

# FX Risk Policy Checklist

---

## Checklist · FX & Interest Rate Risk · Professional tier

Quick-fire checklist to test the maturity of your FX policy.

### 1. Purpose

Twenty yes/no questions covering identification, measurement, hedge mandate, governance and reporting.

### 2. Who should use this

- Treasurer

### 3. When to use it

- At the start of every checklist cycle for the group.
- Whenever a material change occurs in the underlying business, regulation or risk profile.
- During quarterly management and board reviews.
- As part of internal audit and second-line assurance work.

### 4. Step-by-step usage

1. Print or duplicate the checklist at the start of each cycle.
2. Assign each control point to a named owner with completion date.
3. Capture evidence references against every item (system screenshot, ticket, signed pack).
4. Escalate exceptions to the control owner the same day they are identified.
5. Reviewer signs off the completed checklist before close / release.
6. File the signed checklist in the central evidence repository for audit.

### 5. Controls and approval workflow

- Segregation of duties between preparer, reviewer and approver.
- Documented delegated authority with monetary and instrument limits.
- System-enforced limits where the toolkit drives downstream payments or trades.
- Quarterly independent review by Internal Audit or second-line Risk.
- Exception log retained for at least seven years for regulatory inspection.

## 6. Review frequency

Reset every cycle (monthly close, payment run, KYC refresh, audit window).

## 7. Sample working template

Currency	Gross Exposure (m)	Hedged (m)	Net Open (m)	Hedge Ratio	Sensitivity (1% move)
USD	120.0	84.0	36.0	70%	USD 0.36m
EUR	18.0	9.0	9.0	50%	EUR 0.09m
GBP	7.5	6.0	1.5	80%	GBP 0.015m

## 8. Key topics covered

- Policy
- Checklist

## 9. Implementation notes

- Localise to your group's chart of accounts, currencies and entity structure before first use.
- Wire the outputs into existing treasury / FP&A reporting cadences rather than running in parallel.
- Capture data lineage so each figure can be traced back to its source system.
- Run a dry cycle with a small business unit before group-wide rollout.
- Pair with the related Outliers framework and assessment to track maturity uplift over time.