

19th Global Conference of Actuaries

30th - 31st January, 2018 | Mumbai, India



Swiss Re

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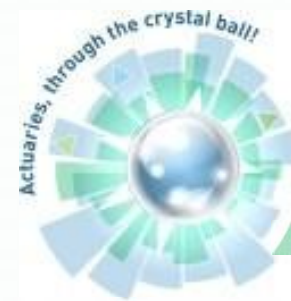
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Risk management for steering business

30 January 2018, Session C4

Risk Management in Action



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Risk Management Mandate and Mission



Mandate given by the Board of Directors:

Risk Management enables conscious and transparent risk-taking by proactively partnering and constructively challenging stakeholders in order to facilitate business success.

Risk Management's shared purpose and mission:



Risk Management is a **risk controlling function**, advising the Executive Committee(s) and the Board(s) of Directors to ensure that risks:

- are **fully understood** and appropriately governed
- correctly modelled and valued
- transparently monitored and controlled

Risk Management **enables** the right way of risk taking.

Risk Management **makes a difference** to brand-value and business development.

Risk Management Tools



8. Key Risk Taker Assessment
Executives in core risk taking positions, who decide on business and people strategies, approve budgets, and can materially influence financial results or expose the firm to significant operational or reputational risks.

7. Key Risk Indicators
Control Related Behaviour is based on criterion related to the status of Risk Issues

6. Risk Control Self Assessment
RCSA Owners are responsible for development, assessing, maintaining and monitoring controls to address business risk

5. Risk Matrix
The Operational Risk Matrix is used to report the most material operational risks to the EC and BOD



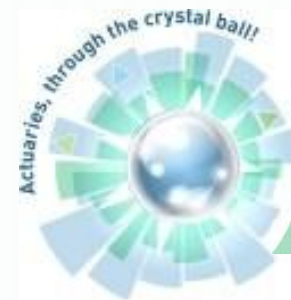
1. Group Risk Policy
Policies and Standards in one consistent Framework that establishes a clear hierarchy

2. Risk Appetite, Tolerance and Limits
Risk limits manage risk appetite at all levels of the organisation

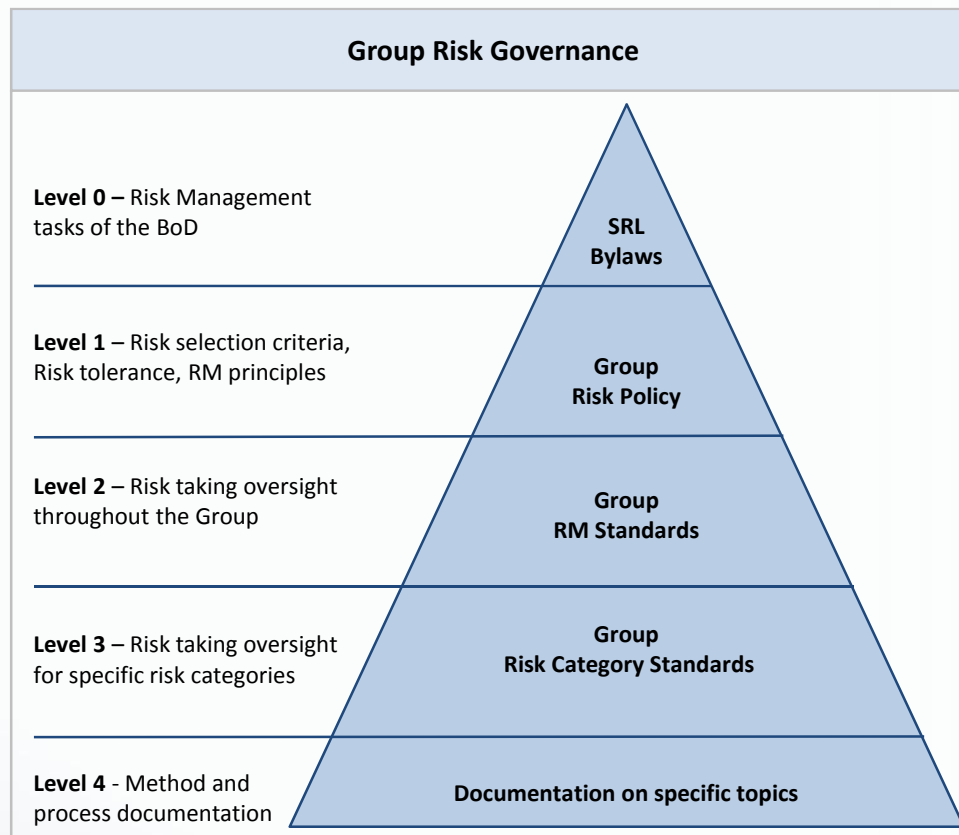
3. Risk Capital in Business Steering
Risk tolerance forms the basis for capital management, risk steering and limit setting

