



ACTUARIAL SOCIETY
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Hong Kong Actuaries

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Council & Committee Updates

- ASHK Appreciation Lunch 2024 and Volunteer Award 2023
- Asian Actuarial Conference 2024
- ASHK Certificate Equivalent Course

Feature Articles

- Climate Change: This is going to hurt (Are we prepared?)
- The Emperor's New Climate Change Scenarios Standardising our Stresses
- Actuary Interview

Call for Articles or Views for the next issue of Newsletter!

While all articles are welcome, we would especially like to receive articles for the Feature Articles and Knowledge Sharing sections. If you have written any inspiring articles or have read any interesting articles from other actuarial organisation(s), please feel free to let us know. We will try to reprint them in our newsletter. Welcome to email your articles or views at info@actuaries.org.hk.





Message from the Editors

Dear Readers,

Welcome to the first ASHK newsletter for 2024.

On behalf of the Membership and Communication Committee, it is with great pride and sincerity that We are honoured to introduce the first issue of the ASHK Newsletter for 2024. This new release would not have been possible without tremendous and selfless voluntary contributions of our Committee members.

In this issue, we are featuring the hottest topic of “Climate Change”. The actuarial profession plays a vital role in understanding, measuring and managing risks associated with climate changes. Climate change presents significant challenges and uncertainties, and actuaries help insurers and policymakers navigate these complex issues. More details on this topic will be shared in two articles in the newsletter.

In addition, we’re pleased to publish the fourth issue of “Actuary Interview” with you. We’re very honoured to interview Greg Soloman. He will share the journey of publishing a book with his daughter.

Last but not least, you are highly recommended to attend the upcoming events: the Joint Regional Seminar 2024 on 28-29 May, Professionalism Seminar in early July and our flagship event, i.e. Asian Actuarial Conference 2024 on 22-25 October 2024 – all our events details are nicely summarized with the latest updates in the ASHK website. We intend to bring the experts to you so that you can benefit from their insights while fulfilling your CPD requirement whether virtually or physically.

Happy reading!

Best Regards,

ASHK Newsletter Editorial Team

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President of the ASHK - Timothy Wong

ASHK Appreciation Lunch 2024 and Volunteer Award 2023



As a member organisation, the success of the ASHK rests upon the selfless dedication of our volunteers. During 2023, over 100 members gave their time, expertise, and unwavering commitment to our initiatives, foster professional growth, and contribute to the wider actuarial community. As a token of appreciation for their contributions, volunteers were invited to the ASHK Appreciation Lunch held on 26 February 2024 at the Hong Kong Football Club.

During the lunch, the 2023 ASHK Volunteer Awards were also presented. Each year the council receives nominations from Council and Committee Members for ASHK members that have provided exceptional service to the society during the year. After deliberation, the Council decided to honour 15 members with the ASHK Volunteer Award for 2023. Individuals who receive this award have shown outstanding service, contribute to superior performance, demonstrate team collaboration and effective communication, take on leadership roles, and serve as an inspiration to others.

These are small but important actions that will ensure that our society can grow from strength to strength. The ASHK is looking forward to every member's continuous support. Let's get involved in the volunteer work and ask your fellow actuarial friends and colleagues to join too!

ASHK Volunteer Awardees 2023 (in alphabetical order):

Ms. Candy Chan
Mr. Bob Charles
Mr. Terry Chen
Mr. Scott Chow
Mr. Jiang Bin Lai
Ms. Mary Kwan
Ms. Jenny Lai
Mr. Louis Lee

Ms. Orchis Li
Mr. Xavier Lo
Mr. Matsuta Ng
Mr. Christopher Tam
Mr. George Tang
Mr. Billy Wong
Mr. Wilson Wu

More photos can be found in the [event page](#).

President of the ASHK - Timothy Wong



Timothy Wong, President of the ASHK, delivered a Welcome Speech



Timothy Wong, President of the ASHK, presented the awards to ASHK Volunteer Awardees 2023. (from left): Terry Chen, George Tang, Wilson Wu, Jenny Lai, Matsuta Ng, Timothy Wong, Louis Lee, Mary Kwan, Candy Chan, Bob Charles, Xavier Lo



Scott Chow, ASHK Volunteer Awardee 2023



Jiang Bin Lai, ASHK Volunteer Awardee 2023



Orchis Li, ASHK Volunteer Awardee 2023



Christopher Tam, ASHK Volunteer Awardee 2023



Billy Wong, ASHK Volunteer Awardee 2023

Asian Actuarial Conference 2024 - Simon Lam & Alexander Wong

2024 Asian Actuarial Conference – registration is now open

We are delighted to announce that registration for the 2024 Asian Actuarial Conference (AAC) is now open. The AAC will be held in October at the Ocean Park Marriott Hotel in Hong Kong. We are honoured that the Financial Secretary of the Hong Kong Special Administrative Region and the Chairman of the Insurance Authority have already confirmed their attendance.

