

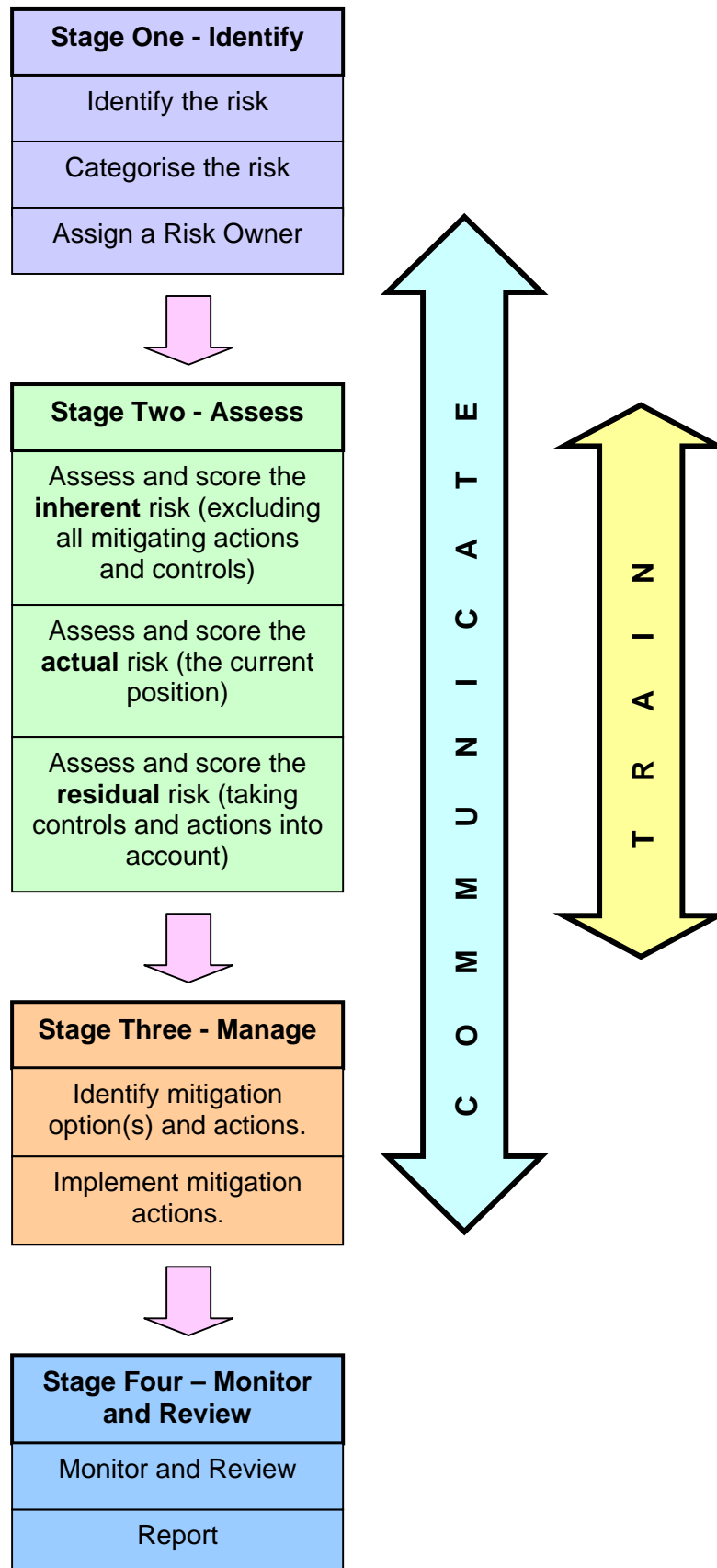


Introduction to Risk Management

Audit Committee

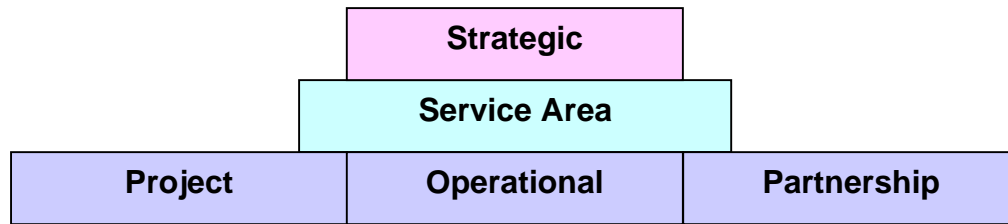
25th July 2011

1. The Risk Management Process



A risk is an uncertain event or set of events that, should it occur, will have an effect on the achievement of objectives.

2. Levels of Application at NBC



3. Scoring Matrix

Impact	5 <i>Catastrophic</i>	5	10	15	20	25	Risk appetite ↓
	4 <i>Major</i>	4	8	12	16	20	
	3 <i>Moderate</i>	3	6	9	12	15	
	2 <i>Minor</i>	2	4	6	8	10	
	1 <i>Insignificant</i>	1	2	3	4	5	
		1 <i>Rare</i>	2 <i>Unlikely</i>	3 <i>Possible</i>	4 <i>Likely</i>	5 <i>Almost certain</i>	
		Probability					

4. Balancing the Risk