4. Risk Reporting
Reports such as Updates, Dashboard and reviews enable assessment of risks and key risk messaging

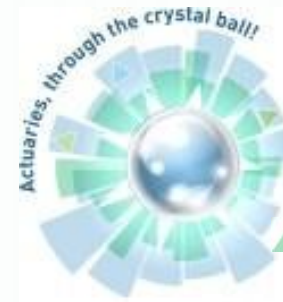
Group Risk Policy



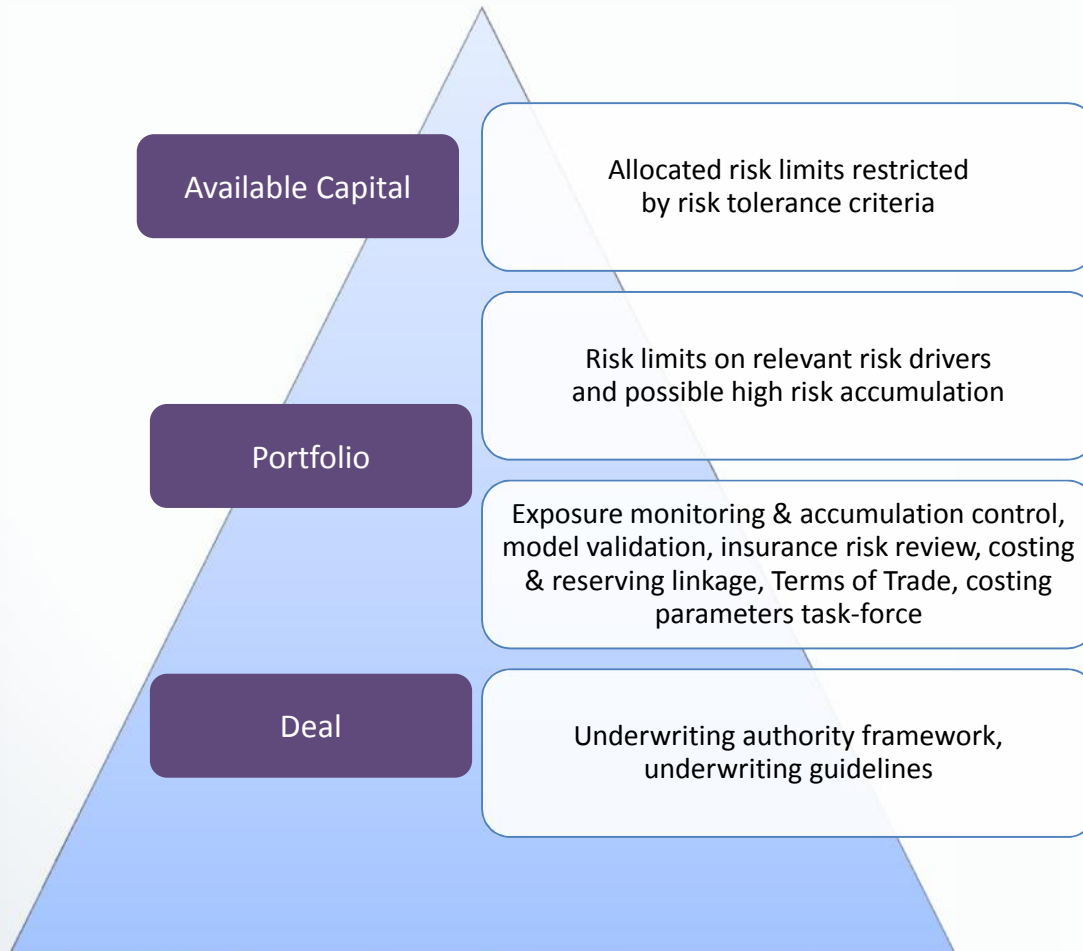
Policies and Standards in one consistent Framework that establishes a clear hierarchy



