1. Re-design and embed Risk Appetite Statement (1/2)

Tasks	Deliverables	Interdependency

• Re-design Risk Appetite Statement (RAS) for SHUSA enterprise
  – Review results from risk identification and assessment processes
  – Detail the enterprise's most material financial and non-financial risks in a summarized, categorized manner
  – For each risk, determine whether risk appetite articulation will require supplemental quantitative measures
  – Articulate the enterprise's binding quantitative constraints, primarily those arising from US regulation and other stakeholders (e.g. ratings agencies) but including relevant metrics from HUSA's parent Santander Group
  – Identify key metrics and calibrate RA limits for quantifiable risks
  – Develop qualitative RA statements
  – Consolidate Risk Appetite statements, both quantitative and qualitative, into the overall Risk Appetite Statement for SHUSA
• Define governance framework, from initial approval through ongoing application (cross-reference to sub-workstream 2)
• Define process for RA limit monitoring and reporting (e.g. escalation processes)
• Communicate target risk appetite and escalation process across the enterprise
	• SHUSA level Risk Appetite Statement
	  – Risk appetite statements for most material risks
	  – List of metrics and calibrated limits that define quantifiable RA statements
	• RAS escalation and reporting process (e.g. monthly reporting to the BERC)
	• RAS communication and socialization materials
		• 3. (all) Risk measurement
		• 4. (all) Risk monitoring

• Cascade Group Risk Appetite Statement at both subsidiary and BU levels
  – For each element of the risk appetite statement (e.g. metrics), determine organizational levels to which cascading is appropriate (may not be needed for all, especially qualitative metrics)
  – Ensure subsidiary-level limits align to SHUSA level limits, e.g. the sum of subsidiary limits does not exceed SHUSA-level limits
  – Identify additional risks that may be material for the subsidiary, or sub-dimensions of risks may be specifically important for the BUs, but not for the Group – add appropriate metrics and/or statements
  – Communicate target risk appetite across the enterprise
• Define process for RA limit monitoring and reporting (e.g. escalation processes)
• Communicate target risk appetite and escalation process across the enterprise
	• Outline of cascading levels
	• Risk Appetite Statements for all subsidiaries/BUs (aligned with overall SHUSA RAS)
	  – Risk appetite statements for most material risks
	  – List of metrics and calibrated limits
	• Cascaded metrics to BUs
	• RAS escalation and reporting process (e.g. monthly reporting to the BERC)
	• RAS communication and socialization materials
		• 2b. Limits and controls framework
		• 3. (all) Risk measurement
		• 4. (all) Risk monitoring

1. Re-design and embed Risk Appetite Statement (2/2)

Tasks	Deliverables	Interdependency

• Update most important processes to include Risk Appetite considerations
  – Identify processes that should be explicitly linked to the Risk Appetite (e.g. strategic planning, capital planning)
  – Describe nature of linkage, including alignment to statements, metrics and limits described in the Risk Appetite Statement
  – Assess degree to which Risk Appetite considerations are already embedded in key processes, e.g.
    - Incorporation of relevant risk appetite metrics
    - Consideration of non-quantifiable risks in business plans
  – Where Risk Appetite considerations are not embedded in the process, define mechanisms to increase alignment, including
    - Generation of relevant Risk Appetite metrics to compare vs. limits
    - Explicit inclusion of compensating factors/changes to address Risk Appetite considerations
• Complete one cycle of strategic/capital planning
	• Process maps with explicit link to RAS, at a minimum:
	  – Strategic planning
	  – Capital planning
	  – Stress-testing projections
	• Complete cycle of strategic/capital planning
		• 3. (all) Risk measurement

• Create and conduct enterprise wide training on updated Risk Appetite Statement and its implications
  – Create training on RAS and implications for different levels of the organization (Board, Senior Management, subsidiaries, Risk Management function, etc.)
  – Deliver training
	• RAS training
	  – Materials
	  – Delivery
		• 2a.i Set strong tone from the top

