

Principle 5: Risk Governance and Internal Control

Risk Management

The Board of directors is responsible for the governance of risk and ultimately responsible for the setting up and monitoring of the risk management process.

All significant areas are covered by appropriate and adequate internal controls and the internal controls are reviewed as and when required to cater for changes in the level of risks.

The Risk report is found on pages 82 to 97 of this report.

Terms of reference of MUA Risk Committee, comprise of:

- Reviewing the Group's risk appetite and future risk strategy for economic capital, liquidity and reputation and also for operational risks
- Reviewing the Group's risk profile against risk appetite, effectiveness of risk management framework
- Reviewing scenarios and stress tests which the Group uses to assess the adequacy of its economic and regulatory capital and liquidity
- Managing MUA risk policies

During the year under review this committee' main areas of focus were:

- Quarterly Risk reports
- Risk Management Framework (RMF) in line with the Insurance Risk Management Rules (2016) Implementation
- Reinsurance Risk
- Business Continuity Plan
- Cyber Security

Whistleblowing Policy

MUA is committed to the highest possible standards of openness, integrity and accountability. In line with that commitment, MUA has implemented a Whistleblowing Policy, whereby an alternative reporting process is established for use by all employees in strict confidence, without the risk of subsequent retaliation, victimisation, discrimination or disadvantage.

The Whistleblowing Policy is available on the MUA's intranet and it has been designed in such a way to assist employees who have concerns about any aspect which involves malpractices or unethical issues, to come forward and voice out those concerns anonymously in writing or electronically via MUA's Whistleblowing Portal or verbally with their immediate supervisor/manager or their superior officer.

If for any reason, they feel that their immediate management is involved, employees are encouraged to approach a more senior level of management, e.g. the Group Head of HR; e.g. the Head of Internal Audit e.g. the Money Laundering Reporting Officer (depending on the nature of the complaint) or they may address their report to the Group CEO.