

## BOARD OF DIRECTORS

Accountable for Organizational Oversight

### MANAGEMENT

Takes actions (including managing risk) to achieve our strategic goals.

1

**FIRST LINE:** These are our people on the front lines — such as our underwriters, pricing actuaries and investment professionals.

They're managing risk, complying with regulations and standards, and carrying out our risk control processes daily.

2

**SECOND LINE:** These roles are responsible for oversight and challenge of the front line.

They develop and implement risk management processes policies and procedures.

3

**THIRD LINE:** Their role is to provide the Board and management with independent, risk-based, and objective assurance, advice, insight and foresight.

### INDEPENDENT ASSURANCE

### KEY CONTROLS/ACTIVITIES

- Underwriting guidelines.
- Business segment reviews.
- Peer reviews and quality control.
- Pricing models.
- Reinsurance purchases.
- Natural catastrophe modeling and assessment.
- Investment guidelines.
- Customer vetting.
- IT Access Controls and cybersecurity.

- Risk Management Board Reporting.
- Aggregate exposure measurement and monitoring.
- Risk Assessments and Control Mapping.
- Own Risk and Solvency Assessment.
- Capital modeling and forecasting.
- Operational Risk Committee.
- Regulatory issues reporting.
- Third-party service provider approval and monitoring.

- Risk Assessments and Internal Audit Plan Development.
- Ongoing Monitoring of Business Risks and Trends.
- Internal Audit Reviews and Ongoing Control Testing.