Risk Appetite, Tolerance and Limits



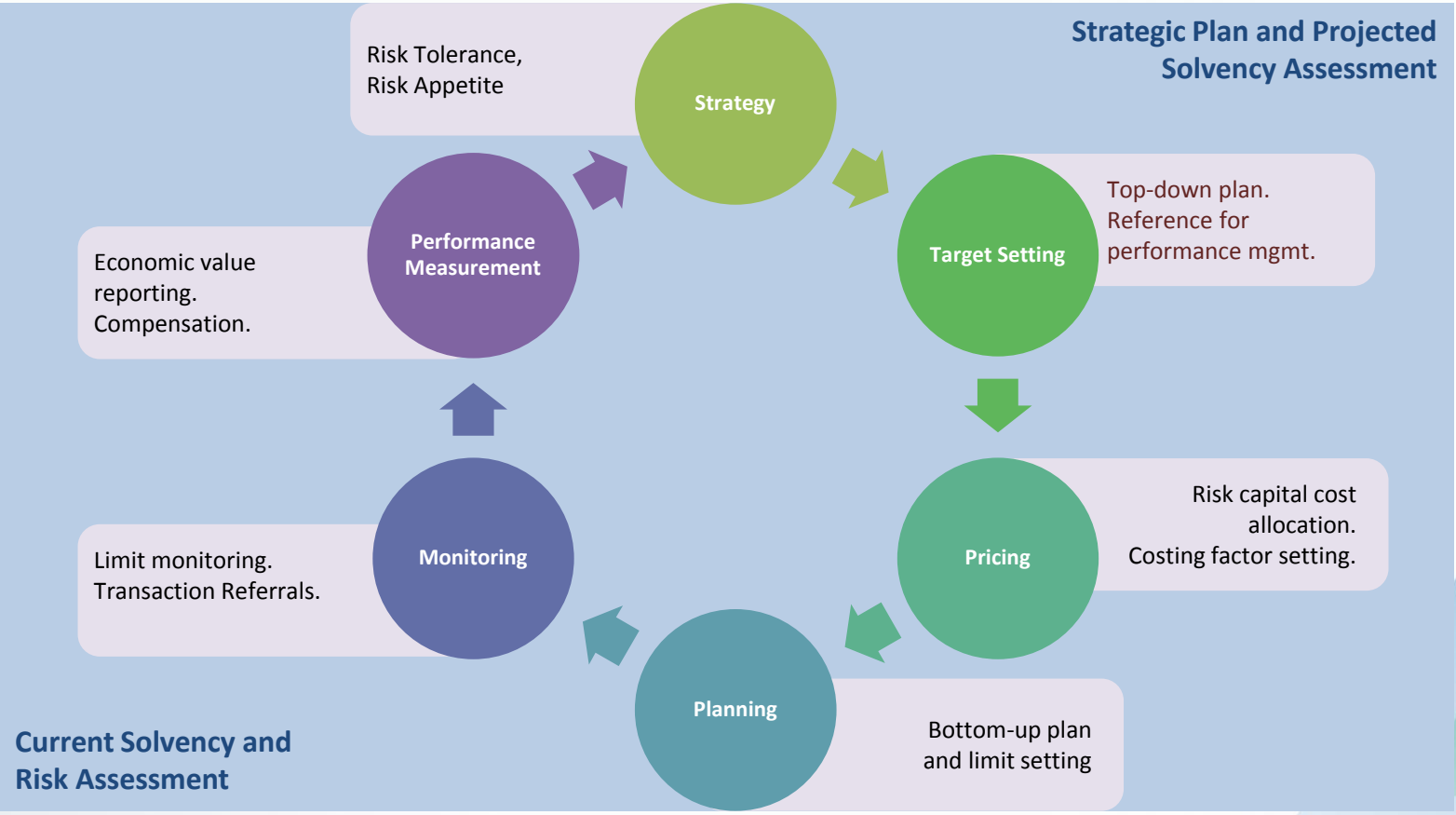
Risk limits manage risk appetite at all levels of the organisation



