

Date: <u>21/06/18 V3</u> Resp: <u>MB</u>		ICAR / SERVICE ICAR Business Risk Register					 <small>THE GLOBAL STANDARD FOR LIVESTOCK DATA</small>								
Risk No.	Risk Description	IMPACT	PROBABILITY	Raw Risk Rating	CONTROL	Revised Residual Risk Rating	CONTROL MEASURES/ACTIONS	Status update	CONTROL OWNER						
1	Industry consolidation – vertical consolidation (eg. AI does data collection and their own GE)	4	3	12	4	48	President, Board and CE review of Business Model for 2019 and beyond	On Going	President, Board & CE						
2	Lose AR Case (AR Legal fees and Labour ruling compensation)	4	3	12	3	36	Contract proven Labour Lawyer	Gianandrea Giacotti on board	JM/MB						
							Board & CE Sub Cttee regular review	Twice a month calls with JM HW, MB UL and GG to review							
							Adhere to Legal advice/Process	EAAP to be part of solution is first call.							
3	ID Test income drop off e.g. Mfrs walk away or ISO Withdrawal of ICAR as Registration Authority for ISO 11784/5 (ID Test Income is 55% of total S.I Income)	3	3	9	3	27	CE and Andie maintain work close links with ISO and WG3	RA Agreement under review between ICAR - ISO	MB/AD/JQ						
							CE and team build up other services to lessen dependence on ID - diversify services to members	New Services; ICAR Milk PT, ICAR DNA Cnter Accred, ICAR DNA Labs Accred, ICAR MIR Certification							
4	Member stability – loss government funding for members, reduced industry profit margins reduce ability to participate	4	2	8	3	24	No actions as of yet...should we fold in with Risk # 1. Industry consolidation??								
5	Reputation risk – bad decisions or lack of relevance in activities and services	4	2	8	3	24	Sensor TF put in place also CE and team build up other services to lessen dependence on any one - diversify services to members	Also President, Board and CE review of Business Model for 2019 and beyond	MB						
6	Strategic risk – Board skills, turnover, governance	3	2	6	3	18	Board Succession being addressed by President e.g. 2 yr extensions	On Going	President & Board						
7	Investments – loss of investments	4	2	8	2	16	Investment Policy in place and under FSC and Board governance	In Place Q 1 2018	MB						
8	Cyber risk – files lost. Locked, hacked...	3	2	6	2	12	ICAR has moved server to secure cloud, VPN security and daily back ups	Completed May 2018	CM/MB						
Legend: IMPACT Scale 1 - 5 (1 is least serious and 5 most serious) PROBABILITY Scale 1 - 5 (1 is least likely to occur and 5 most likely) CONTROL Scale 1 - 5 (1 is Good tight control and 5 Poor or very loose controls) Revised Residual Risk Rating Number = IMPACT X PROBABILITY X CONTROL. <table border="1" style="width: 100%;"> <tr> <td style="background-color: #90EE90;">< 19</td> <td>Green = threat nullfied - monitor at CE level, not a board issue</td> </tr> <tr> <td style="background-color: #FFFF00;">20 - 30</td> <td>Yellow = threat is low - medium - closely monitor at CE level</td> </tr> <tr> <td style="background-color: #FF0000;">>30</td> <td>Red = threat is real = needs to be flagged to Board</td> </tr> </table>										< 19	Green = threat nullfied - monitor at CE level, not a board issue	20 - 30	Yellow = threat is low - medium - closely monitor at CE level	>30	Red = threat is real = needs to be flagged to Board
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REF: Association of Chartered Certified Accountants (ACCA) Basic Principles of compiling a risk register for smaller companies
https://web.actuaries.ie/sites/default/files/erm-resources/tech_afb_trr.pdf

Update 26/06/18 Differences V3 versus V2:
Changed title from 'Financial' to 'Business' Risk Register
Widened scale in yellow band from 20-25 to now 20 - 30
Added following Risks;

- Cyber risk – files lost. Locked, hacked...
- Investments – loss of investments
- Reputation risk – bad decisions or lack of relevance in activities and services
- Strategic risk – Board skills, turnover, governance
- Industry consolidation – vertical consolidation (eg. AI does data collection and their own GE)
- Member stability – loss government funding for members, reduced industry profit margins reduce ability to participate