
Public Disclosure

For the Financial Year Ended
31 December 2019



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1 Company Profile

Singapore Life Pte. Ltd. (“we”, “us”, “our”) is a private limited company, incorporated and based in Singapore. The Monetary Authority of Singapore (“MAS”) granted us the license to conduct life insurance business in Singapore in June 2017.

Our long-term local currency issuer credit rating and insurer financial strength rating in July 2019 by Standard & Poor’s was “BBB”.

We are committed to offering a full suite of innovative and digitally executed insurance and financial solutions to customers to fulfill their protection, savings and investment needs.

2 Business Strategy and Product Suite

Our business strategy is focused on the following key market segments:-

- Customers who prefer to self-execute financial services via our mobile app or website;
- Customers who prefer an independent financial adviser to assist in their financial planning needs; and
- High Net Worth Individuals who need protection and legacy planning solutions.

Our products and propositions as well as post-sales servicing are designed towards simplifying and de-mystifying the insurance and wealth management needs to empower customers to fulfill these needs as efficiently as possible. We offer a range of products to address the above needs of our customers, both in the retail and High Net Worth segments. More information on our products and partners is available on our website.

3 Corporate Governance

As a licensed direct life insurer regulated under the Insurance Act, we are required to comply with applicable rules and regulations, including corporate governance.

Good corporate governance is important to us as it safeguards our stakeholders’ and policyholders’ interests. Our Board of Directors (“Board”) is responsible for the overall good governance and achieves this through the various governance committees and the senior management team.

The Board meets at least four times a year and is responsible for:

- providing entrepreneurial leadership;
- overseeing investment management;
- reviewing the nominations for appointment of directors and key executives;
- recommending the remuneration framework;
- ensuring the adequacy of our risk management, and independent audit functions; and
- reviewing the senior management team’s performance.

The senior management team is responsible for the day-to-day operation of the business and is accountable for the business performance of the company to the Board.

4 Enterprise Risk Management

As part of our regulatory obligations, we have established an enterprise-wide risk management framework which:

- provides for the identification and quantification of risks; and
- addresses risk, solvency and capital management.

Heads of department identify, address and report the foreseeable and relevant material risks to the Risk Committee every quarter. The senior management team, which is responsible for the achievement of strategic goals, also plays an important role in the risk management process by identifying, reporting and mitigating emerging risks. The committee evaluates the items reported by the heads of department and senior management team, and updates the Board on the material risk items and corresponding mitigating measures.

The Investment Committee and the IT Risk Committee report into the Risk Committee and undertakes an extensive review of risks and mitigating actions required under its purview.

We undertake a periodic ‘Own Risk and Solvency Assessment’, where we assess the adequacy of our risk management, current and projected future solvency position.

We measure our assets and liabilities in accordance with the methodologies prescribed in the Insurance Act and in compliance with the Singapore Financial Reporting Standards (“SFRS”).

Detailed information on the maturity profile of our financial assets and liabilities is available in our annual financial statements.

5 Insurance Risk Exposures

Insurance risk relates to the inherent risks associated with the underwriting activities of life business. Such risks include pricing, reserving, underwriting and reinsurance risks. We have established appropriate guidelines, policies and framework combined with authority limits as part of risk mitigation activities embedded in the business operations. Our reinsurers are selected based on the financial strength and technical expertise, and retention limits are reviewed periodically by the Board and Senior Management.

The principal risk that we face under our insurance contracts is that the actual claims and benefits payment exceed the carrying amount of the insurance liabilities. Our assumptions in determining the insurance liabilities are based on industry experiences, external market indices and benchmarks which reflect current observable market prices and trends. Assumptions and prudent estimates are determined at the date of valuation. Assumptions will be further evaluated on a periodic basis in order to ensure realistic and reasonable valuations. Details on key assumptions and sensitivity tests for insurance risk were performed to assess the impact to insurance liabilities which can be found in our annual financial statements.

6 Determination of Technical Provisions

Determination of technical provisions, including future cash flow assumptions, choice of discount rates and methodology, will affect the insurance liabilities at the end of the reporting period. Material judgement is required in determining the insurance liabilities and in the choice of assumptions.

Quantitative and qualitative information about the rationale and methodology on which we determine our technical provisions is available in our annual financial statements.

7 Capital Adequacy and Management

Our source of funding is from shareholders. The Company's objectives when managing capital are:

- to comply with the insurance capital requirements stipulated by the MAS;
- to safeguard our ability to continue as a going concern so that we can continue to protect policyholders; and
- to provide adequate returns by pricing insurance contracts so that the level of premiums charged are commensurate with the risks.

The Company monitors its capital level on a regular basis and reports to MAS its Capital Adequacy Ratio and Fund Solvency Ratios on a quarterly basis. As at 31 Dec 2019, the Company's Capital Adequacy Ratio was above the stipulated requirements. More qualitative and quantitative information on the Company's capital adequacy position can be found in our annual insurance returns which are available on the [Monetary Authority of Singapore](#) website.

8 Pricing Adequacy

We have a product development and pricing policy which sets out our internal approval process for new products as well as the review process for existing products. The policy is in line with the requirements set out under MAS Notice 302 on Product Development and Pricing.

9 Investment Objectives

Our investment objective is to ensure that assets are managed in a sound and prudent manner that is consistent with the risk profile of the company and its liquidity needs. The core concepts of our investment objective center on the following principles:

- Insurance funds are segregated into distinct categories based on return risk objectives and requirements of its related products, such as time horizon and timing and nature of liabilities.
- Risk and return objectives of the life insurance funds are determined in consultation with the Appointed Actuary, taking into account guaranteed returns and required returns, nature and duration of liabilities and tax considerations.
- Investment portfolios are constructed based on fund return objectives and risk appetite statements.

- Investment limits as stipulated by MAS are considered, and constraints communicated to Investment Managers.
- Liquidity requirements that are known (maturity and coupon payments) are communicated to Investment Managers one year in advance and confirmed quarterly in advance.

10 Investment Policies and Processes

Our policies and processes are developed with reference to the prevailing MAS regulations and guidelines.

Our management-level investment committee exercises oversight on our investment portfolio, including monitoring investment performance and regularly reviewing our investment policy to ensure that it remains appropriate and relevant.

Our Board-approved investment policy establishes our overall investment framework, which prescribes the roles and responsibilities of the respective stakeholders, guiding principles, minimum standards of investing, monitoring and reporting requirements, investment approval authority and authority delegation limits.

The investment limits policy governs the management of credit and concentration risks by the use of limits to prevent excessive investment exposure to any particular geographical area, market, industry sector, counterparty and ensure that overall credit rating is in line with risk tolerance levels. Close attention is paid to credit rating downgrades and developments that may affect downgrades.

Regular reviews are undertaken to ensure that asset-liability duration mismatches are within tolerable levels.

An extensive due diligence process is undertaken in relation to the appointment of our external fund managers and custodian.

13 Our Investments

Quantitative and qualitative information on our investment portfolio, how we determine the fair value of our investments and the level of sensitivity to market variables associated with our investments is set out in our annual financial statements.

14 Financial Performance

Our annual financial statements have been prepared in accordance with Singapore Financial Reporting Standards.

Quantitative and qualitative information on our financial performance, including our source of earnings and returns on investment assets, technical reserves and claims, is set out in our annual insurance returns and annual financial statements which are available on the [Monetary Authority of Singapore](#) and the [Accounting and Corporate Regulatory Authority](#) websites respectively.