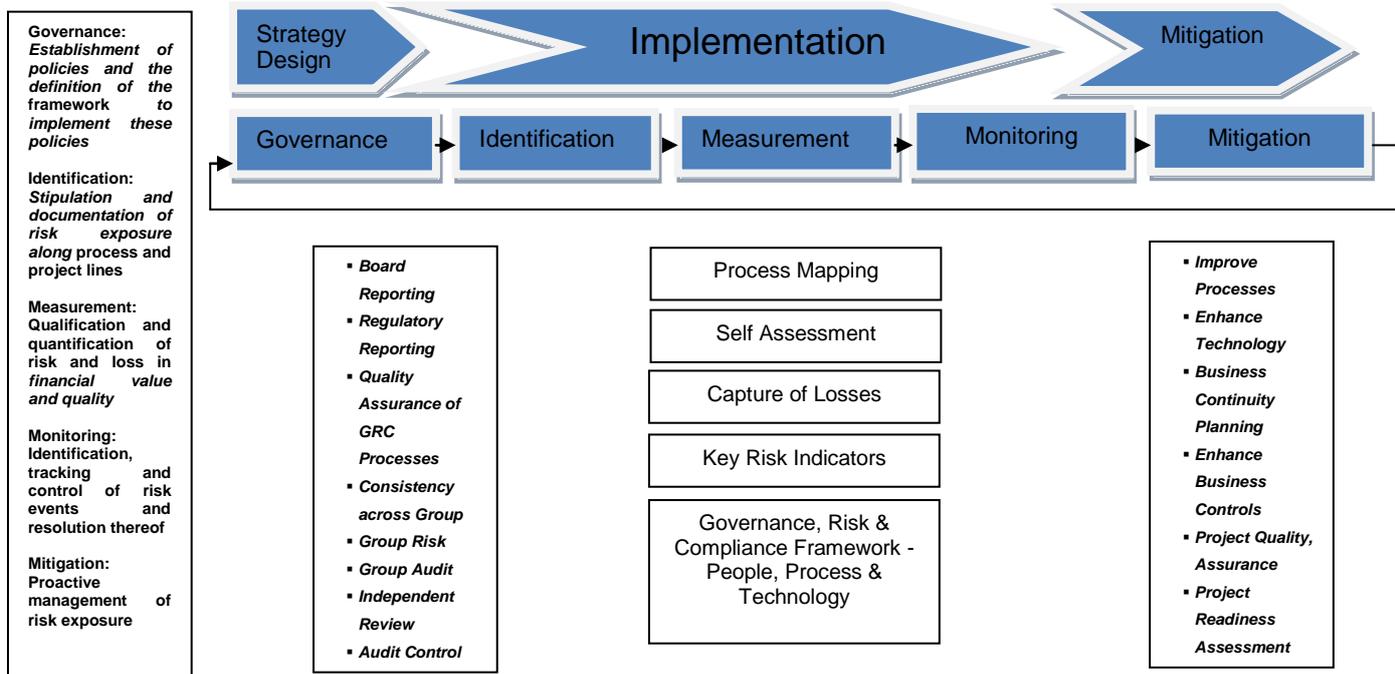


Efficacy of Risk & Compliance as a Support Model for Objective decision making



Integrated Risk Management: The Building Blocks

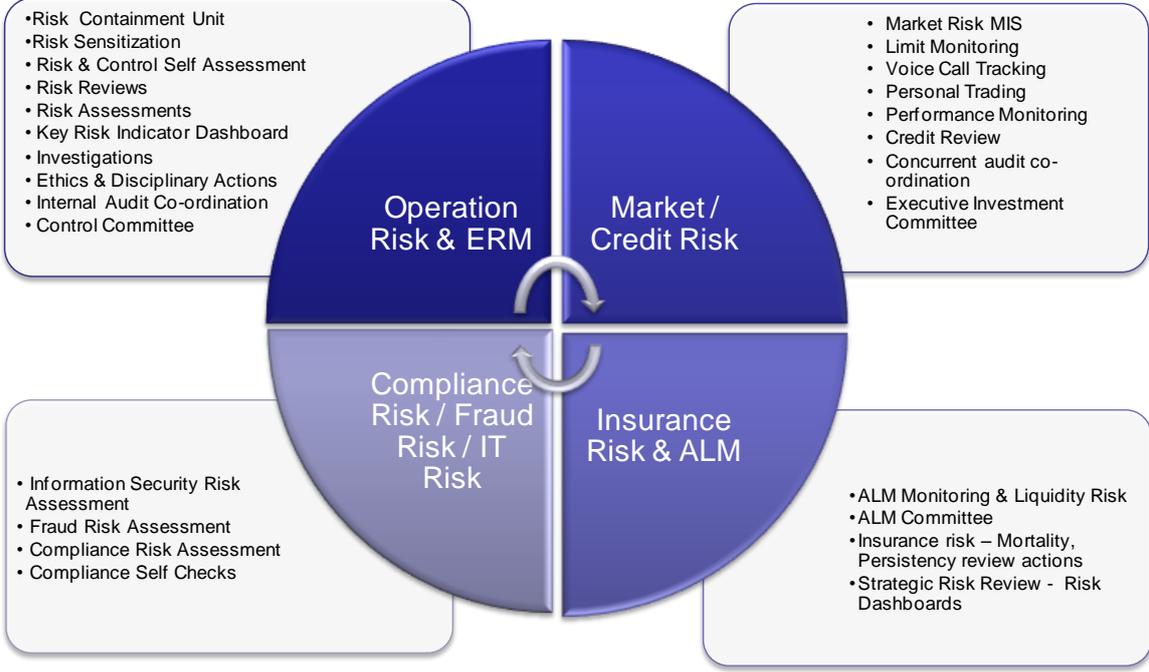


RLIC Risk Management Policy

The vision that the risk management unit encompasses; is that risk management is a key part of how we all do things to ensure success:

- We take accountability for managing our business risks
- We insist on practices which help us manage our risks well
- We take informed risks in order to achieve superior returns
- Risk management contributes to the achievement of business objectives
- Risk management enables us to realize our opportunities
- Risk management helps us avoid unwelcome surprises

Enterprise Wide Risk Management Structure at RLIC



Reputation risk impact from each of the above risk - Needs Risk Mitigation

Risk Management Monitoring Framework

- **Risk Management framework with independent reporting line to CEO/ CRO/ Group – matrix reporting to Audit committee and Board**
 - **Governance** – Policies and processes
 - **Identification** – Risk Assessment, Stipulation of risks along processes and projects
 - **Measurement** – Quantification and Qualification of risks and losses/ impact–Financial and Reputation – risks not measurable are qualified
 - **Monitoring** – Identification, tracking and control of risk events and resolution thereof
 - **Mitigation** – Proactive management of risks
- **Quarterly review of the framework** – efficiency and effectiveness
- **Appointed Actuary is a part of the Risk & Asset Liability Management Committee/ Framework**



- **Risk Management operational framework – few key areas:**
 - Operational risks, Product / Pricing risks, Risk Transfer to Reinsurance, Underwriting policies....
 - Fraud prevention framework, Mis-selling, Investigations,
 - Risk Control and monitoring
 - ALM risk or a separate ALM / ALCO with AA as a member
 - Insider Trading Policy
 - Information Systems Risk
 - Risk Management processes – key processes:
 - Control Self Assessments, Root Cause Analysis,
 - Risk Assessments and Risk Reviews

**Also, incorporating emerging requirements from “The Companies Act, 2013”*