

ENTERPRISE RISK MANAGEMENT FRAMEWORK



EXECUTIVE LEADERSHIP TEAM

- > Set Risk Appetite.
- > Ensure risk taking is aligned with strategic plan and direction.
- > Ensure a strong oversight & control structures are in place.
- > Ensure clear accountability & ownership of risk and control across the organisation.

1st Line of Defence IDENTIFY AND CONTROL	2nd Line of Defence: SET STANDARDS & CHALLENGE	3rd Line of Defence INDEPENDENT ASSURANCE
A. Divisional, Site and Corporate Teams (front line) B. Support Teams (within Divisional and Corporate Teams)	Risk, Compliance, Business Continuity, Financial Control, Security, Health, Safety & Wellbeing, Information Security, etc.	Internal Audit External Audit Regulator

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| <ul style="list-style-type: none"> • Identify, take & manage risks in day-to-day activities. • Execute risk & control procedures on a day-to-day basis. • Ensure risks are within the organisation's risk appetite, risk management & control policies. | <ul style="list-style-type: none"> • Monitor & test risk management activities performed by A. • Monitor compliance with the organisation's risk appetite, risk management & control policies. • Provide input for risk reporting. | <ul style="list-style-type: none"> • Develop & facilitate effective risk management & control policies. • Independently challenge & oversee the 1st line of defence. • Monitor & report risk exposure (including internal control) status. • Provide training, tools, advice & support to the 1st line. | <ul style="list-style-type: none"> • Provide independent assurance on the effectiveness of governance, risk management, & internal controls, including the manner in which the other lines of defence achieve risk management and control objectives. |
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