Venue: Ocean Park Marriott Hotel, Hong Kong

Date: 22nd - 25th October 2024

Registration: www.aac2024.hk

Following the success of hosting the same event in 2018 in Hong Kong, the ASHK has joined the concerted effort amongst the wider financial services and professional communities to bring this prestige regional and international event back to Hong Kong post-COVID amongst the 12 Asian locations.



The Hon. Paul Chan, GBM, GBS, MH, JP, Financial Secretary of the Government of the HKSAR



Mr Stephen Yiu, JP, Chairman of Insurance Authority



Asian Actuarial Conference 2024 - Simon Lam & Alexander Wong



Highlights from 2018 AAC in Hong Kong

Exploring the future of insurance and beyond: Innovation, international hubs and Hong Kong

We will gather close to 100 internationally renowned speakers and panellists and attract more than 700 actuarial, professional, and executive leaders across Asia and beyond from inside and outside of the insurance industry. It will be one of the largest actuarial events in 2024. AAC will be the platform for Board members, CEOs, other senior executives, practitioners, and professional specialists from insurers and other organisations at different stages in their work experience and development to fresh graduates recently commencing their careers, to share valuable perspectives and experiences on a wide range of topics from their respective areas of practice and fresh thinking.

We will kick off the programme with heavy-weight regional CEOs from AIA, Allianz and Prudential, who will explore the evolving landscape of the insurance industry. We have also lined up C-suite speakers from different Asian markets who will discuss issues related to the growth markets in Asia. Together with the various current and relevant topics in actuarial profession, we would explore the cutting-edge theme that delves into emerging technologies like artificial intelligence, blockchain, and data analytics. We would discover new ideas, insights, and ground-breaking solutions that enhance customer experience and propositions, revolutionise risk management, and boost operational efficiency. Stepping into the future and exploring the evolving landscape of the insurance industry, we will engage in dynamic discussions on emerging trends, overcome challenges, and seize unparalleled opportunities.

Call for Papers

The Organising Committee is also inviting interested parties to submit current papers (or presentations) on a wide range of topic related to the theme by 24 May. You can submit an abstract for a presentation even if you do not have the final paper ready yet. Presenters whose papers are accepted will be invited to present in person during the 2024 AAC. For more details, please visit the website.

<https://aac2024.hk/index/call-for-paper>

Register now for the early bird

This is an exciting opportunity that should not be missed. Secure your seat at the 2024 AAC and become a catalyst for change in the world of financial services and technology, digital, data, and analytics. Let's unlock limitless possibilities together!

Register today to take advantage of the early bird discount.

<https://aac2024.hk/index/registration>

We would like to thank all the AAC sponsors.

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Professional Development Committee - Patrick Au & KP Wat (Dr)

ASHK Certificate Equivalent Course

The ASHK Certificate Equivalent Course is now available to grandfathered FASHK (all existing Fellow members of ASHK who held valid membership status on 1 January 2019 were eligible for grandfathering).

Due to overwhelming demand, the courses in April and June were oversubscribed before the registration deadline. The next course is scheduled for 3 September and possibly another at the end of the year. We plan to have courses in Mar/Apr and Jun/Jul of 2025, with more courses added based on demand, so please make sure to check your emails frequently to avoid missing them.

Feedback from participants was very positive, notably on the delivery by the lecturers and the good interaction between everybody who attended the course. For further information, please see the course FAQ below.

Why is this course being introduced?

The Insurance Authority (IA) will introduce new requirements for actuaries. All applicants for Long-Term Appointed Actuaries and General Insurance Certifying Actuaries will need to be an FASHK and demonstrate their local market knowledge, this is expected to become effective on 1 July 2024. IA will issue details in due course.

ASHK is offering this course to provide another route for grandfathered FASHK (with current valid membership) to demonstrate their knowledge of the local market.

I am a grandfathered FASHK; is there an alternative route to demonstrate my local knowledge?

Yes. You may pass the examinations of the ASHK Certificate in Hong Kong Insurance Markets and Regulations. As the course will only be offered for a limited period, once it is no longer available, this examination will be the only way to demonstrate your local market knowledge in future.

Professional Development Committee - Patrick Au & KP Wat (Dr)

I obtained the ASHK Certificate to become an FASHK, do I need to take this course to demonstrate my local market knowledge?

No. Since 2019, all new FASHK must pass the examination of the ASHK Certificate to become an ASHK Fellow. Obtaining the ASHK Certificate demonstrates your local knowledge of the Hong Kong Insurance Markets and Regulations.

I am a grandfathered FASHK; do I need to attend the course to maintain my Fellow membership?

No. However, any Fellow member who was grandfathered but subsequently lapsed their membership, regardless of any reason, is required to pass the examinations of the ASHK Certificate to requalify as a Fellow member thereafter.

