THE RISK LEADER'S LENS

Risk Appetite Decision Checklist

A discussion tool for risk teams, executives and boards

Decision under review: _____

Decision owner: _____ Date: _____

☐ **Objective.** What are we trying to achieve, and what would make this decision unacceptable?

☐ **Appetite.** Which approved appetite statement applies? Which limit translates it into a practical boundary?

☐ **Exposure.** What is our position today? Where would it be after the decision, including under a plausible adverse scenario?

☐ **Headroom.** How close are we to the limit? What early-warning threshold would give us time to act before a breach?

☐ **Response.** Who acts at the threshold, by when, and who is notified? What approval is needed for an exception?

☐ **Challenge.** What evidence would change our decision? What alternatives, assumptions and dissent did we record?

☐ **Follow-up.** Who verifies the action, and when will the decision return for review?

Decision: [ ] Proceed [ ] Proceed with conditions [ ] Defer

Conditions / evidence required: _____

Next review date: _____

Companion reading: Lens Issue 01 — When Risk Appetite Stops Working

For educational use. Adapt to your institution's approved policies and escalation procedures.

Reviewed: 10 November 2026