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2a. Strengthen Board and Management oversight (1/2)

Tasks	Deliverables	Interdependency

• Strengthen guidance from top-level SHUSA committees (Board Risk and Executive)
  – Enumerate risk-related expectations from top-level committees
  – Identify hurdles/challenges in the authority of Board Risk and executive committees
  – Review enterprise committee suite/structure (BERC, ERMCs, etc.)
  – Identify necessary changes to committee composition, mandates, processes, charters and compensation (including SHUSA Board oversight of SHUSA CRO compensation)
  – Establish unfettered access of the SHUSA CRO to the SHUSA Board
  – Track effectiveness through monitoring of meetings and minutes; provide feedback
• Define engagement model with Group
  – Articulate linkages between IHC-level committees and Group-level committees
  – Define roles of IHC-level committees in supporting Group-level priorities, and vice-versa
  – Articulate governance routines for Group and IHC coordination
	• Diagnostic of management oversight effectiveness
	• Updates to committee composition, mandate, charters and compensation
	• Routine executive sessions between SHUSA CRO and Board
	• Governance and coordination mechanisms with Group
		• 2a.iii. Risk based performance management and compensation system

• Set strong "tone from the top"
  – Articulate, at Board and CEO level, the tone expected to from Senior Management and all 'people leaders' in the organization
  – Consider adopting a one-bank, one-name policy, thus calling the enterprise "Santander"
  – Identify embedding opportunities and forums to deliver the message and socialize across the enterprise (town-halls, policies, training, intranet, posters, Risk forums, newsletters, communities of practice between 3LoD, etc.)
  – Define and design communication plan showing frequency and type of socialization
  – Reinforce values/mantras through link to performance management and compensation (e.g. in extreme cases termination of staff accountable for major risk events or non-compliance)
	• Revised and consistent risk related messaging
	  – Risk management vision/values
	  – Detailed communication and socialization plan to embed vision/values
		• 1. Risk Appetite Statement
		• 2a.iii. Risk based performance management and compensation system
		• 2c.iv. Improve risk culture to be strong and consistent across the enterprise

2a. Strengthen Board and Management oversight (2/2)

Tasks	Deliverables	Interdependency

• Develop link between risk management and performance assessment and compensation:
  – For Risk Management leadership and staff:
    - Develop relevant effectiveness, efficiency and support metrics as well as risk based financial performance metrics, and set targets
    - Combine target metrics into a balanced scorecard that includes non financial metrics, e.g. qualitative feedback / satisfactions scores from other units
  – For Business Executives:
    - Develop relevant risk based performance metrics and set targets
    - Combine target metrics into a balanced scorecard that includes non financial metrics, e.g. number of open issues in unit
    - For SHUSA, consider making 'closure of regulatory issues' an explicit objective to increase coordination and support for Risk Transformation program
    - Ensure structured formal Risk input into performance assessment (at least annually)
    - Cascade Risk related performance objectives of Executives down through the organization
	• Risk based/risk aware performance assessment and compensation framework across organization:
	  – Risk management leadership
	  – Risk management staff
	  – Business executives
		• 2a.i Set strong tone from the top

• Continue and enhance Risk training for the Board Risk Committee
  – Review past experience (resumes), Board membership changes and training delivered in the past to identify and prioritize most relevant topics
  – Identify Board training topics to increase oversight and challenge ability, for example:
    - Drill downs into top-10 existing and emerging risks (e.g. cybercrime, conduct risk, etc.)
    - Implications of new regulations / regulatory findings
  – Design regular training and assessment processes (timelines, skills review, material updates, etc.)
	• Risk training curriculum and schedule for the Board Risk committee
	  – Training materials
	  – Detailed risk training objectives
	  – Assessment and improvement processes
	  – Delivery
		• 1. Risk Appetite Statement
		• 2a.ii Strengthen guidance from top-level committees

