



Year in Review

2018

Driving
Excellence



Actuaries
Institute



2018 Driving Excellence

2018 has been an eventful year, and one of great achievement for the profession and individual Members of the Actuaries Institute. The core actuarial skill set remains highly valuable. The ability to aggregate and analyse different volumes of information effectively is fast becoming the basis of competition for business. Add to that deep domain knowledge in insurance, superannuation, financial services and other relevant domains, you get actuarial insights and commercial strategies that are highly sought after.

This capability has driven excellence in approaches to many important business challenges and societal issues this year.

Actuarial work continues to earn media coverage and the attention of decision makers in business and politics.

The profession is grounded in overseeing equity among policyholders and members, beneficiaries and business owners. The importance of this responsibility has been in sharp focus with the Financial Services Royal Commission hearings this year. That's why actuaries are considering a broader view of 'customer interest' and proactively highlighting ways to challenge potential inequities in future.

Relationships with international counterparts were strengthened, especially through event collaborations in Asia. Attendance at the International Congress of Actuaries in Berlin - which will come to Sydney in 2022 - was also a highlight.

2018 saw Elayne Grace take the helm as CEO and lead the team at Institute HQ to be more efficient, strategic, and focused on Member needs.

Actuaries continue to drive excellence in broad and diverse fields. The lessons and achievements of 2018 provide strong footing for the profession to provide vital insights in the future, that will shape industries and serve the public interest.

The Institute sincerely hopes you had a productive and fulfilling year in 2018 and looks forward to enhancing your membership value and experience in 2019.



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From the President

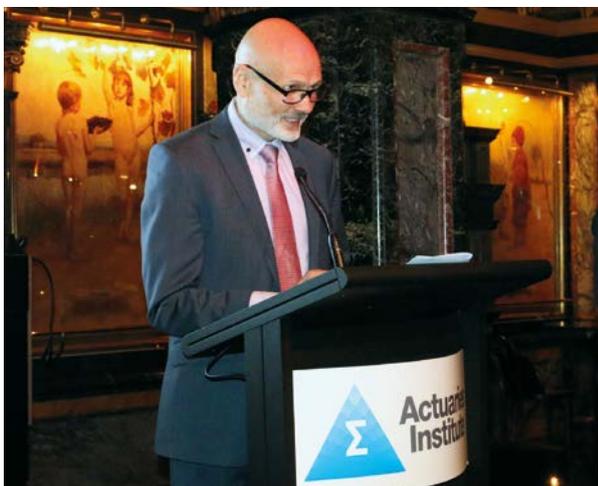
Barry Rafe

Driving Excellence

When I stepped into John Evan's Presidential shoes earlier this year, I hadn't imagined the impact that the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry would have on the industry and the corporations and professions that support it. I doubt many of us had any inkling about the extent of poor customer outcomes that have been revealed by the Commission's investigations.

Commissioner Hayne released the Final Report of the Royal Commission to the Government on 1 February 2019. The Institute welcome its findings and supports the Commission's strong focus on achieving better customer outcomes. A special institute working group is reviewing the full report to identify and manage issues that have implications for the profession, the industry and community.

Council showed great foresight several years ago to establish reviews of the **Code of Professional Conduct and the Disciplinary Scheme**. Both projects were underpinned by a recognition that the profession's governance and standards regime must become flexible enough to remain relevant to actuaries moving into new practice areas and disciplines. Both the new Code of Conduct and the revised



Presentation of 2018 Volunteer Awards

Disciplinary Scheme have adopted principles-based approaches which recognise the public good as a central focus for the profession.

Recent comments by APRA's chair Wayne Byres has highlighted the need for greater professionalism within the banking and finance sector. The Institute agrees and next year's CPD Tour will canvass aspects of professionalism and seek to explore the learnings from the Royal Commission. Likewise, there will be several Insights Sessions that seek Member feedback on the proposed new Code of Conduct and related guidance material. Council will also consider whether annual ethics training for Members should be mandatory. These initiatives are all about driving excellence to build the profession's value and resilience.

