

Enterprise risk services Building value through a risk intelligent approach



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Introduction

At Deloitte, our reputation for excellence in the enterprise risk services (ERS) arena is based upon the depth and breadth of services we offer, combining in-depth industry knowledge and technical expertise with a genuine local presence, with a view to delivering effective market leading advice.

Our ERS team offers a comprehensive array of solutions designed to help our clients evaluate their risks, determine acceptable levels of exposure, and monitor the applications of these controls. Today's environment demands that enterprises tighten their controls and make the necessary adjustments to their organisational frameworks including strong governance practices.

Our team has the required tools and processes to accomplish these goals. ERS help ensure that your organisation manages and responds to all types of risks. Whether the need is related to internal audit, corporate governance, enterprise risk services management, technology services, or corporate responsibility and sustainability, Deloitte ERS is a ready partner in achieving your corporate success. Our local presence is complemented by our global network of resources.

Deloitte in Malta



Our firm

The Maltese member firm of Deloitte Touche Tohmatsu Limited is a civil partnership constituted between limited liability companies and its affiliated operating entities; Deloitte Services Limited and Deloitte Audit Limited. The firm, which can trace its origins back to one of Malta's first accountancy practices, currently consists of approximately 250 members of staff operating across three main service lines: audit and assurance, tax, and financial advisory.

Deloitte is firmly established as one of Malta's leading providers of professional services. The firm has the largest international tax practice and a dedicated financial services practice, serving a range of multinationals that operate through Malta to take advantage of its skills, competitive cost base, regulatory environment, EU membership and attractive tax system.

Multidisciplinary teams focus on both public and private clients spanning multiple industries. Supported by a globally connected network of member firms in more than 140 countries, Deloitte brings world class capabilities and deep local expertise to help clients succeed. Deloitte has the broadest and deepest range of skills of any business advisory organisation and a simple and straightforward goal: to be recognised as the pre-eminent and most trusted professional services firm, famous for the calibre of our people and respected for the exceptional quality of our work.

Deloitte is firmly established as one of Malta's leading providers of professional services

Our people

Our people combine high standards of integrity and skills with local knowledge and experience of each country, its culture, laws and businesses. At the same time drawing on the immense resources, global insight and innovation of a multinational firm, our people offer powerful business solutions that help us exceed clients' expectations.

Our multinational experienced professionals are dedicated to delivering ERS services to our clients, tapping into the expertise of more than 11,500 ERS professionals across the world. Working alongside you, our ERS people, who possess various professional qualifications relevant to the different ERS domains, bring with them diverse experience in internal audit, corporate governance, enterprise risk management, technology services, and corporate responsibility and sustainability.

We foster a collaborative and partnership culture where talented individuals can produce their best work. Our style is direct, open, forthright and proven. We also listen to our clients and respond accordingly. Our open structure with tight lines of communication means you have direct access to all team members.



Our industries

As a client, you will benefit from our proactive, dynamic, and structured approach driven by our strong industry expertise. Our dedicated sector specialised teams have in-depth understanding of specific industries and their strategic issues complemented by our worldwide contact base of corporations and organisations. Our people offer specialised knowledge that includes the following industries and sectors:

- Consumer business and transportation
- Energy and resources
- Financial services
- Life sciences and health care
- Manufacturing
- Public sector
- Technology, media and telecommunications



We can assess your
organisation's governance
processes and
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against best practices
and codes to ensure they
meet the needs of the
business

Corporate governance

Corporate governance is critical to any organisation. Solid reputations built up over many years dissolved overnight in the high profile collapses of the 2008 financial crisis. Tougher corporate governance regulations are being introduced to challenge creative accounting, poor internal controls, inadequate challenging of business strategy, excessive pay unmatched to performance and ineffective non-executive directors.

Globally many regulations were enacted to force organisations to enhance corporate governance processes, through more stringent board of directors regulations and tougher internal controls with some requiring CEOs and CFOs certify as being effective. Stringent new rules mean that CEOs and CFOs could face significant fines or jail terms if they make unsupportable representations.

At Deloitte we can assess your organisation's governance processes and benchmark them against best practices and codes to ensure they meet the needs of the business. We can also help you make sure you comply with the rapidly changing country and financial market specific regulations.

Senior executives need to ask themselves when they last studied their organisation's corporate governance framework and whether they are confident that it is robust and underpinned by integrated, resilient processes. They need to question the effectiveness of the organisation's controls and their comfort level in signing off the annual internal controls statement. We can help businesses evaluate the effectiveness of their organisation's governance processes, develop solutions to close the gaps, and enable change to minimise risks and maximise benefits.

