**DIU Risk Management**

**Risk Appetite and Risk Tolerance (Table: a)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Threat-sources** | **Risk Scenarios** | **Risk Appetite**  **(Frequency per year)** | **Risk Tolerance** |
|  | Technology Obsolescence | System Unavailable | 3 | ± 10% |
|  | Hardware Failures | HDD crashed | 10 | ± 20 % |
|  | Malware Attack | System Compromised | 40 | ± 20 % |
|  | Human Error | Disclosure of Password | 15 | ± 20% |
|  | Environmental | Long-term power failure | 5 | ± 30% |

**Likelihood Scale (Table: b)**

|  |  |  |
| --- | --- | --- |
| **Rating** | **Likelihood** | **Likelihood of Occurrence** |
| 0.1 | Low | Not expected, but there's a slight possibility it may occur at some time. |
| 0.5 | Moderate | The event might occur at some time as there is a history of casual occurrence. |
| 1 | High | There is a strong possibility the event will occur as there is a history of frequent occurrence. |

**Assets + Vulnerabilities + Likelihood Scale = Risk Frequency Rating**

**Risk frequency based on Risk Scenarios on assets if vulnerability is present or not (Table: c)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Assets** | **Risk Scenarios** | **Risk Frequency Evaluation Details/Paragraph** | **+** | **Vulnerabilities**  **(Yes / No)** | **Likelihood Scale (Table: b)** | **=** | **Risk Frequency Rating** |
|  | Technology Obsolescence | System Unavailable | - | No | 0.1 |
|  | Hardware Failures | HDD crashed | - | No | 0.1 |
|  | Malware Attack | System Compromised | - | Yes | 1 |
|  | Human Error | Disclosure of Password | - | Yes | 0.5 |
|  | Environmental | Long-term power failure | - |  | No | 0.1 |

**Impact Scale (Table: d)**

|  |  |  |
| --- | --- | --- |
| **Rating** | **Magnitude of Impact** | **Impact Definition** |
| **100** | **High** | **Occurrence of the risk:**  May result in stoppage of the service for DIU’s customer or serious disruption of service;  May result in the loss of resources or sensitive data; or  May significantly harm, or impede the ABCBANK’s mission, reputation or interest. |
| **50** | **Moderate** | **Occurrence of the risk:**  May result disruption of service for the client  or users;  May increase customer dissatisfaction; or  May violate, harm, or impede the DIU’s mission, reputation or interest. |
| **10** | **Low** | **Occurrence of the risk:**  May result disruption of service for certain area of service or the branch;  May noticeably affect the DIU’s mission, reputation or interest. |

**Likelihood** **X Impact = level of risk**

**Level of Risk (Table: e)**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Assets** | **Risk Scenarios** | **Risk Frequency Rating**  **from Likelihood Scale**  **(Table: c)** | **X** | **Impact (Table: d)** | **=** | **Level of Risk** |
|  | Technology Obsolescence | System Unavailable | 0.1 | 10 | 1 |
|  | Hardware Failures | HDD crashed | 0.1 | 10 | 1 |
|  | Malware Attack | System Compromised | 1 | 100 | 100 |
|  | Human Error | Disclosure of Password | 0.5 | 50 | 25 |
|  | Environmental | Long-term power failure | 0.1 | 10 | 1 |

**Total Level of Risk: 1 + 1 + 100 + 25 + 1 = 128**

**Overall Risk Rating Calculation**

**128 ÷ 500 x 100 = 25.6 %**

**Overall Risk Rating**

|  |  |  |
| --- | --- | --- |
| **Rate** | **Value** | **Condition** |
| Strong | 1 | If the percentage is below 8% |
| Satisfactory | 2 | If the percentage is below or equal 16% and above or equal 8% |
| Fair | 3 | If the percentage is below or equal 25% and above16% |
| Marginal | 4 | If the percentage is below or equal 30% and above 25% |
| Unsatisfactory | 5 | Above 30% |