Reflective of that goal is the enormous amount of work that Members have contributed to the finalisation and implementation of **IFRS 17**. An Actuaries Institute taskforce has prepared guidelines for the new global insurance financial reporting standards that were 20-years in the making. The taskforce has involved representatives from industry, Big Four accounting firms, the Australian Prudential Regulation Authority, general, life, and health insurance practitioners and over 60 actuaries. The work has been a strong demonstration of the collegiate power of the profession, combining high level technical understanding of complex financial issues to assist members and the wider insurance sector.

An important development for the profession has been the introduction of the actuarial advice framework. This is just one of the out workings of the **Appointed Actuary Review** undertaken by APRA in close consultation with the Institute. The Review has enhanced the advice the AA provides to boards' and senior management's decision-making processes and reaffirms the strategic value that actuaries can bring to the executive table.

The ability of the actuary to display thought leadership is a key attribute that the Institute continues to promote through its public policy communications. Our Green Papers and Dialogues aim to increase awareness of the profession, its skills and its values to ultimately



“The ability of the actuary to display thought leadership is a key attribute that the Institute continues to promote through its public policy communications.”

– Barry Rafe

increase the influence of, and demand for, the Actuary. Other consequent outcomes are: better **public policy**; increased demand for actuarial input, and an opportunity for actuaries to engage in rewarding volunteer work that sharpens their advocacy and communication skills.

The development of the Australian Actuaries Climate Index is a prime example of the insights that actuaries can bring to identify and solve commercial issues. The Climate Index is an objective measure of extreme weather conditions and changes to sea levels, that will help policymakers and Australia's businesses assess how the frequency of weather extremes is changing over time.

The Institute also published a research paper on annuitant mortality; a work that is expected to aid the development of CIPRs, over time. Members contributed Dialogues on such diverse topics as; the future of life insurance, social risks for a financial services business, modern government service delivery and building adaptive capacity within organisations.

A key plank of our strategy to drive professional excellence is the implementation of our **education strategy**. The Institute at its heart is an educational body providing qualification and life- long learning opportunities. The education strategy development and implementation plan has been Council's primary focus in recent years and it is gratifying to see the strategy maturing into constructive action in 2018.

Some major milestones have been achieved, including; the appointment of 2 FTE faculty staff, agreement of Fellowship and Associateship requirements, subjects and high-level syllabus and the development of a new Fellowship subject for commencement in 2019.

Importantly, Faculties established for each existing Part III specialist stream and revised syllabi and updated course materials for existing Part III subjects have been formed. The Institute's education offerings are quickly being re-moulded to develop the skills required to meet the changing needs of the financial sector.

Members attended an Extraordinary General Meeting on 9 August to consider several proposed changes flowing from a **Constitution Review**. I would like to say that democracy is alive and well within the Institute but there appeared to be a lack of engagement from most Members. The resolution to grant Associate Members the right to vote and be elected to Council was defeated. The Resolution to clarify election procedures and the resolution to delete the disciplinary Scheme from the Constitution and approve the amended Scheme was approved. I would ask all Members to recognise that this Institute is your professional body. Its health, strength and resilience rely heavily on your support and engagement.

I am pleased that the Institute has agreed to host the **International Congress of Actuaries in 2022**. This will bring actuaries from around the globe to Sydney. It is a wonderful opportunity to showcase the profession internationally and domestically and for our Members to demonstrate and learn about world's best actuarial practice. The Institute will be seeking Member support, from our experienced and new volunteers, to ensure the success of the conference. I'm sure we are capable of delivering an outstanding event.

Barry Rafe
2018 President



Financial Services Forum

From the CEO

Elayne Grace



“Under Council’s strategic direction the Actuaries Institute HQ Team have implemented many new initiatives, delivering strongly on the first year of our 2018-2020 Strategic Plan.”

– Elayne Grace

It is great to be reflecting on the Actuaries Institute's significant achievements in 2018, the first year of our new 2018–2020 Strategic Plan.

Throughout the year I have been so encouraged by actuaries' belief, commitment and passion about our profession's future. The Members I have met have expressed a desire for the profession to better articulate our value proposition in a changing market place. Considering the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, Members also want to hear more on improving customer focus, professionalism and ethics.

These sentiments reflect our Strategic Plan, which seeks to ensure our profession continues to be in demand now and in the future. The plan underpins our drive for excellence in delivering cutting-edge data analytics, trusted insights, commercial strategy and of course, supporting our important regulatory roles. This is what will cement actuaries' reputation.

