

### Uncertainty Factors

|                 |                                                        |
|-----------------|--------------------------------------------------------|
| Likelihood      | How likely the event is to occur at any time           |
| Frequency       | How often the event will occur in a set period         |
| Proximity       | How soon the event will occur                          |
| Velocity        | How quickly the consequences occur after the event     |
| Aleatory        | Dependency on random change                            |
| Epistemic       | Dependency on information                              |
| Confidence      | How certain we are about our estimates                 |
| Predictability  | How much future events correspond to known past events |
| Credibility     | Whether the event could reasonably happen              |
| Interdependence | Whether other events will contribute unpredictably     |
| Ambiguity       | When we are uncertain about the meaning of an event    |
| Persistence     | How long the risk remains valid                        |

### Impact Factors

|                         |                                                      |
|-------------------------|------------------------------------------------------|
| Severity                | The magnitude of the impact                          |
| Criticality             | The importance of the impacted asset to a capability |
| Cascade                 | Subsequent effects                                   |
| Irreversibility         | Whether the damage can be undone                     |
| Recoverability          | How easily normal operations can be restored         |
| Scope                   | How widespread the impact is                         |
| Fragility/Antifragility | Whether the system worsens or improves under stress  |
| Exposure                | The degree of investment in the outcome under threat |

### Impact Factors (cont)

|          |                                        |
|----------|----------------------------------------|
| Duration | How long the effect of the event lasts |
|----------|----------------------------------------|

### Control Factors

|                  |                                                        |
|------------------|--------------------------------------------------------|
| Controllability  | Our degree of influence over causes or outcomes        |
| Detectability    | Our ability to recognise early indicators              |
| Mitigability     | Our ability to reduce or contain the impact post-event |
| Dependency       | Reliance on outsourced capabilities or third parties   |
| Substitutability | Flexibility in replacing compromised assets            |

### Systemic Factors

|                       |                                                                                                                     |
|-----------------------|---------------------------------------------------------------------------------------------------------------------|
| Asymmetry             | A risk with a mismatch in positive outcome for overcoming vs negative outcome in failing                            |
| Opportunity           | A different view of risk focused on attempting to achieve positive outcomes rather than avoid negative consequences |
| Systemic Risk         | Risks that propagate or occur beyond our control                                                                    |
| Cascading Risk        | Dependency chains or knock-on effects                                                                               |
| Concentration Risk    | Lack of diversification leading to single points of failure                                                         |
| Knightian Uncertainty | Fundamentally unknowable risks, where we cannot meaningfully estimate probability                                   |
| Volitional Risk       | A risk we have chosen to take in pursuit of goals                                                                   |
| Emergent Risk         | In complex systems novel, unmodelled outcomes may become apparent and should be anticipated                         |

### Behavioural Factors

|                |                                                                                    |
|----------------|------------------------------------------------------------------------------------|
| Perceived Risk | Subjective perception of risk drives action                                        |
| Appetite       | The amount of risk we are willing to take in pursuit of a goal                     |
| Tolerance      | The variance from appetite we are willing to accept before taking action           |
| Confidence     | Over- and underconfidence distort judgment and are difficult to measure accurately |
| Communication  | Effectiveness of information sharing affects understanding of risk                 |
| Cognitive Bias | Various cognitive biases affect how we perceive and react to risk                  |
| Moral Hazard   | Incentives misaligned with exposure, i.e. "playing with someone else's money"      |

### Meta Factors

|                   |                                                                                                                                |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------|
| Framing           | The story you tell about why to take/treat a risk                                                                              |
| Model Risk        | Reliance on an inaccurate or inappropriate model                                                                               |
| Comprehensibility | Whether decision-makers understand the information presented, simpler models encourage action while complex ones discourage it |
| Volition vs Fate  | Clarifies which risks are controllable                                                                                         |



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