Our corporate governance services include:

- Corporate governance assessment and benchmarking
- Development of corporate governance framework
- Assistance in selection of board members
- Continuing board or board committee education
- Governance and risk oversight



Internal audit

In both favourable and challenging economic environments, an organisation's need for counsel, competency, and analytical skill remains high. Senior management's need for timely and reliable business intelligence has never been so acute locally or worldwide. The ripple effects of financial scandals that destroyed global brands overnight mean that business leaders have to divert time from executing their strategy to the tactical defence of their corporate governance. Investors, analysts, and regulators are applying pressure on executives over poor business performance and questionable decisions, while they are having to deal with more competitive markets, less loyal customers, and increased demands for on-line access to products and services.

Management must therefore be in control of all aspects of the organisation's operations - finance and accounting, health and safety, environmental impact, IT, customer relationship management and dealings with suppliers. They need to be able to quickly spot areas of potential risk and deal with them before they arise. It is a tall order, but a professionally run, vigorous internal audit function cannot only identify the risks, it can also uncover previously hidden opportunities that can make organisations more successful.

We can help you establish an internal audit function, or extend the scope of your existing team so that it contributes much more to shareholder value. At Deloitte, we have professionals ready to fill in the gaps when you need us, and we can benchmark your internal audit function and suggest improvements. Whatever the needs of your organisation, we can develop a customised value proposition to meet them.

Our services include:

- Internal audit capacity building projects
- Internal audit risk assessment and development of strategic IA plan
- Outsourcing or cosourcing
- IT internal audit (please refer to technology services)
- Quality assessment services
- Regulatory effectiveness
- Resourcing or loaned staff
- Contract risk and compliance



Technology services

Technology risk issues are widely recognised as having a significantly adverse impact on business, resulting in not just financial losses, but damage to reputation and operational downtime as well. In addition, customers, partners, shareholders, and other stakeholders alike expect a demonstration of system security, regulatory compliance, and good governance. Deloitte is uniquely positioned in the marketplace to deliver a broad range of objective and comprehensive technology risk services in a concise manner, leveraging its global network, research, proven methodologies, preferred practices, and client experience.

Deloitte credentials show a solid track record in the integration of business, process, people, and technology. We are established and trusted advisors to our clients and work with them to develop comprehensive IT risk programs resulting in real benefits throughout every stage of the business process. Deloitte offers an end-to-end portfolio of services to help you manage technology risks across your organisation, bringing together a world-class risk management capability that is trusted by boards and management with a business-led focus that is combined with a deep understanding of technology.

Deloitte ERS technology services draw on the resources of a highly skilled and experienced team. Our technology consultants who deliver engagements are not only experienced but also possess CISA, CISM, CISSP, certifications.

We provide a full range of internally and externally focused technology risk services covering all aspects of business process risk, IT risk, data quality and integrity risk, IT project risk and information security risk, including:

- Advisory readiness services (Sarbanes Oxley and similar national requirements)
- Business continuity management
- Identity and access management
- Infrastructure and operations security
- Privacy and data protection
- Security management
- General computer controls
- Controls automation monitoring and management
- Vulnerability management
- IT internal audit
- IT due diligence (M&A)
- Application integrity
- IT governance
- Business process controls
- Data quality and integrity
- Project risk services
- Third party service auditor reports (such as SSAE 16)
- PCI

We provide a full range of internally and externally focused technology risk services covering all aspects of business process risk

Enterprise risk management

In recent years, and more than ever, senior management has been searching for better ways to make informed decisions to achieve their business objectives. This has commonly been assisted through risk management practices. The gradual transition from conventional risk management to enterprise risk management (ERM) has enabled senior management to be aware of the risks to which it is susceptible, while developing plans designed to respond to these very risks. ERM has also gained substantial momentum because of the growing importance of solutions for compliance and regulatory norms (including BASEL II) for which ERM lays down the foundations. Triggers for ERM implementation include catastrophic events such as stock market crashes and the current credit crisis, credit rating processes, compliance with regulatory bodies such as central banks and other government regulatory bodies, the introduction of ERM by competitors, challenges posed by new or emerging products, and the dynamic nature of business risk.

ERM is a capability that involves identifying, measuring, monitoring, reporting, and responding to risks across an enterprise in a way that is aligned with the enterprise's objectives and risk appetite. ERM should address all major risk types including compliance, financial, hazard, operational, as well as strategic risks across all major business units and functions within an enterprise. ERM emphasises value creation as well as value preservation and the application of risk quantification techniques to develop risk portfolios using measures such as cash flow at risk and earnings at risk.

We offer the following ERM services:

- Risk analysis and quantification (CFaR, EaR, DFA)
- End-to-end ERM design and implementation
- ERM system selection and implementation
- Capital allocation (NPV, IRR, RAROC)
- ERM capability assessment and roadmap
- Enterprise wide risk assessment
- Risk appetite definition
- ERM policy development
- Basel II & Solvency II
- Risk transfer mechanisms

ERM Centre of Excellence

Helping our clients excel

Deloitte's ERM Centre of Excellence was created to support our clients' growing demand for ERM services. Through the centre, clients have access to regionally-located international ERM specialists, who provide world class experience in delivery of end-to-end ERM solutions across industries.

