



Changes in the Risk Landscape for Friendly societies

Friendly Societies Liaison Group
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What we'll cover

- ▼ Regulator expectations
- ▼ Risks
- ▼ Enterprise Risk Management
- ▼ Capital Management

Food for thought - Prompts for discussion



Regulator expectations

- ▼ Deep understanding – Board & Management
- ▼ Evidence
- ▼ Documentation
- ▼ Wider regulatory world on Risk



Risks

- ▼ Bad behaviour – ethics, risk culture
- ▼ Digital risks
 - Security
 - Privacy
 - Disruptive business models
 - Consumer expectations
 - Communication, Social Media
- ▼ Low investment returns
- ▼ Tax reform/change (lower risk)



Enterprise Risk Management

- ▼ Risk Management Framework
 - Bar rising
 - Risk appetite – driver, more detailed
- ▼ Improving risk culture
 - Leading
 - Measuring
 - Managing
- ▼ Integration with Capital Management eg ICAAP
- ▼ Integration with all decisions – strategic.



Capital Management

- ▼ ICAAP
- ▼ Board ownership
- ▼ Risk & capital deep understanding
 - Quantitative
 - Qualitative
- ▼ Scenario & Stress testing – make it real
- ▼ Wider developments – Basel latest



Questions

Open Discussion

Q & A



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