On reviewing the 2018 achievements and 2019 plans for each of the strategic goals, I realise what a tremendous amount of ground we have covered this year.

Goal 1: Delivering quality professional learning

Our Education Strategy project is vital to produce a modern education delivery system that ensures our students learn the requisite skills to succeed in their future career paths. The project is well underway, with the first subject's course material delivered by our in-house team. A further five subjects will be developed in 2019.

2018 also saw the completion of an online CPD Knowledge Hub which will allow Members to search our large content repository by practice area, topic or format in early 2019. This will be followed by the delivery of personalised CPD dashboard for Members. In 2019 the CPD Tour will focus on what it means to be a professional in a post Financial Services Royal Commission world.

Our strong events program this year included leading speakers across the Future of Health Seminar, General Insurance and Data Analytics conferences, a revamped Financial Services Forum and our Insights program. The



Financial Services Forum

ICA2022 Organising Committee has been working hard, gearing up for the International Congress of Actuaries to be hosted in Sydney in 2022 – an exciting opportunity for the profession in Australia.

Goal 2: Grow and improve diversity in our profession

Growing our presence, skilling up our Members and increasing awareness of the value actuaries bring to analytics is a key focus. This year the Data Analytics Practice Committee delivered many exciting initiatives including:

- three Statistical Machine Learning Insights sessions with record attendance at each;
- the launch of a monthly e-newsletter;
- the 'Weapons of Mass Deduction' video competition;
- many popular *Actuaries Digital* articles; and
- the development of the new Associateship Data Analytics Syllabus.

Goal 3: Build our brand and community

Actuaries used their skills for public good by participating in the first ever Actuarial Hackathon. Organised by the Young Actuaries Program, 95 actuaries from 38 different companies solve 18 practical social sector challenges posed by not-for-profit organisations.

Kinnect – a new Mentoring App for actuaries was also released, the *Actuaries Digital* website underwent a revamp, and our podcast channel counted a record breaking 10,000 listens.

In 2018, a new *See what we see* brand campaign launched featuring high profile actuaries shaping industries and unlocking opportunities in data analytics. In public policy, actuaries have again demonstrated their thought leadership in a breadth of areas with the launch of the Australian Actuaries Climate Index, and new papers on social risks, future of life insurance, modern government services, building adaptive capacity and mortality.

It was also exciting to see the excellent entries in the Young Actuaries Public Policy Essay competition. The profession's future is in good hands!

Next year, policy papers will focus on private health insurance and retirement.

A Royal Commission Working Group has been monitoring developments closely. It has established plans to help our profession investigate the implications of the Commission's findings and learn from them. This will instil the profession with an improved understanding of community expectations and enable actuaries to strengthen their valuable role within the financial services.

Goal 4: Build a future-proof and professional organisation

Volunteers have been busy getting actuaries ready for IFRS and advancing the revised Code of Conduct and Appointed Actuary professional standards which will both be finalised in 2019. In addition, an updated Disciplinary Scheme was approved, and a sounding board support service was launched. The International Council Committee have been busy building stronger relationships with our international counterparts while the Asian sub-committees have been developing communities and broadening CPD offerings in Asia.

Driving excellence into the future

Under Council's strategic direction, the Actuaries Institute HQ Team have implemented many new initiatives delivering strongly on the first year of our 2018-2020 Strategic Plan. This is only made possible by the incredible commitment, time and efforts of you, our volunteer Members, whose contribution is vital for the continuing success of our profession.

I would like to acknowledge the sound contribution John Evans made to the profession as President in the first half of the year. I would also like to thank Barry Rafe for taking

up the Presidency and for his strong support in the second half of the year.

In 2019 the Strategic Plan will include key initiatives such as strengthening relationships with employers, increased marketing focus on our brand value proposition and a strong learning emphasis on professionalism and our technological future.

Our aim is to support you, our Members, in driving excellence throughout your careers.

