

Enterprise Risk Management Seminar



Capturing the Upside

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**Actuaries
Institute**

Risk Appetite – A Banking Perspective

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Outline

- Why have a risk appetite?
- Current trends
- Lessons and success factors

Why have a risk appetite?

- Do we need statements?
- Whose appetite is it anyway?
- What's changed since the GFC?



Current trends

- More prescriptive requirements
- Broader engagement
- More integration
- More measurement

A few key success factors

- **Clear and simple**
- **Support infrastructure**
- **Use in decision making**

Communication

Monitoring

Controls

Incentives

Requirements

Constraints

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