- The first component of the CRMF is to establish the internal control environment. The internal control environment is central to developing the commercial cannabis business' risk culture, establishing the risk management tone from the top. Tone from the top is the behavioral example that leadership sets for their employees to follow resulting in standards that become ingrained in the company culture. For example, the board of directors and management must establish a company culture by showing all employees that they have a commitment to risk management, ethics and holding everyone accountable for their own risk responsibilities while pursuing business objectives. This helps to engage all employees in the management of risk. To make the internal control environment formal, a risk policy should be created and approved by the board of directors which allows management to integrate a culture of risk in all business processes. This refers to the board of directors as the standard term for the group of people with ultimate responsibility for guiding the direction of the company. Depending on the formation of the company, there are many alternatives such as owners, board of managers, partners and executive management.