We believe we are uniquely qualified to provide quality solutions tailor-made to our clients' needs. Our dedicated ERM specialists offer a breadth and depth of qualifications across the full spectrum of ERM services, and work closely with industry and quantitative service specialists. Using recognised methodology, our aim is to provide cost effective services with strategically focused results.

Corporate responsibility & sustainability

With business practices under increasing scrutiny by regulators, analysts, media, and stakeholders, corporate responsibility and sustainability (CR&S) is fast becoming a critical issue for companies. CR&S is about identifying the risks and opportunities that arise from global trends impacting a company. These trends include the emergence of new consumer and labour markets, the increased scarcity of resources, and the effects of climate change. By implementing CR&S, businesses can achieve the right balance between their own interests and those of the environment and society at large with the aim of generating added value for their company. Deloitte's approach identifies the economic, social, and environmental issues relative to a company, assesses the added value of finding the right balance between these areas, and aligns them to create shareholder and stakeholder value. By combining our business knowledge and expertise with CR&S specific competencies, we can help you implement CR&S as an undivided part of the overall strategy, governance, business processes, management information systems, and internal control. Deloitte and its international member firms have the experience and subject matter knowledge to assist your company in managing corporate responsibility considerations. Deloitte's global CR&S team comprises over 600 dedicated practitioners in more than 30 countries worldwide.

Our sustainability expertise spans from CR&S strategy to business ethics to environment. Our practitioners have detailed local knowledge of country-specific legislation, industry practices, local cultures and stakeholders. Globally, Deloitte is actively engaged with a number of groups such as the Global Reporting Initiative, UN Global Compact, the International Assurance and Audit Standard Board and the World Business Council for Sustainable Development who influence and shape the debate on these issues.

Our CR&S services include:

- CR&S strategy and implementation support
- Sustainable supply chain projects
- Integrated service offerings
- CR&S gap assessments
- Sustainability reporting
- Green IT consultancy

Recognition & awards

We recognise the wisdom in the old adage 'self praise is no recommendation'. However, we also recognise that you require peace of mind on the service providers who will attend to your companies. As a small jurisdiction, Malta does not have any formal established recognition awards for practicing service providers. However, we have done extremely well in terms of international awards:

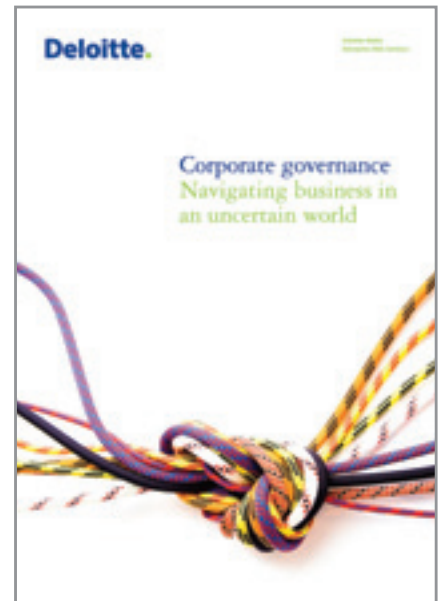
- In 2010 and 2011 we were recognised as the best national tax practice by International Tax Review.
- In 2009 we were awarded best Transfer Pricing firm by International Tax Review.
- We have been listed as a 'Tier One' tax practice in Malta by International Tax Review ever since Malta started being featured. Only two firms have a 'Tier One' ranking.
- In 2008, in the only year that funddomiciles.com awarded best audit firm for funds in the Maltese jurisdiction, we won the award.



Publications

Publications are now available for distribution and can be obtained by sending an email to info@deloitte.com.mt or downloadable versions can be accessed from www.deloitte.com/mt/ers. Selected titles include:

- Corporate governance
- Double invoice tracker
- Enterprise risk management
- Fixed asset management
- Insurance services
- Internal audit
- Payment card industry
- Security management
- Solvency II



Deloitte.

Enterprise Risk Management



Double invoice tracker
Paying once is enough!

Deloitte.

Enterprise Risk Management

Enterprise Risk Management (ERM)
Success through
intelligent risk taking



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Enterprise Risk Management



Internal audit
Your risk advisor

Deloitte.

Enterprise Risk Management



Security management
Protecting your
information and systems

Here to meet your needs

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Deloitte Malta refers to a civil partnership constituted between limited liability companies, and its affiliated operating entities; Deloitte Services Limited and Deloitte Audit Limited. The latter is authorised to provide audit services in Malta in terms of the Accountancy Profession Act.

A list of the corporate partners, as well as the principals authorised to sign reports on behalf of the firm, is available at www.deloitte.com/mt/about.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 140 countries, Deloitte brings world-class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte's approximately 169,000 professionals are committed to becoming the standard of excellence.

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