Risk Management Responsibilities

MUA has adopted the 'three-lines-of-defence' model where ownership for risk is taken at all levels in the Group. This model is widely adopted by financial services companies globally. It clearly sets out the risk management responsibilities across the business and is consistent with the current regulatory risk-based approach, encompassing corporate governance, processes and controls.



STRATEGY, RISK APPETITE & POLICY



Operational Management, Decision-Making Staff, Business Units

Doing and recording

Delegated authority to:

- Develop and implement internal controls within the key processes of operational clusters according to risk appetite statement
- · Manage risk
- · Escalate new risk

Assurance: nanagement based

1st line of defence



Risk Management and Compliance

Internal verification

Objective oversight of risks. Key activities include:

- Designs and deploys the overall risk management and compliance frameworks
- Develops and monitors policies and procedures
- Monitors adherence to framework and strategy

Assurance: risk and legal based

2nd line of defence



Risk Committee &
Audit Committee Internal &
External Audit

Independent verification

Independent and objective assurance over the effectiveness of corporate standards and business compliance:

· Independent assurance that the risk management process is functioning as designed and identifies improvement opportunities

Assurance: independent base

3rd line of defence