Elayne Grace
CEO, Actuaries Institute

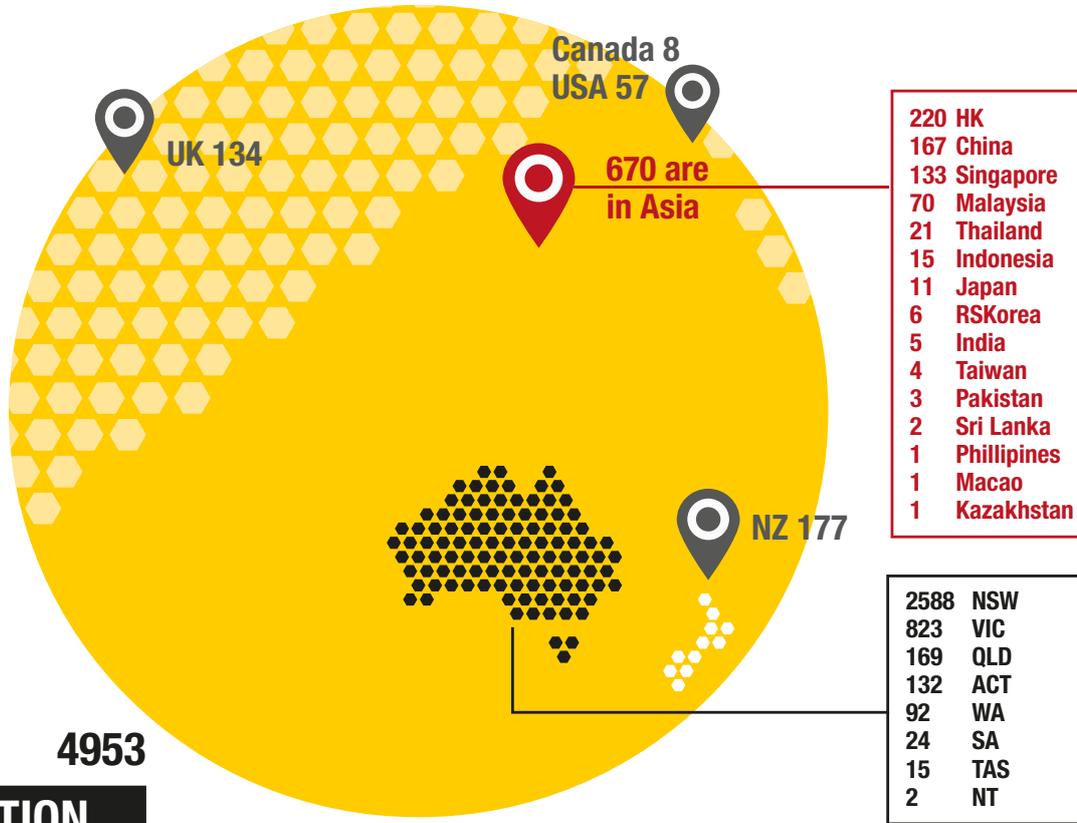


Volunteer Awards

Membership Data 2018

Actuaries Institute Members

Current Nov 2018

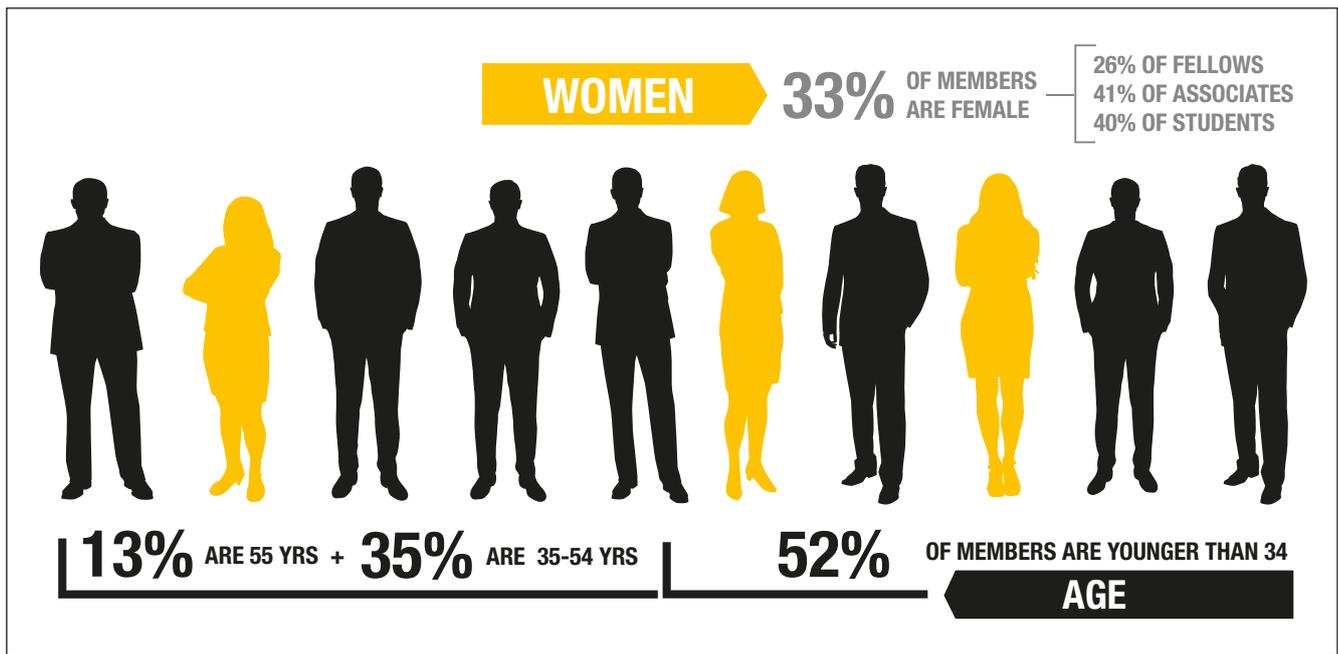


Total 4953

LOCATION

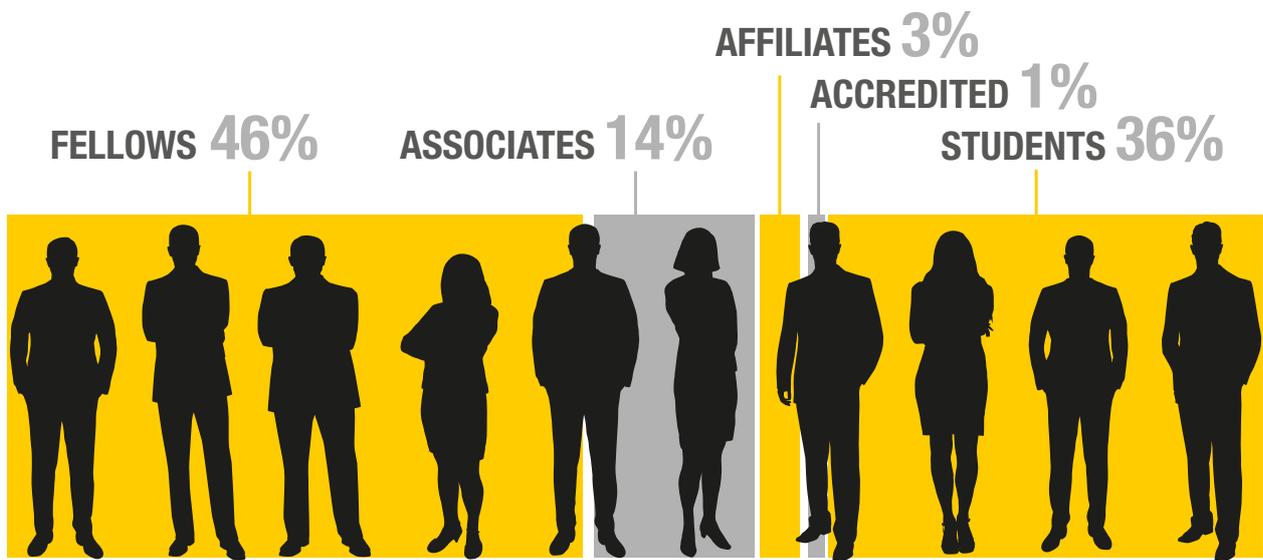
Domestic 3845
Overseas 1108

22% OF MEMBERS WORK OR STUDY OVERSEAS — **60% OF OVERSEAS MEMBERS ARE IN ASIA**



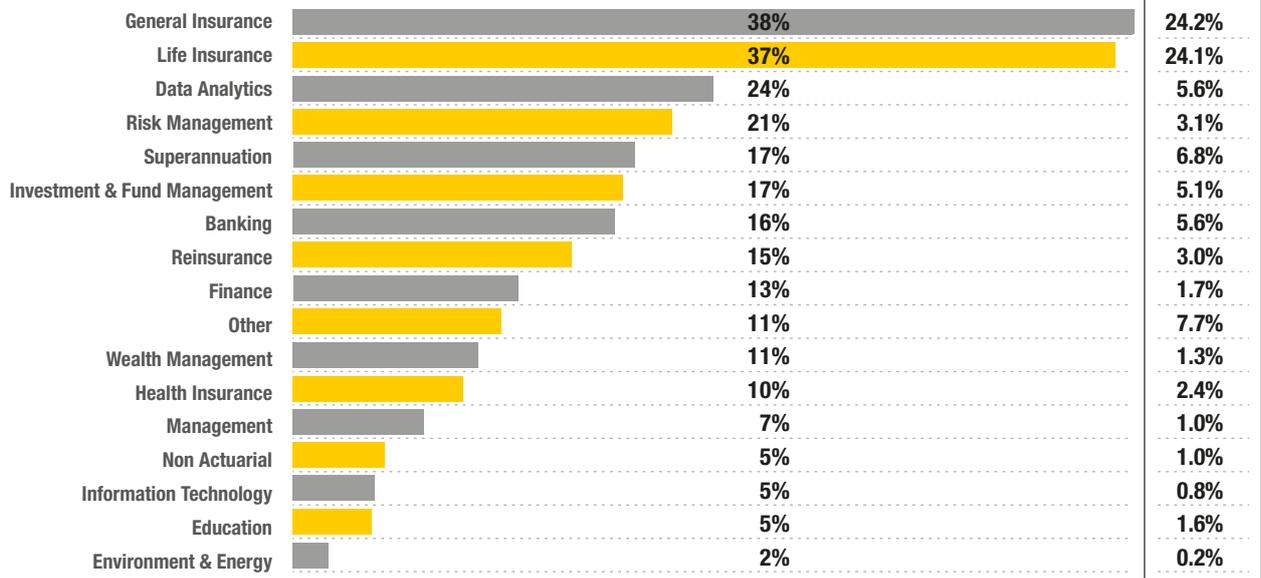
OUR MEMBERSHIP DIVERSITY

AGE OF MEMBERS	Accredited	Fellow	Associate	Student	Affiliate	TOTAL