Please note, that maintaining Fellow membership alone does not fulfil the upcoming IA requirements. In future, applicants for Long-Term Appointed Actuaries and General Insurance Certifying Actuaries will also need to demonstrate local market knowledge. Attending this course (for grandfathered FASHK only) within this limited period or passing the examinations for the ASHK Certificate will assist in fulfilling this new requirement. For more information on how to fulfil the new requirement, please refer to the details from the IA when issued.

Will the course be rerun?

The first scheduled course is on 19 April 2024. The course will be rerun subject to demand during a limited time period.

What will be covered in the course?

The learning outcomes of this course are the same as the ASHK Certificate. Areas covered include:

- Hong Kong's actuarial regulatory environment
- Business practices
- Professional Conduct Code
- Actuarial Guidance Notes relevant to different work areas (life insurance or general insurance)

Does the course contribute towards my professional development?

Yes. You can earn 7 CPD hours by participating in the whole course. HKU SPACE will issue an attendance certificate.

Professional Matters Committee - Flora Chan and Ronald Tse

2023 CPD Declaration & CPD Audit

ASHK 2023 CPD declaration had been completed on 31 March 2024! The Professional Matters Committee (PMC) will conduct a review of the annual 2023 CPD declarations and CPD audit of all non-retired ASHK Fellow and Associate members in the next few months. Your co-operation is much appreciated.

We also would like to take this chance to urge all eligible members to file the CPD records at their earliest convenience in order to comply with the CPD By-law. Please keep in mind that if the members no longer work in the actuarial field, they are still obliged to undertake CPD activities relevant to their current role in order to meet the CPD requirements.

Membership & Communications Committee - Dicky Lam & KP Wat (Dr)



Student Corner - Prepare for Your Actuarial Career: Introduction to Actuarial Function

Welcome to this new section prepared for our student members! Here you will find content not on your textbooks but would be useful for your job interviews and future actuarial career. Stay tuned!

In this first issue, we will introduce you to different actuarial functions that you have probably heard from your seniors or seen in the job description. Let's understand more about your future actuarial roles!

Actuaries play an important role in the financial industry, helping businesses manage different kinds of market, insurance, and operational risks. In particular, below are some common actuarial functions:

- **Product Development:** Prepare new product pricing to meet the financial objectives of the company and ensure smooth product implementation. The pricing team also helps monitor and evaluate the performance of existing pricing structures, so as to recommend actions to optimize profitability and mitigate risk.
- **Capital Reporting:** Conduct valuation and financial reporting on actuarial items on the balance sheet and income statement. In particular, reporting teams determine the amount of reserve to be held such that the company has sufficient capital to cover future payout.
- **Asset Management:** Perform regular monitoring on asset and liability position, as well as investment strategies on insurance and surplus funds.
- **Experience Study:** Conduct experience studies and close monitoring on the assumption for cashflow projection, such as lapse rate, bonus declaration, mortality rate, etc.
- **Modeling:** Maintain actuarial models and implement model enhancements.

Looking forward to your contribution to the actuarial industry by applying your knowledge and skills in mathematics, statistics, and business!

The article was contributed by Wendy Lai, ASHK Membership & Communications Committee.

Climate Change: This is going to hurt (Are we prepared?)

The Coming Catastrophes

In the seven years 2015-2022, the US experienced losses of more than \$1 trillion, according to the NOAA National Centers for Environmental Information. The year 2022 alone saw 18 weather-related catastrophes with losses of over \$1 billion each. These disasters included the full range of droughts, floods, storms, tropical cyclones, and wildfires. In the last 40 years, the proportion of losses coming from \$1+ billion events has grown to 85%.

The risks we face in future are not new either. The World Economic Forum's Global Risk Report 2023 lists "Biodiversity loss and ecosystem collapse" as one of the fastest deteriorating global risks over the next decade, in addition to "Failure to mitigate climate change", "Failure of climate change adaptation", "Natural disasters and extreme weather events", "Natural resource crisis", "Large-scale environmental damage incidents".

Climate Change lies within ESG

The E of ESG (environmental) encompasses how a company is exposed to and manages risks and opportunities related to climate, natural resource scarcity, pollution, waste, and other environmental factors. The S (social) includes the company's values and business relationships covering labor and supply-chain information, product quality and safety, employee health and safety, and DEI (Diversity, Equity and Inclusion). The G (governance) relates to corporate governance, comprising structure and diversity of the Board, executive compensation, critical event responsiveness, corporate resilience, and practices on lobbying, political contributions, and bribery and corruption. Yet, there is no agreed-upon definition of the related risks which result from the E, S and G factors above. Indeed, there are many different (and evolving) ESG standards, most of which are privately-funded initiatives or non-profits. This gives some flexibility in how companies may create ESG initiatives in relation to Climate Change.

