

Enterprise Risk Management Policy

1. ECICS' Enterprise Risk Management Policy was approved by the ECICS Board of Directors and is in line with the requirements of MAS Notice 126 on Enterprise Risk Management for Insurers (effective 1 January 2014).
2. Through ERM, an insurer can form a prospective view of its risk profile and capital needs, thus enabling appropriate planning of its business strategy, risk management and capital allocation. Ultimately, this is to achieve financial efficiency and adequate protection of policy-holders. This is to be achieved through ORSA (Own Risk and Solvency Assessment) in which there is continuous feedback on the risks identified and ongoing assessment of their impact on capital and liquidity.
3. The rationale behind the periodic review of ORSA is to consider the impact of business written on regulatory capital (eventually, economic capital) and contingency plans for financial resources (including recapitalization).