

The Actuarial Profession
making financial sense of the future

Bringing it all together in an ERM framework
Mark Baxter, Old Mutual plc

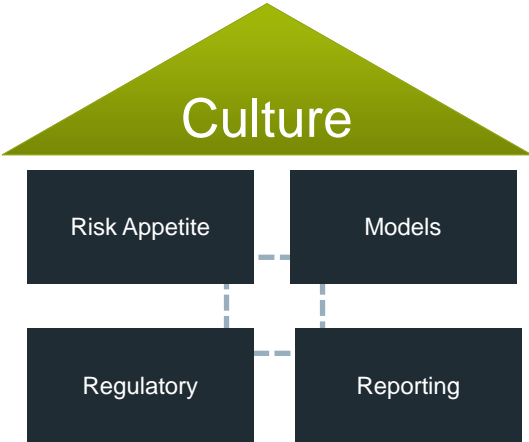
ORSA
Bigger Picture Thinking

29 September 2011

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We have the foundations...
...but we need the overarching framework



Culture






Risk Appetite Models

Regulatory Reporting

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1

Some great statements relating to risk

Company	Source
 RBS The Royal Bank of Scotland	2007 Annual Report
 HBOS plc	2006 Annual report
 northern rock	2007 Annual Report
 FORTIS	2008 Pillar 3 Disclosure
 WACHOVIA	2007 Annual report

...but as we now know great statements are not enough

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2

ABC News - Sydney



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3

The response



17 June 2009: The Commonwealth Bank of Australia today issued the following statement in respect of its involvement with Storm Financial Ltd and the financial adviser's collapse.

The Bank acknowledges that the position in which some Storm Financial clients find themselves, while not caused directly by the Bank, involves the Bank to some degree.

"In some cases we have identified shortcomings in how we lent money to our customers involved with Storm Financial," Commonwealth Bank CEO Ralph Norris said.

"We are not proud of our involvement in some of these issues and we are working toward a fair and equitable outcome for our affected customers."

"Our customers can be assured that where we have done wrong, we will put it right. I am committed to the identification and resolution of all issues relating to the Bank's involvement with Storm Financial," he said.

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4

Communicating the risk approach ...

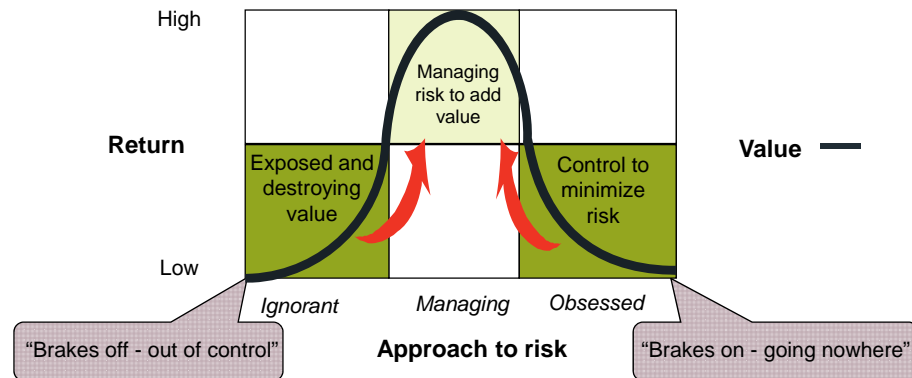
Needs to suit the audience

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5

In pictures ...

A pragmatic, balanced approach



(c) Andrew Birrell, Old Mutual plc

Or in words...

Guiding our businesses in choosing risks wisely to create value and build customer trust



Questions or comments?

Expressions of individual views by members of The Actuarial Profession and its staff are encouraged.

The views expressed in this presentation are those of the presenter.