Trillion dollar question: What is the industry thinking about all these?

Insurers and reinsurers occupy a unique position as they are active risk carriers, asset managers, and institutional investors. ESG factors can potentially impact both assets and liabilities, hence the importance tying in underwriting and investments.

A global ESG framework for the our industry was launched at the 2012 UN Conference on Sustainable Development, the UNEP FI Principles for Sustainable Insurance. The purpose of the initiative is to better understand, prevent and reduce ESG risks, and better manage opportunities. Over 180 organisations worldwide have adopted the Four Principles for Sustainable Insurance, including insurers representing more than 25% of world premium volume, and USD 14 trillion in assets under management.

In AM Best's ESG survey of 97 (re)insurers from 37 jurisdictions across Europe and Asia-Pacific, 76% of respondents considered climate risk a significant or relevant ESG issue given (re)insurers' exposure to property risks around the world. 77% of respondents considered proper understanding and integration of ESG factors increasingly critical to the viability of their business and, at the same time, 60% of insurers say they face greater pressure from investors, regulators, lawmakers and rating agencies to consider ESG factors. Further, 77% of respondents believe that disregarding ESG would lead to elevated reputational risk.

Another AM Best survey, based on responses from 238 US insurers, only 38% of P&C insurers (versus 5% of life & annuities and 0% health insurers), reported that the costs of climate risk are currently priced into policies and factored into technical provisions, though between 40% and 50% of US insurers in each segment are actively engaged with ESG, and roughly 60% of companies agree that demand from stakeholders to explicitly consider ESG factors has grown. Roughly 60% of the US industry seeks greater clarity from regulators, particularly with respect to identifying, measuring and reporting ESG factors.

What can the industry do?

Although an “appropriate” response depends on the insurer, their lines of business, and location, the guidance below may be used:

Underwriting:

- **Evaluate:** Inclusion or exclusion of industry segments that the client operates in.
- **Integrate:** Addition of pre-defined ESG metrics in underwriting manuals during renewals of existing policies for transitioning towards net-zero underwriting.
- **Pilot:** Since the duration of the policy varies between P&C and L&H insurers, tailored pilots for pre-defined target clientele need to be designed while aligning above underwriting standards with client requirements.
- **Measure:** An outcomes-based approach post completion of pilots can serve as a data mine to understand and fine-tune the nuances of such an approach. This approach reduces the volatility associated with major restructuring of a portfolio in a given segment.


Investments:

Unlike underwriting, constructing an investment portfolio may utilize a standardized set of benchmarks developed by rating agencies for investments, e.g. bonds.

And then there is hope...

There are currently a daunting number of evolving ESG regulations and guidelines, few of which are mandatory, most of which depend on many factors. This variety fuels inconsistency in what actions are taken, and even how the same data is measured or reported.

As a result, many insurers are focusing on priority areas – P&C insurers are looking more at underwriting impact, Life & Annuity insurers on investments, and Health insurers on the social impacts of health equity (which has been subject to added scrutiny since the pandemic).

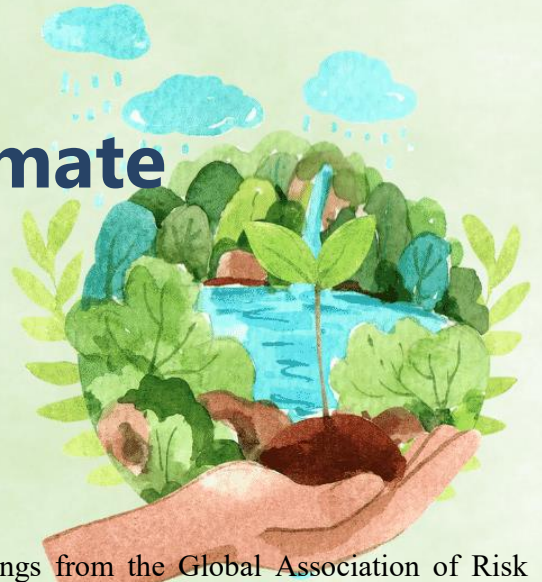
It remains essential that everyone in the insurance industry remains close to developments in this area, and begins at the very least with pilot programs, as they move towards full compliance of evolving regulations, and best practice in truly embracing an ESG world. 

Jigar Shukla

Jigar Shukla leads the strategy, business development and operations for RITI Inc, a consulting firm serving risk management and risk analytics advisory for clients from insurance, banking, infrastructure and manufacturing industries. RITI Inc is incorporated in St. Petersburg, Florida and has a client delivery office in Mumbai, India.

The Emperor's New Climate Change Scenarios

Standardising our Stresses



Global warming, greenhouse gas emission, rising sea-levels ... all these terms no longer appear only in international news. In Hong Kong, tropical cyclones and rainstorms brought us severe flooding in the city and landslides isolating residents. Can we as actuaries better predict and model these scenarios, with the hope to better protect people's lives and properties?

