

Risk Management ^[1]

At Novartis, our continued success depends on our ability to manage risk. In 2019, we created a new function for risk and resilience that brings together the former Risk Office, Risk Assessment and Monitoring, Business Continuity Management and Novartis Emergency Management, in order to establish a comprehensive and integrated risk management framework that is coordinated among risk functions and business units. The Risk Committee of the Board of Directors is responsible for overseeing the risk management system and processes.

The Risk & Resilience team introduced an innovative, integrated enterprise risk management (ERM) approach. The process is a series of coordinated activities designed to detect and control risks. It is based on risk discussions conducted by the leadership teams of business units at the global level in alignment with their own strategic planning processes, and in close collaboration with all risk functions within units and countries.

This process resulted in a single holistic view of risks across the company, known as the Novartis Risk Compass, which summarizes the key risks across four important dimensions: strategic, operational, emerging and awareness risks. The compass will help enable senior management and the Novartis Board of Directors to focus discussions on key strategic risks and more closely align the company strategy, our risk exposure and our ways of working.

[Learn more about Novartis Enterprise Risk Management \(PDF 0.2 MB\)](#) ^[2]

The Novartis Risk Compass



Novartis strives to reduce risk and ensure continuity at both strategic and operational levels

with risk portfolios and continuity management audits.

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