Under 25 years	0	5	4	608	3	620
25-34 years	14	589	313	1039	16	1971
35-44 years	11	695	234	142	38	1120
45-54 years	5	498	85	14	35	637
55-64 years	1	245	30	3	15	294
65-74 years	0	172	28	0	14	214
Over 75 years	0	89	5	0	3	97
TOTAL	31	2293	699	1806	124	4953



INSTITUTE MEMBERS BY PRACTICE AREA

Actuaries work across multiple practice areas, this is recognised in the chart below.





Barry Rafe



John Evans



Nicolette Rubinsztein



Hoa Bui



Andrew Brown



Ann-Maree Cook



Andrew Doughman



Jefferson Gibbs



Annette King



Bill Konstantinidis



Michael O'Neill



Chao Qiao

Your Council in 2018

President 2018

Barry Rafe

President 2018 (until 13 May 2018)

John Evans

Senior Vice President

Nicolette Rubinsztein

Vice President

Hoa Bui

Andrew Brown

Ann-Maree Cook

Andrew Doughman

Jefferson Gibbs

Annette King

Bill Konstantinidis

Michael O'Neill (until 30 August 2018)

Chao Qiao

During 2018 Council once again deliberated on, and made decisions about, a wide range of issues and developments affecting Members and the profession.