2b. Limits and controls framework (1/3)

Tasks	Deliverables	Interdependency

• **SCOPE NOTE:** limits and controls identified here explicitly exclude
  – Risk appetite statement and associated cascading (covered in RAS)
  – Production of financial data (covered in Finance Transformation)
  – Model execution and output (covered in Model Risk Management)
  – Data quality (covered in Data and Technology)
	N/A	N/A

• Create credit process controls and limits for underwriting/origination
  – Identify key steps in credit origination process by product type, including
    - Definition of "buy box"
    - Underwriting process and exception handling
    - Assignment of risk rating
  – Define controls and operational limits for each process step
  – Articulate scope of authority across the organization (delegation of authority) and associated escalation procedures
  – Ensure delegation of authority and escalation procedures are aligned with credit risk policies
• Create credit process controls and limits for workout/recovery
  – Identify key steps in credit origination process by product type, including
    - Modification process
    - Asset disposition
  – Define controls and operational limits for each process step
  – Articulate scope of authority across the organization (delegation of authority) and associated escalation procedures
  – Ensure delegation of authority and escalation procedures are aligned with credit risk policies
	• Origination controls/limits, covering:
	  – Definition of "buy box"
	  – Underwriting defects and monitoring
	  – Credit risk rating controls, including loan review
	• Workout controls/limits, covering:
	  – Modification process
	  – Asset disposition process
	• Delegation of authority and escalation processes associated with each of the above	

2b. Limits and controls framework (2/3)

Tasks	Deliverables	Interdependency

• Define limits and controls for market risk/trading assets
 – Identify areas presenting mark-to-market risk
 – For each area, define acceptable range of instruments, including
   - Acceptable trading instruments
   - Acceptable collateral for secured financing transactions
 – For secured financing transactions, assess relative risk of collateral types
 – Articulate collateral haircuts based on risk assessment
 – Articulate scope of authority across the organization (delegation of authority) and associated escalation procedures
• Define limits on potential exposure
 – Agree on potential exposure measurement basis, in line with market risk management practices (e.g. VaR-based, scenario-based)
 – Determine level of granularity at which to set limits
 – For each measurement practice, define limits at agreed granularity
 – Articulate scope of authority across the organization (delegation of authority) and associated escalation procedures
	• Limits/controls related to market/trading risk instruments
	 – Acceptable trading instruments
	 – Acceptable collateral
	 – Collateral haircuts
	• Potential exposure limits at target level of granularity (e.g. by desk, by asset class)
	• Delegation of authority and escalation processes associated with each of the above	

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2b. Limits and controls framework (3/3)

Tasks	Deliverables	Interdependency

• Define risk oversight framework for interest rate risk and liquidity risk
  – Describe processes for interest rate risk and liquidity risk quantification
  – Identify key points in each process, including
    - Inputs and assumptions
    - Calculation steps
    - Output and reporting
  – For each key point, articulate approach to manage process, with particular focus on assumptions
	• Framework for risk oversight of key IRR and liquidity risk assumptions and parameters	• 4d. Design and operationalize other non-financial risk management

• Define model risk controls	• See Model Risk Management	• 4c. Complete design and operationalize Model Risk Management
• Identify key controls for compliance risk – In alignment with current state assessment of compliance risks as part of non-financial risk management, identify key controls for each risk	• Articulation of key controls for each compliance risk, based on gap analysis	

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2c. Re-design operating model and talent management (1/2)