Our editorial team has come across a report from the Institute and Faculty of Actuaries ("the IFoA") titled "The Emperor's New Climate Scenarios – Limitations and assumptions of commonly used climate-change scenarios in financial services". This report focuses on how a deeper understanding of climate change, including tipping points, can improve financial services climate-scenario modelling.

Scenario modelling is an important component of the actuarial risk-management toolkit. Investigating adverse yet plausible scenarios enables actuaries to investigate how different combinations of risks could impact the future solvency of a financial entity and what action could be taken to mitigate this. In the context of climate change, scenario modelling enables financial institutions and regulators to investigate the impact of different climate futures, which is important given the challenges we face.

The authors discuss the widespread use of climate-change scenario modelling by financial regulators and central banks across 31 nations, to assess the impact of climate change on economies and financial systems. Despite the significant investment in a support ecosystem for climate-scenario modelling, many firms rely on external model providers, and often lack a full understanding of the models' limitations. This has led to public disclosures that may provide a false sense of security about the economic impact of high-risk climate scenarios.

Key findings from the Global Association of Risk Professionals (GARP) surveys indicate a growing adoption of climate-scenario analysis among financial firms, driven by regulatory expectations. The surveys reveal that a majority of firms use these scenarios for financial impact assessment and risk identification, employing a variety of time horizons and scenarios, including those from the NGFS, IEA, and RCPs. The choice of scenarios is often influenced by the Paris Agreement, current trajectories, and regulatory requirements.

The paper also highlights the scenario modelling ecosystem, mentioning the United Nations Environment Program Finance Initiative (UNEP FI) 2023 Climate Risk Landscape report, which provides an overview of current practices and the range of model providers. It underscores the importance of transparency and training offered by solution providers. Furthermore, the paper discusses the need for firms to decide on the type of climate risks (physical or transition) and the modelling approach (top-down or bottom-up) that best suits their needs. It points out the disconnect between climate science and financial services, particularly in how the economic impact of various climate scenarios are modelled against a base case of no global warming. Publicly disclosed (by the Task Force on Climate-related Financial Disclosures – TCFD) results from major UK investors are examined, showing counterintuitive outcomes where high-warming scenarios sometimes appear to have positive or only slightly negative economic outcomes. The paper suggests that these results likely understate physical risks, and calls for a more realistic approach that acknowledges the inevitability of global warming and its significant potential to impact GDP.

Climate-change scenario modelling is complex and nuanced, requiring sophisticated model to be built to link different models together – physical climate models, economic models, insurance models and asset models. Many assumptions are required and, as with any model, it is a simplification of reality – model users must therefore understand the limitations and uncertainties.

To this end, the IFoA paper highlights the application of actuarial principles to climate modelling, pointing out key issues that lead to the underestimation of the economic impacts of climate change. These issues include unrealistic scenario choices, uncertainties in climate warming assumptions, exclusion of significant risks in damage functions, and oversimplified economic models. It stresses the need for climate literacy among users of these models, advocating for the use of models alongside narrative scenarios to better assess and prioritize risks. The paper warns against interpreting model results as precise, especially the underestimated impacts in high-warming scenarios.


The paper further examines the limitations and assumptions in relation to climate-change scenario modelling practices in financial services, focusing on hot-house world scenarios of 3°C or more of warming. It demonstrates how current techniques exclude many of the most severe impacts expected from climate change, such as tipping points and second order impacts – they simply do not exist in the models. The consequence of this is that the results emerging from the models are far too benign, even implausible in some cases. This means the usefulness of the current scenarios is limited, as they do not communicate the level of risk adequately. More dangerously, the artificially benign results can easily serve as an excuse for delaying action, as consumers of these results, such as policymakers and business leaders, may reasonably believe the results to adequately capture the risks.

The authors of this report hope that, by clearly highlighting areas of challenge as well as providing ideas on ways to develop scenario techniques, we can better understand the severe risks we face. They also hope this more realistic assessment of risk will further catalyse the collaboration and investment into solutions required to limit the extent to which these risks materialise.

Overall, the paper emphasizes the need for a more nuanced understanding of climate-scenario models, the incorporation of real-world impact into these models, and a cautious approach to interpreting the outcomes to avoid misplaced confidence in financial resilience against climate risks.

Further work will be required on both qualitative and quantitative fronts. The authors suggest that firms should develop qualitative scenarios that explore how these risks could cascade, and what actions could be taken. For example, comparing flood maps under different warming scenarios is a good way to visualize potential impact. Reverse stress testing is also suggested – start with what we want to avoid, then work backwards from there. The authors of the report pose a question to the reader – at what point do we expect 50% GDP destruction? They believe that point lies somewhere between 2070 and 2090, depending on how we parameterise the model. It is worth a moment of reflection to consider what sort of catastrophic chain of events would lead to this level of economic destruction.

