

Guidance 3d: Example escalation protocols

<i>Risk status (Red/Amber/Green)</i>	<i>Example triggers</i>	<i>2LoD actions</i>	<i>Decision authority</i>
<i>Best practice tip: set up automated dashboards to monitor risk metrics.</i>			
<i>Best practice tip: define clear binary thresholds for each risk status to avoid ambiguity.</i>			
<i>Best practice tips:</i> ▪ <i>Assign clear owners (down to specific personnel by name), with pre-authorised actions and decision trees.</i> ▪ <i>Document all escalations, decisions and actions; review response effectiveness and update protocols if needed.</i>			
Green	Within risk appetite	▪ Routine oversight	▪ N/A
Amber	Approaching critical threshold	▪ Review and validate risk	▪ CRO or head of (climate) risk committee
Red (early warning)	Breach of threshold	▪ Assess risk ▪ Propose/take mitigating actions ▪ Escalate if necessary	▪ Head of risk committee or board
Red (plus material consequence)	Breach of threshold plus failure to respond	▪ Crisis management	▪ Board or executive committee