Tasks	Deliverables	Interdependency

• Rationalize risk organizational structure and clearly define roles and responsibilities between SHUSA/subsidiaries
  – Review foundational risk management activities and map them to SHUSA vs. subsidiary activities (e.g. OpRisk management, Risk ID and assessment, model development, ownership and validation, reporting, business continuity planning, etc.)
  – Review reporting lines and introduce more centralized risk function structure (particularly warranted during build phase of Risk Transformation)
• Understand current state and gauge required organizational change
• Embed organizational model within the enterprise
  – Define implications on organizational structure and staffing levels
  – Communicate organizational changes to enterprise
  – Migrate functions/staff to new organizational structures as needed
  – Align headcount (expansion/reduction) to new organizational structure
	• Future risk organization for SHUSA/subsidiaries
	  – Full definition of SHUSA-level activities vs. subsidiaries
	  – Articulation of reporting lines and implications
	• Organizational structure design (including headcount)
	• Communication materials
	• Embedded organizational model with all roles and responsibilities filled
		• 2c.ii Articulation and embedding of 3LoD
		• 2d. Create/update policies procedures

• Articulate and embed 3LoD principles by risk type across the organization
  – Review and update current 3LoD articulation
  – Analyze risk-taking and risk management processes by risk type – identify major activities and assign these to each of the 3-lines (with a focus on first two lines)
  – Ensure articulation of roles and responsibilities creates a closed loop of checks and balances between 3-lines of defense
  – Design resource and organizational model aligned with 3LoD principles and org structure
  – Design training to explain model and key changes
  – Cascade consistently into each entity through changes to job descriptions, adjustments to reporting lines (if warranted) and intensive training
  – Roll-out all related changes
	• Updated articulation of risk management roles and responsibilities across the 3-lines
	• Training materials
	• 3LoD roll-out (including resourcing changes)
		• All initiatives

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2c. Re-design operating model and talent management (2/2)

Tasks	Deliverables	Interdependency

• Design Risk staff recruitment / retention strategy and onboard necessary talent
  – Assess incremental staffing needs (both head-count and capability) based on target risk operating model
  – Create plan for recruiting / staffing strategy to build out functions
  – Develop talent retention strategy by assessing:
    - Working culture and leadership styles
    - Pay levels compared to industry
    - Job satisfaction / morale ratings at different levels
    - Staff development programs
    - Career progression and rotation options
    - Risk's stature in the organization
    - Etc.
	• Talent management strategy
	  – Documentation of needed resources (leadership, headcount and skills)
	  – Talent recruitment and retention strategy
	  – Remediation / roadmap / action plan
		• All initiatives

• Improve risk culture to be strong and consistent across the enterprise
  – Conduct high level risk culture diagnostic across enterprise to gauge problem areas, identify key drivers of undesired behavior and potential/realized impacts
  – Articulate dimensions and measures of a strong and desired risk culture that is aligned with SHUSA's values and Risk Appetite:
    - Risk understanding at different levels of the enterprise
    - Adherence to policies and procedures
    - Interactions between 3LoD (e.g. through communities of practice)
    - Evidence of issue escalation and in extreme cases whistle-blowing
    - Etc.
  – Disseminate risk culture expectations through different forums and channels, including training (link to setting strong "tone-from-the-top")
  – Link risk culture dimensions to performance assessment and compensation by including risk culture metrics on balanced scorecards
  – Repeat assessments, track and report progress, incentivize improvement, publicize star performers (may be people or business units)
	• Risk culture assessment and roll-out across the organization
	  – Articulation of strong and desired risk culture
	  – Diagnostic of current risk cultures within each entity
	  – Plan for gradual improvement
		• 2a.i Set strong "tone-from the-top"
		• 2a.iii. Risk based performance management and compensation system

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2d. Create/update policies and procedures