This analysis provides a compelling logic for net zero becoming part of fiduciary duty, as if we do not mitigate climate change, it will be exceptionally challenging to provide financial returns.

We highly recommend this paper to all actuaries, to better understand climate change, impact modelling, and risk management on a massive scale. 

(A copy of the paper is available here for download:
<https://actuaries.org.uk/media/qeydewmk/the-emperor-s-new-climate-scenarios.pdf>*)*

Actuary ... and Author?

Not all Prophets are actuarial models!



The Actuarial Society of Hong Kong (ASHK) recently discovered that one of our Fellows, **Greg Solomon** (GS), has just published a book with his daughter. We took some time to find out more ...

Q ASHK: Even before we ask about the book, the first question our members are likely curious about is ... how does an actuary find time to write a book?

A GS: Simply, it's a matter of priority. We all fill up our non-work hours with "stuff", and I just chose a year-long project with my daughter, rather than bleeding away that time on social media, watching sports, or playing Candy Crush.

But it also reflects a change in lifestyle. From 2010 when I arrived in HK, I have been a Cathay Diamond doing huge amounts of business travel. But Covid, and a shift to being an independent consultant, has changed that – and I ended up spending time on publishing this book rather than sitting in taxis, airports and airplanes like before.

Q ASHK: What is the book called? Is it already available?

A GS: The book is "The Prophet – reimagined through a woman's voice". And yes, it's on most online stores, like Amazon, but it's also stocked in Hong Kong at Bookazine.

Q ASHK: And how did this book come about?

A GS: The background is that a century ago, Kahlil Gibran wrote a book called "The Prophet". It's one of the best-selling books ever and has been translated into over 100 languages. In fact, many people reading this interview will already have read the original.

My daughter, Natalie, even by age 6, was already very inspired by female leads: books with a female hero, female authors, Disney movies with a female protagonist. So it was no surprise when, one night as I was sharing some wisdom from "The Prophet", she insisted that I retell the advice, but I should use a female Prophet instead.

What began as just me teaching her about life through a prophet called Aasiya, then progressed into a fun exercise of her actually learning to edit text documents at age 6. So we set about editing the original (the copyright had expired), and giving the prophet a "woman's voice". Our little project continued to gain momentum ... we spent time discussing topics like diversity, equitability and inclusivity; we debated whether the concept of Love (which was "he" in the original book) should become "she" or "it"; we found ways to replace male-centric words (like master and mankind) with neutral words.

After many months of slowly working through the book together, rewriting confusing paragraphs and modernising the wording, we realised we had a version that could actually be formally published. So that became our goal.

Q ASHK: So, in a sense, this is a book about women empowerment?

A GS: Correct, that was our aspiration. Society is still rather male dominant – most presidents, prime ministers, movie heroes, famous scientists, highly-paid sports stars are male. This was our contribution to supporting a woman's voice, wise and inspiring.

But this isn't a book just for women – we all benefit by having women role models!

Q ASHK: And along the way, your young daughter was learning technical computer skills?

A GS: Yes, to make this a true joint effort, she had to learn proper text editing at age 6. We also used generative AI to design a wise and kind, middle-eastern face for Aasiya, our female sage. We experimented with hundreds of prompts until we had the perfect picture, which then became the cover of the book.

Q ASHK: Did you use ChatGPT for any of the writing?

A GS: Not at all – that would have been against our goal of doing the writing ourselves, together. We did however have debates with ChatGPT about the meaning of certain confusing paragraphs. That helped us consider various interpretations of what the original author might have meant, and then Natalie and I worked to rewrite the text so that it was easier to understand and carried the meaning that we felt was best.

Q ASHK: In what ways has your background as an actuary contributed to or impeded the writing process of your book?

A GS: The actuarial profession acknowledges that communication is an extremely important point of our training and our skill set, hence some professional bodies even require a communications exam, in addition to how it's already incorporated into the testing of the final set of subjects.

However, I've always believed that there are two forms of communication that actuaries need to know: informational and persuasive. Generally speaking, actuaries are reasonably good at informational communications, like updating bosses, educating clients, and having unbiased discussion on certain topics. But we've not really been taught to communicate in order to persuade or to inspire or influence.

Q ASHK: But doesn't that mean our communications are biased, if we're trying to persuade?

A GS: Yes absolutely. But bias is essential for actuarial communications!

I don't mean bias like recommending Option B because I get paid higher commission from that provider. What I mean is, if I receive an actuarial report that gives a neutral discussion of two options, and it does not include a clear recommendation to me of which is better, then that communication has failed. The actuary has either failed to understand the options well enough to make a recommendation, or has failed to understand my needs and preferences.

Q ASHK: So, when actuaries – and I guess anyone – communicate, they should always have a goal in mind?

