employees, Organization	Before Measure: High After Measure: Med
Terrorist financing	Terrorist financing, illicit funding, regulatory non-compliance	Enables participation in international financial networks, expanding business opportunities.	Adopt stringent Know Your Customer (KYC) procedures, monitor transactions for suspicious patterns, and collaborate with regulatory bodies to ensure compliance with counter-terrorism financing laws. (ALL)	Organization, Compliance Officers, Employees	Before Measure: High After Measure: Med

HAZARD	RISK	RISK BENEFIT	MEASURE	RISK TO	RISK LEVEL
Third-party vendor risks	Third-party vendor risks, supply chain vulnerabilities, dependency risks	Accesses specialized services to enhance business capabilities without internal development.	Conduct thorough vendor evaluations, require SLAs with risk-sharing clauses, and monitor vendor performance against agreed benchmarks. Establish exit strategies for underperforming vendors. (ALL)	Organization, Vendors, Stakeholders	Before Measure: High After Measure: Med
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. (ALL)	All	N/A

NOTES

Extra notes & evaluation:

Completed by

Reviewed/Approved by

Risk Assessment Date

Review Required Date