

Email – Rahul Mulherkar

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Dear Sir/ Madam

I write in a personal capacity.

In order that the draft revised guidance achieves its objective of helping board's address their responsibilities over the nature and extent of the risks facing the company, I would suggest that:

FRC clarify the distinction between risk culture and culture. The document makes reference to risk culture in pages 1,4 and 5. Then mentions culture in pages 10 and 27.

Not all Board members are risk experts and hence it may be useful to simplify the language to mention just culture. This could be backed up with a simple definition such as " the way we do things round here".

FRC explicitly link the assessment of culture with risk appetite. Page 27 (Appendix E) states that:

"Misaligned incentives that encourage either inappropriate risk-taking or excessive risk aversion." is a possible warning sign . This could be amended so that the sentence reads as "Misaligned incentives that encourage either risk-taking or risk aversion that is inappropriate for the agreed risk appetite"

FRC include the Board's responsibility to assess strategic controls. Page 12 Section C2.2 of the UK Corporate Governance Code could be amended to "...The monitoring and review should cover all material controls, including financial, operational, strategic and compliance controls.

Kind regards

Rahul Mulherkar