A GS: I believe that's really important. Even simple weekly updates on a project should have a goal in mind. It's not just about letting others know the current status, it's about giving them comfort that things are on track and so they can focus on other areas, or letting them know there are sticking points so they can engage more to solve these, or letting them know there are time and skill gaps, and they should start anticipating a greater plan may be achieved to hit deadlines. In any such situation, the goal of a communication should be to trigger action, otherwise ... why bother?

Q ASHK: And back to your book, you had a goal there too?

A GS: We did. Part of our goal was to make the wisdom of The Prophet accessible to a more modern audience, since there are a lot of actionable insights on many topics in the book.

But part of our goal was also to support “the woman's voice”, so it's not always men in the position of having the wisdom, and imparting knowledge.

Q ASHK: Which leads into the area of DEI – diversity, equitability & inclusivity?

AGS: Actuaries have been trained on topics such as fair treatment of policyholders, equitable rights for pension fund members, elimination of cross-subsidies between different ages, and more. So, we should be aware of and focused on DEI topics, both for our profession as well as for society in general.

Q ASHK: We’ve all heard of the actuarial model called “Prophet” – is your book a secret dedication to modelling software?

AGS: No. There is no relationship between the two ‘Prophets’. In fact, you might say that the software is all ‘brain’, whereas our book is all ‘heart’.

Q ASHK: Any suggestions for our readers, who are parents too?

AGS: Personally speaking, I was surprised at how engaged a young child can be around philosophical and ethical topics. I definitely found that Natalie was much more engaged with debates where opinions matter, rather debating facts which are generally either right or wrong. I encourage parents to help their children understand the realities of the real world, not in a way that scares them, but to empower the children to want to start building a better world.

Q ASHK: Natalie is the daughter of two actuaries – do you want her to become an actuary too?

AGS: Yen and I agree that we will teach and guide our daughters, but ultimately, they need to find their own place in the world. If either does choose to become an actuary, they’re welcome to, but we won’t actively steer them to any particular profession.

Q ASHK: Do you have a quote from your book which provides a nice ending to our chat?

AGS: Yes, in the chapter on Freedom, there is a lovely parting thought from Aasiya the prophet. It’s a great reminder to us that sometimes we are so busy chasing so-called ‘freedom’, that the chase itself starts to tie us and hold us back from our true personal freedom.

“You can only be free when the desire of seeking freedom becomes a harness for you to use, and when you stop speaking of freedom as a goal and a fulfilment.”



EVENTS HIGHLIGHTS

10 January 2024

RBC is coming – what do board members and senior management need to know

webinar

RBC IS COMING:

what do board members and senior management need to know?

Dhiran Dookhi
Partner, Deloitte Consulting

Brian Pak
Senior Manager, Deloitte Actuarial

10 Jan 2024 | 13:00 - 14:00

The slide features a pink background with a decorative geometric pattern on the right. To the right of the slide, three video feeds show participants: Dhiran Dookhi, Brian Pak, and another participant.

28 February 2024

RBC application – is senior management ready

webinar

RBC APPLICATION:

is senior management ready?

Dhiran Dookhi
Partner, Deloitte Consulting

Jackie Chu FASHK
Partner, Deloitte Actuarial

Minnie Yu FASHK
ASHK PD Committee member (Moderator)

28 Feb 2024 | 13:00 - 14:00

The slide features a blue background with a decorative geometric pattern on the right. To the right of the slide, three video feeds show participants: Minnie Yu, Dhiran Dookhi, and Jackie Chu.

OTHER UPDATES

Members on the move

We're very proud to share with you the following ASHK members who have advanced to top management positions at their companies.

- ♦ **Sean Deehan *FASHK*, Hong Kong & Macau Leader, Greater China Divisional Leader, Insurance Consulting & Technology of WTW**
- ♦ **Derek Lam *FASHK*, General Manager of Munich Re Hong Kong, Taiwan & Macau**
- ♦ **Louis Lee *FASHK*, Chief Officer, Digital Commerce of FWD**
- ♦ **Xavier Lo *FASHK*, Operational, Information Risk Management and Internal Control Director of AXA Hong Kong and Macau**
- ♦ **Mark Saunders *FASHK*, Non-executive Director of Prudential plc**
- ♦ **Ka-Man Wong *FASHK*, Managing Director, Chief of Staff, Wealth & Personal Banking, Global Risk of HSBC**

Congratulations to them for their great achievements in their careers!