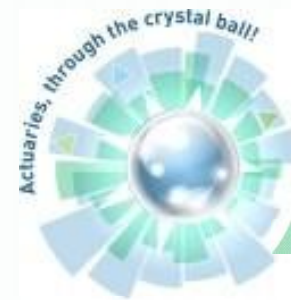


Risk Capital in Business Steering

Risk Capital fully embedded in business steering process

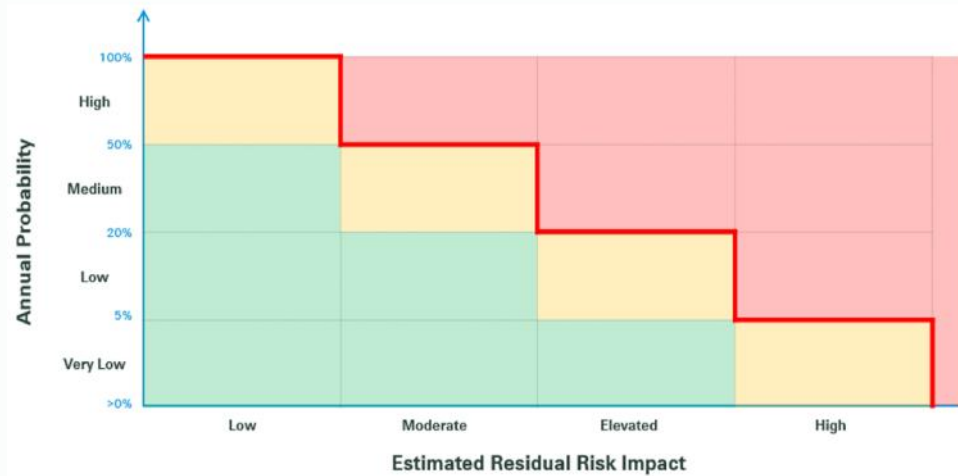


Risk Matrix



Operational Risk Matrix is used to report the most material operational risks to the EC and BOD

Risks are being assessed on an “residual” risk impact and an annual probability. The assessment represents the independent view of Risk Management.



Risks which are above (or approaching) the Operational Risk Tolerance Limit must be reported to the Board of Directors on a quarterly basis, including risk mitigation activities.



Risk Culture : Key Risk Taker Assessment

Key Risk Takers are executives in core risk taking positions, who decide business/people strategies, approve budgets, can materially influence financial results or expose the firm to significant operational/reputational risks

Across Swiss Re all **Group Executive Committee members and Group Managing Directors** in first line function are identified as KRT positions holders.

Empowered risk management resources and skills
Risk management skills are properly embedded in BUs/GFs.

Risk Competency

Tone-at-the Top

Strong risk leadership and communication
Strong tone-at-the top for risk management activities, e.g. through fostering a sound risk culture at all levels, clear vision and direction regarding risk leadership.

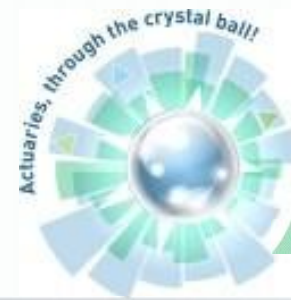
Clear risk taking accountability and high risk transparency
Robust risk governance framework with clear accountability for managing risk established. Transparent and high quality risk management information.

Risk Governance

Decision Making

Informed risk decision taking
Environment of open communication and effective challenge in which decision-making processes encourage a range of views and solutions and constructive, critical attitude among employees is stimulated.

Thank You



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Actuaries, through the crystal ball!



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Thank You

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