- The Institute's new Strategic Plan 2018-2020, including milestones and success measures set by Council, was approved at the meeting held on 5 March.
- The Annual General Meeting was held on 22 May and the Financial Report for the year ended 31 December 2017 was approved.
- The proposed changes to the Institute's Constitution, due to have been considered at the Annual General Meeting on 22 May, were withdrawn for further discussion and consultation following member feedback on the drafting of the proposed resolutions.
- President John Evans resigned from Council on 13 May. At a special meeting held on 17 May, Council elected Barry Rafe as 2018 President of the Actuaries Institute.
- Following further consultation with Members on the proposed changes to the Constitution and the Disciplinary Scheme, an Extraordinary General Meeting (EGM) was held on 9 August 2018 for Members to consider and vote on four resolutions. The results of voting at the EGM can be viewed on the Institute website.

- The Education Strategy Review implementation timetable and finances were approved by Council in June.
- The first two new Fellowship subjects (Life Insurance and Retirement Valuation and Life Insurance and Retirement Product Development) were approved for delivery in 2019.
- A number of Professional Standards and Practice Guidelines were approved by Council during 2018. Further information can be found in the Governance section on of this Review.
- Throughout 2018, a number of committee and practice updates were provided to Council on:
 - **Data Analytics**
 - **General Insurance**
 - **Health**
 - **International**
 - **Life Insurance and Wealth Management**
 - **Professional Standards**
 - **Public Policy**
 - **Risk Management**
 - **Superannuation**
- The Code of Conduct Taskforce provided an update at the Council meeting held on 3 September. Following feedback from Members on the revised draft Code of Conduct, the Taskforce will present the next draft to Council in March 2019. A new Taskforce will be formed to take on the role of guidance and training to support the Code of Conduct.
- The Actuaries Institute will be hosting the International Congress of Actuaries in Sydney in April 2022. A Steering Group chaired by Councillor Annette King has been set up to provide oversight of the Organising Committee to Council. With the Congress just over three years away, the Committee's activities are gearing up.
- Michael O'Neill resigned from Council 30 August 2018 due to work commitments. Jules Gribble, Steve Hui and David Whittle were elected to replace outgoing Councillors Andrew Brown, Chao Qiao and Barry Rafe in 2019.
- The proposed amendments to the policy for the conduct of Council Elections to eliminate postal votes and to make increased data available were approved at the meeting held on 5 December.
- Jefferson Gibbs was elected as the Institute's Vice President for 2019 becoming President in 2021.

The reports following each Council meeting continue to be well received and give Members insight into the breadth of issues being dealt with by Council. These reports are now published on *Actuaries Digital*. Members are also asked to provide their views to Councillors before each Council meeting.

Governance

During 2018 the review of Operational Governance that commenced in 2016 continued.

In March Council approved the **Public Policy – policy development, submissions and external communications** replacing five existing policies.

Practice Guidelines

Practice Guideline 3 – Actuarial Practice in Relation to AASB 119 Employee Benefits was approved by Council in March replacing Practice Guideline 499.04 Accounting for Superannuation and Long Service Leave obligations under AASB 119 effective 31 March 2018

New **Practice Guideline 699.00 Definitions**; and updates to **Practice Guidelines 699.01 Pricing and Financial Projections for Private Health Insurers** and **699.02 Valuation of Health Insurance Liabilities** were approved by Council in March.

Practice Guideline 199.02 Relationship with the Auditor when Actuarial Work is used in an Audit and Explanatory Memorandum was approved by Council in June effective 30 June 2018

An exposure draft of **Practice Guideline 5 Insurer Enterprise Risk Models** was released to Members in May. Council approved the release of the PG in September to take effect from 1 October 2018.

Practice Guideline 499.07 Additional Conflict of Interest Guidance for Actuaries Working in Superannuation and Explanatory Memorandum was approved by Council in December effect 1 January 2019.

Professional Standards

Professional Standard 406 Unsegregated Superannuation Liabilities and Explanatory Memorandum was approved by Council in June effective for actuarial certificates issued on or after 1 July 2018 in relation to financial years commencing 1 July 2017. GN 451 was simultaneously withdrawn.

Disciplinary Scheme

After member consultation in January/ February Council approved the draft scheme rules in March for submission to Members. Members approved the draft changes to the Disciplinary Scheme at an Extraordinary General Meeting held on 9 August 2018. Members also approved the removal of the Disciplinary Scheme from the Institute's Constitution.

Institute's Constitution

A number of amendments to the Institute's Constitution were approved by Members at an Extraordinary General Meeting held on 9 August 2018.