UPCOMING EVENTS

28-29 May 2024

Joint Regional Seminar

[Details](#)

3 July 2024

Professionalism Webinar

22-25 October 2024

Asian Actuarial Conference

[Details](#)

3 September 2024

ASHK Certificate Equivalent Course

[Details](#)

MEMBERSHIP UPDATES

New Members

Associate

Tsz Fung CHAN	Generali Asia	Associate member
Kam On Karen CHANG	AIG	Associate member
LuLu CHEN	Prudential HK Ltd	Associate member
Stephen DONG	PwC	Associate member
Lok Tin George LEUNG	Deloitte Consulting	Associate member
Karlson LI	HSBC Life (International) Ltd	Associate member
Frank MA	HSBC	Associate member
Chi Chean TAN	EY	Associate member
Tsz Hin TONG	AIA International Ltd	Associate member
Pierre VENDE	AON Reinsurance	Associate member
Fang YUAN	Zurich Insurance Group	Associate member

Student

Nok Him CHAN	The Hong Kong University of Science & Technology	University Student member
Yui Chit CHAN	Monash University	University Student member
Tsz Lam CHAN	Hang Seng University of Hong Kong	University Student member
Kwan Yiu CHAU	Hang Seng University of Hong Kong	University Student member
Yixiang CHEN	The Hong Kong University of Science and Technology	University Student member
Tin Lok CHEUK	-	Ordinary Student member
Uen Chun CHEUNG	The University of Hong Kong	University Student member
Chi Yung CHIN	Hong Kong University of Science and Technology	University Student member
Hiu Ying CHIU	The University of Hong Kong	University Student member
Xin DING	The Hong Kong Polytechnic University	University Student member
Yi Fan GAO	The Hong Kong University of Science and Technology	University Student member
Ting Yan HE	The University of Hong Kong	University Student member
Weiming HE	The Hong Kong Polytechnic University	University Student member
Ka Yi HO	The University of Hong Kong	University Student member

MEMBERSHIP UPDATES

New Members

Student		
Jinhong HUANG	The University of Hong Kong	University Student member
Ming King HUNG	Hang Seng University of Hong Kong	University Student member
Jun Mo JEON	The University of Hong Kong	University Student member
Ho Sung KANG	The University of Hong Kong	University Student member
Tak Shun LEE	-	Ordinary Student member
Ho Wan LEUNG	Prudential HK Ltd	Ordinary Student member
Chapman LEUNG	The University of Hong Kong	University Student member
Nga Ching LEUNG	Hang Seng University of Hong Kong	University Student member
Aaron Branson LI	The Hong Kong University of Science and Technology	University Student member
Chun Ngai LI	The University of Hong Kong	University Student member
Adrian Harry LIUNARDI	The University of Hong Kong	University Student member
Siyao LU	The University of Hong Kong	University Student member
King Leung LUK	The Hong Kong University of Science and Technology	University Student member
Sau Yat Abdul Aziz MA	The University of Hong Kong	University Student member
Hong Ming MA	The Hong Kong Polytechnic University	University Student member
Ningmin MA	The Hong Kong Polytechnic University	University Student member
Shun Yiu MAK	The University of Hong Kong	University Student member
Sheung Yu NG	City University of Hong Kong	University Student member
Jiajun SUN	The University of Hong Kong	University Student member
Congxi TIAN	The University of Hong Kong	University Student member
Xinyang WANG	The Hong Kong Polytechnic University	University Student member
Yining WANG	The University of Hong Kong	University Student member
Ling Ki WONG	The University of Hong Kong	University Student member

MEMBERSHIP UPDATES

New Members

Student		
Sik Hin WONG	The University of Hong Kong	University Student member
Ao WU	The Chinese University of Hong Kong	University Student member
Ze Yuan WU	The University of Hong Kong	University Student member
Ho Yin WU	Hang Seng University of Hong Kong	University Student member
Nuo XU	Hong Kong Polytechnic University	University Student member
XuDong ZHANG	The Hong Kong Polytechnic University	University Student member

Reinstated Members

Associate		
Cho Yee AU YOUNG, Ophelia	Deloitte	Associate member
Edward CHEUNG	EY	Associate member
Wing Hong FUNG	Hang Seng University of Hong Kong	Associate member
Iris HO	WTW	Associate member
Rui ZHOU	Peak Reinsurance	Associate member

Membership Advancement

Student		
Jiang Ping LU, Virginia	-	Ordinary Student member



CORPORATE ADVERTISEMENT



The ASHK will accept corporate advertisements in the ASHK Newsletter provided that the advertisements do not detract from the actuarial profession. Acceptance and positioning of advertisement will be at the editor's discretion.

File Formats

Advertisers have to supply the artworks which should be created in MS Word/PowerPoint/JPEG/PDF formats.

Advertising Rate

	One issue	Whole Year (4 issues)
Full page (A4-size)	HK\$6,000	HK\$5,000 each

FOR MORE INFORMATION, PLEASE CONTACT ASHK OFFICE AT 2147 9168
OR EMAIL INFO@ACTUARIES.ORG.HK

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Hong Kong Actuaries

ACTUARIAL SOCIETY OF HONG KONG'S
Newsletter

Spring Volume 1 / 2024



ACTUARIAL SOCIETY
of
H O N G K O N G
香 港 精 算 學 會

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