Tasks	Deliverables	Interdependency

• Improve comprehensiveness, awareness, and effectiveness of policies and procedures
  – Review Risk policy inventory structure and hierarchy at SHUSA level
  – Establish business requirements for all policies/procedures
  – Leverage regulatory feedback, external reports and assessments, and interviews with management and BUs to gauge understanding/awareness of and compliance with policies and procedures
    – Based upon information gathered from this exercise, identify gaps in policies/procedures
  – Prioritize policies/procedures based upon effectiveness and determine a strategy for enhancements
    – Coordinate with other management committees and determine ownership of and 'hand-off' points for enhancements
  – Ensure a clear delineation in the level of detail and type of content captured within policies compared to procedures
  – Create governance framework for review, approval, and updating of policies/procedures and provide specific directions for when new or supplemental policies/procedures are needed
  – Ensure consistency of policies and procedures across enterprise (SHUSA policies cascade to subsidiaries via procedures)
  – Enforce policy adherence and attestation process tied to Senior Management incentives
	• Standardized policies and procedures across the enterprise
	• Policies and procedures governance framework
	• Policy attestation process
		• All initiatives

3a. Create effective risk identification and assessment process

Tasks	Deliverables	Interdependency

Tasks

- Enhance and roll-out regular, consistent, systematic risk identification process within pre-defined risk taxonomy and hierarchy
  - Develop structured risk taxonomy/ register to organize and categorize risks across all relevant legal entities / business units, informed by existing Operational Risk, Compliance, and Audit frameworks as possible
  - Build tools/templates and processes for repeatable risk identification, combining both top down, new initiatives, and bottom up components (align tools across different Risk ID frameworks e.g. OpRisk)
  - Hold risk identification and assessment workshops across the enterprise to develop initial risk register
  - Determine modeled and non-modeled quantifiable risks, develop metrics and determine current levels to improve assessment of 'quantifiable' risks and reduce reliance on management judgment
    - Use assessment tools based on probability and likelihood
    - Ensure both financial and non-financial impacts are assessed
  - Review Risk Appetite Statement to increase consistency in thought and structure
  - Ensure linkage to stress test scenarios to enable unique vulnerabilities, concentrations and idiosyncratic risks of SHUSA are tested

Deliverables

- Risk ID and assessment process maps and tools/templates (with integration into end-to-end CCAR process)
- Register of risks with metrics on quantifiable risks, encompassing both modeled and non-modeled risks
- Policy/procedure for Risk Identification and Assessment cycle (specifying frequency, stakeholders, duration, approvals, etc.)
- Demonstrated linkage of risk identification process to capital planning (CCAR) process

Interdependency

- 1. Re-design and embed Risk Appetite Statement
- 4a. Design and operationalize Operational Risk Management
- CART CCAR workstream

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3b. Develop models (non OpRisk)

Tasks	Deliverables	Interdependency
• To be coordinated with Model Development workstream		

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3c. Develop operational risk models

Tasks	Deliverables	Interdependency
• To be coordinated with Operational Risk workstream		

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4a. Design and operationalize Financial Risk Management (1/2)

Tasks	Deliverables	Interdependency

• Align credit risk management activities to 3LoD roles
  – Evaluate current credit risk management activities in light of expected roles under 3 lines of defense
  – Revise set of activities covered to align with expectations, including re-alignment of key activities to the first line as needed
	• Definition of credit related roles and responsibilities and lines of control across 3LoD
	• Implementation of 3LoD model
		• 2. Organization and Governance

• Ensure key credit risk management processes are aligned to expectations and consistent across the enterprise for each broad category of credit risk
  – Confirm the broad categories of credit risk to evaluate, e.g.:
    – Retail
    – Wholesale
    – Counterparty
    – Investment portfolio
  – Ensure that limits are set and monitored in line with Risk Appetite and relevant credit risk-related policies (all categories)
  – Evaluate consistency and alignment to expectations of credit origination, underwriting, and approval process, including decision process and delegation of authority (primarily retail/wholesale)
  – Assess effectiveness of loan review process, covering review process / frequency, sampling process, and implications of findings (primarily retail/wholesale)
  – Evaluate consistency of credit risk evaluation in investment decision-making (primarily counterparty/investment portfolio)
  – Review ongoing credit monitoring processes, including presence of systems and process for ongoing administration of credit-risk bearing portfolios, monitoring of individual credits and internal risk rating system in managing risk (all categories)
  – Review portfolio monitoring processes, including tracking process, metrics, and reporting processes (all categories)
  – Review workout and recovery processes (primarily retail/wholesale)
	• Gap analysis of credit risk management across:
	  – Retail
	  – Wholesale
	  – Counterparty
	  – Investment portfolio
	• Remediation roadmap with individual action steps
		• 1. Risk Appetite Statement

