Allianz Global Corporate & Specialty SE Singapore Branch



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Supplementary Information 2020

This Disclosure is a supplementary note to the audited financial statements which are publicly available both on the website of the Monetary Authority of Singapore and from the Accounting and Corporate Regulatory Authority. This Disclosure, read in conjunction with the audited financial statements, is issued pursuant to MAS Notice 124 – Public Disclosure Requirements.

## Allianz Global Corporate and Specialty SE Singapore Branch

Allianz Global Corporate & Specialty SE Singapore Branch (AGCS Singapore) is incorporated as a branch of Allianz Global Corporate & Specialty SE (AGCS SE). AGCS SE is a global company registered in Munich, Germany. The company operates an international network of companies across all continents which reflects the global need of corporate and specialty customers. AGCS SE is one of the few specialist corporate insurers with a genuine global market presence that can provide "one carrier" insurance solutions across the whole spectrum of corporate and specialty risks.

In July 2020 AGCS has announced a new strategy and transformation program with a simple ambition: to be the market leader in its target segments. AGCS aims to comprehensively transform the company, creating a mutually beneficial relationship with stakeholders. AGCS Singapore is a key branch in Asia as it acts as the regional hub for Asia Pacific. There are a dedicated team of experts to serve business clients with international activities or specialist risk exposures across the region.

AGCS Singapore continuously

chances and risks are therefore an integral part of AGCS SE's business processes. The key elements of the risk management of AGCS SE are:

A strong risk management culture, promoted by a solid risk organization and effective risk governance.

Comprehensive risk capital calculations with the objective of protecting the capital base and supporting effective capital management.

The integration of capital needs and risk considerations into the decision-making and management process.

This comprehensive approach makes sure that risks are adequately identified, analyzed and evaluated. The risk propensity is described in the risk strategy and made operational by the limit system contained therein. In addition, further limits are substantiated and detailed in specific standards and directives. Strict risk control and the corresponding reports ensure the early detection of any possible deviations from the risk tolerance.

## Risk Organisation

The responsibility for risk management for AGCS SE within the Board of Management lies with the Chief Financial Officer (CFO). The Chief Risk Officer (CRO), who reports to the CFO, monitors the risks assumed and regularly informs the Board of Management of AGCS SE about risk-relevant developments, the current risk profile and capital adequacy. AGCS SE Singapore Branch's Managing Director, Finance Asia Pacific and Regional Head of Risk Management, Asia Pacific assume the responsibility on AGCS SE Singapore Branch's Se Singapore Branch.

## Risk Categories

AGCS SE Singapore Branch adopts the key risk categories of AGCS SE. Based on these categories, AGCS Singapore Branch conducts an annual Top Risk Assessment in executing its business strategy:

Underwriting risk, which is subdivided into premium, i.e. the risk that insurance premiums will not be sufficient to cover future losses and reserve risk, i.e.; the risk that existing losses will result in run-off losses with respect to the loss reserves constituted. Premium risk is further subdivided into risk of natural catastrophes, terror risk as well as risk due to other losses and other premium risks.

Market risks, i.e. the risk of market value fluctuations differentiated by type of investment. The essential risks are interest risk, currency risk, stock risk and credit spread risk

Credit risks (including country risks) such as the counterparty risk arising from the insolvency or liquidity shortages of reinsurers, policyholders, insurance brokers and security issuers, as well as reliability risks due to losses stemming from debtor's impaired creditworthiness.

Operational risk: Risk that arises from inadequate or failed internal processes and controls. It may be caused by technology, em