

Operational Resilience

Focused Solutions

April 2023

Why Grant Thornton?

Grant Thornton's agile team of operational resilience experts are ready to deliver proven solutions to our clients based on regulatory requirements and their strategic priorities. We leverage our vast industry experience of operational resilience engagements to assist you implement the guidance effectively on a day-to-day basis and to set future plans and strategies.

Regulatory Context

Following the Central Bank's publication of Cross Industry Guidance on Operational Resilience in December 2021 firms are expected to comply with this guidance by December 2023.

Operational resilience concerns a firm's ability to prevent, respond, recover and learn from operational disruptions and the Central Bank has outlined three pillars for application of the operational resilience guidance, providing a phased approach for the design and implementation of new frameworks.



Pillar 1: Identify & Prepare:

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Organisations are expected to:

- 1 Prepare to address any vulnerabilities
- 2 Assign owners for all critical business services
- 3 Define impact tolerances, third party risks & map critical business services



Pillar 2: Respond & Adapt:

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Once a framework for guidance application is defined:

- 1 Implement operating model to support overarching framework & embed operational resilience across the business.
- 2 Integrate existing business initiatives including ongoing
- 3 Business Continuity Management & Incident Management



Pillar 3: Recover & Learn:

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Review lessons learned and use them to enhance the organisation's capabilities:

- 1 Operational resilience should be embedded in the culture
- 2 Promotion of learning & continuous improvement as the understanding of operational resilience evolves

Key Considerations

Operational resilience is fundamental to meet the expectations of customers, business partners, and investors. Insurance firms must have plans in place to restore key products and services in the event of a service disruptions or outages and organisations should consider the following areas within their operational resilience framework.



1: Business Continuity Management

Understanding the criticality of each business area and identifying opportunities of recovery activities

2: Incident Management / Disaster Recovery

Identify and analyse potentially disruptive events to restore normal service operation as quickly as possible

3: Physical Security Management

Ensures the protection of physical access to company locations.

4: Facilities Management

Ensures the protection of the organization's physical facilities (e.g. buildings, energy and water supplies)

5: Crisis Management

Identifies and responds to a threat, an unexpected event, or any negative disruption with the potential to impact business processes/services

6: Risk Treatment / Vulnerabilities

Identifies and responds to a threat, an unexpected event, or any negative disruption with the potential to impact business processes/services

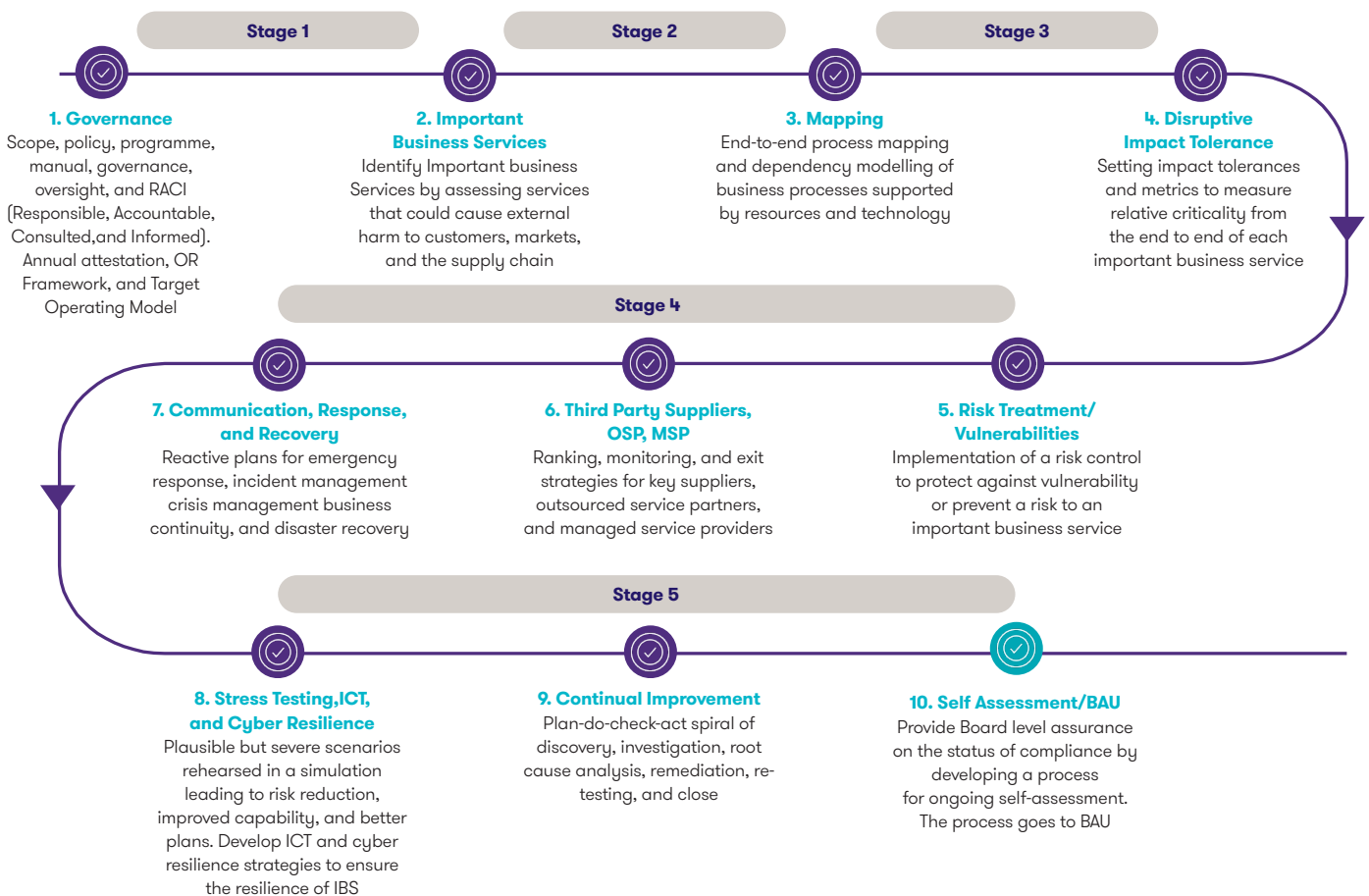
7: Cybersecurity Management

Protects the company against external or internal threats to access to critical systems, networks and data

Our Experience

Grant Thornton’s experienced financial services professionals have a wealth of experience in operational resilience from operational continuity/resilience reviews to independent internal audit reviews and can leverage this knowledge and know how to ensure best practices and learnings are incorporated in your organisation.

At Grant Thornton in order to implement the Central Bank of Ireland’s operational resilience guidance effectively on a day-to-day basis and to set future plans and strategies, we will adopt our proven **10-step framework** in order to support you in your journey.



Key management contacts for our local team include:



Nuala Crimmins

Partner, Head of Insurance
T +353 1 483 8577
E Nuala.Crimmins@ie.gt.com



Shane O'Neill

Partner
Head of Technical Change
T +353 1 483 8571
E Shane.ONeill@ie.gt.com



Marie Anderson

Director, Prudential Risk
T+353 1 483 8536
E Marie.Anderson@ie.gt.com



Denis Wilson

Director
Financial Services Advisory
T +353 1 680 5815
E Denis.Wilson@ie.gt.com