4a. Design and operationalize Financial Risk Management (2/3)

Tasks	Deliverables	Interdependency

• Conduct current state assessment and gap analysis across market/trading risk
  – Identify areas within Santander US with material market/trading risk-related activities, e.g. trading book assets and/or secured financing transactions
  – Articulate desired future state, in line with target organizational structure and capabilities
  – Assess current state of market/trading risk management across both first and second lines of defense
  – Develop roadmap to address gaps between current and desired state
	• Gap analysis of market/trading risk management across:
	• Remediation roadmap with individual action steps
		• 2. Organization and Governance

• Align current activities across the enterprise
• Conduct current state assessment and gap analysis across interest rate risk management
  – Review governance and organization of IRR management
  – Identify Santander's biggest interest rate risk exposures (e.g. basis risk, repricing, prepayment, yield curve)
  – Assess appropriateness of risk appetite limits and other IRR tolerances (type and level) as well as escalation procedure and remediation options
  – Assess IRR scenario suite and ensure scenarios relevant for IRR management are run on a regular basis
  – Enhance liability characterization of any deposits with indeterminate duration
  – Review hedging strategy (if any)
  – Articulate desired future state for IRR management, in line with target organizational structure and capabilities
  – Develop roadmap to address gaps between current and desired state
	• Alignment of activities across different entities
	• Gap analysis of interest rate risk management
	• Remediation roadmap with individual action steps
		• 1. Risk Appetite Statement
		• 2. Organization and Governance

4a. Design and operationalize Financial Risk Management (3/3)

Tasks	Deliverables	Interdependency

• Define expected liquidity risk capabilities and assess current state
  – Articulate expected capabilities of first line of defense, in conjunction with Finance Transformation, including
    – Cashflow projection capabilities (contractual, behavioral)
    – Ability to execute stress scenarios, both regulatory and internally-defined
    – Ability to calculate metrics, e.g. LCR, internal metrics
  – Assess first line policies/processes, including
    – Liquidity contingency funding plan
    – Liquidity buffers and asset/liability composition
    – Linkage to FTP
  – Articulate expected capabilities of second line of defense, including
    – Oversight of expected first line activities
    – Alignment of assumptions/judgment embedded in process to risk appetite and other relevant policies
  – Assess current state capabilities against expectations
  – Develop roadmap to address gaps between current and desired state
	• Definition of liquidity risk capabilities across Treasury, Risk, including areas identified in "tasks"
	• Evaluation of current state against capabilities and remediation plan
		• Finance Transformation

4b. Design and operationalize Operational Risk Management

Tasks	Deliverables	Interdependency
• To be coordinated with Operational Risk workstream		

Notes: 1. Business Environment and Internal Control Factors

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4c. Complete design and operationalize Model Risk Management

Tasks	Deliverables	Interdependency
• To be coordinated with Model Risk Management workstream		

4d. Design and operationalize other non-financial risk management

Tasks	Deliverables	Interdependency

• Assess current state of compliance risk and identify remediation needs
  – Catalog set of compliance-related risk at SHUSA and subsidiaries
  – Evaluate existence and sufficiency of controls to meet each compliance risk
  – Identify areas with missing/insufficient controls
  – Assess overall program/process to monitor and identify compliance risks on an ongoing basis
  – Conduct skills and staffing assessment of SHUSA compliance group
  – Develop remediation plan based on findings
	• Analysis of current state
	• Remediation plan
		• 2b. Design controls framework

• Design reputational and strategic risk frameworks that are aligned to other NFR frameworks within the enterprise
  – Review existing reputational and strategic risk lists at the bank to determine link with liquidity risk, operational risk, and other major risk types
  – Conduct structured workshops to narrow down to top risks
  – Translate top risk triggers into scenarios and leverage expert opinion to assess potential impacts
  – Evaluate mitigating actions that could be taken both ex-ante and ex-post
  – Implement necessary controls in coordination with other risk frameworks
• Define Risk role in new product review
  – Define SHUSA-wide expectations for Risk's role in new product review
  – Describe current new product review processes across all parts of the organization and assess degree of risk participation
  – Identify areas requiring adjustment to align with expectation
• Define Risk role in strategic planning
  – Ensure incorporation of Risk Appetite metrics in strategic planning
  – Define Risk's role in strategic planning process to ensure alignment of output with overall risk appetite
  – Revise strategic planning process as needed to align with Risk's role
	• Reputational/strategic risk management framework
	• Revised new product review process, with Risk participation
	• Defined Risk role in strategic planning
		• 1. Re-design and embed Risk Appetite Statement
		• 2b. Design controls framework

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5. Update internal monitoring and reporting

Tasks	Deliverables	Interdependency

• Define risk reporting landscape :
  – Determine different audiences of Risk reporting, including
     - Group/corporate risk management reports
     - Local risk management reports (Snr Mgmt & Board {eg, "CRO Report"}, ERM, Credit, Loan review, Market/Liquidity, Operational)
     - Local regulatory (risk & capital) reports
     - Model development
  – For each audience outline essential content and frequency of reporting
  – Design reporting dashboards / templates based on latest industry practices
     - Action oriented
     - Follow ups from previous reporting / meetings
     - Drill downs on open issues
     - Emerging risks
     - On track items in Appendix only
     - Use of tablets and other mobile devices to improve accessibility
     - Etc.
  – Develop and socialize prototype reports by audience, and refine as needed
	• Risk reporting landscape, by audience and risk type
	• Prototype reports by audience, e.g.
	  – Board
	  – Senior management
	  – Line of business
	  – Day-to-day operations	

• Develop business requirements
  – Based on desired reporting contents and frequency, define business requirements including both type and frequency of data
  – Prioritize business requirements based on report and metric materiality
• Determine resourcing needs to produce reports
  – Identify reporting groups within SHUSA and subsidiaries
  – Define target organizational structure for reporting groups
  – Define resource needs to support desired reporting, both in current and future state, incorporating
     - Degree of manual vs. automated effort
     - Scope of aggregation across risk/business area needed
  – Develop plan to rationalize and realign reporting organizational structure
	• Risk data requirements for reporting
	• Risk aggregation needs to support reporting
	• Reporting resourcing, including
	  – Org structure (SHUSA/subsidiary
	  – Resourcing levels
	  – Execution plan
		• 6a. Improve data quality and aggregation

6a&b. Improve data quality and aggregation <u>and</u> Strengthen systems infrastructure

Tasks	Deliverables	Interdependency
• Create business and data requirements for risk management efforts 　– For all data-related risk measurement, management, and reporting activities, define data requirements, including 　　- Information needed and business purpose 　　- Level of aggregation / granularity 　　- Expected provisioning frequency 　　- Expected turn-around times for data (e.g. provided within 10 days after month-end close) 　– Prioritize data requirements in line with overall risk-related CART prioritization, both within and across individual business requirement documents • Define enhancements to systems architecture to support data needs 　– Assess current systems architecture and identify areas requiring enhancement, incorporating: 　　- Above business requirements 　　- BCBS 239 compliance needs 　– Identify technology solutions consistent with defined architecture	• Risk-related data requirements • Prioritization of data needs • Risk-related systems needs	• All initiatives • Data and Technology

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