Glyn Thomas

Company Secretary

Strategic Plan 2018-20

Aim of the Institute

To build a strong actuarial profession and community across Australia and Asia that is in high demand both now, and in the future, across regulatory and non-regulatory roles in financial services and the broader economy.

Goal 1

Deliver quality professional learning.

- 1.1 Enhance qualification education program.
- 1.2 Drive continuing professional development program by expanding the CPD offering and engaging the membership with a more personalised approach.
- 1.3 Transform the events program by establishing a flagship event by 2020, building the platform for a successful ICA 2022 and establishing best practice event marketing.

Goal 2

Growth and diversity.

- 2.1 Foster emerging area of data analytics, by improving learning opportunities for analytics professionals, and enhancing external branding.
- 2.2 Increase demand by promoting excellence in all practice areas.
- 2.3 Grow membership and volunteer community and increase diversity

Goal 3

Build brand and community.

- 3.1 Raise awareness of brand 'Actuary'.
- 3.2 Contribute to public policy via thought leadership and an effective stakeholder engagement strategy.
- 3.3 Create and promote member value proposition.

Goal 4

Build a future-proof and professional organisation.

- 4.1 Enhance professional standards and ensure compliance.
- 4.2 Develop global strategy and grow international partnerships.
- 4.3 Cultivate 'best practice' organisation.

Celebrating Your Success

2018 Actuary of the Year

Ian Laughlin

The 2018 Actuary of the Year award was presented to Ian Laughlin.

Ian is chairman of OnePath Life, OnePath General Insurance and ANZ Lenders Mortgage Insurance. He chairs the Advisory Board of Blackhall & Pearl and has served on the Actuaries Institute Council.

Ian has had a distinguished professional career in senior management and on boards at major financial corporations, in Australia and internationally. He also formerly served as Deputy Chairman of the financial services regulator APRA where he oversaw the implementation of new capital standards for insurance companies.

Ian has long had an interest in risk management and governance. He was convenor of the Institute's Risk Management Practice Committee and he helped develop the syllabus for the international actuarial risk management qualification, CERA.

Over the past two years Ian has led the Institute's IFRS taskforce that has prepared guidelines for the new international financial reporting standards. The taskforce has involved representatives from industry, Big Four

accounting firms, the Australian Prudential Regulation Authority, general, life, and health insurance practitioners and support from over 60 actuaries. The work of the taskforce means Australian actuaries are ahead of many of their international peers, with requests for the Australian work to be translated for use in other languages.

Ian has contributed to various papers and presentations over the years. In January this year, he produced a provocative issue of *The Dialogue: Social Risks – for a financial services business*. Having foreshadowed some of the reforms that financial institutions need to take to avoid a recurrence of the issues that have arisen in the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, Ian highlighted the significance of social risks and the need for entities to factor them into their risk management frameworks.

Ian's contribution to the profession, both with his insight into risk management and his work helping prepare insurers for new international financial reporting standards, make him an appropriate and worthy recipient of the 2018 Actuary of the Year Award.

Congratulations Ian.



Ian Laughlin accepting his award

Education Prizes

Semester 1



Timothy Lam
Andrew Prescott Prize
C2A Life Insurance



Cayle Antony Stephens
Andrew Prescott Prize
C2B Life Insurance



Annabel Lie
Katherine Robertson Prize
C3A General Insurance



Alexandra O'Connor
Katherine Robertson Prize
C3B General Insurance



Luke Heinrich
Andrew Prescott Prize
C5B Investment
Management & Finance



Matthew Oates
Andrew Prescott Prize
C6A Global Retirement
Income Systems



Samuel Stewart
Andrew Prescott Prize
C10 Commercial Actuarial
Practice

Semester 2



Jia Hu
Andrew Prescott Prize
C2A Life Insurance



Daniel Chew
Andrew Prescott Prize
C2B Life Insurance



Allan Chen
Katherine Robertson Prize
C3A General Insurance



Jia Teo
Katherine Robertson Prize
C3B General Insurance



Shang Wu
Andrew Prescott Prize
C5B Investment
Management & Finance



Paul Thomson
Andrew Prescott Prize
C6A Global Retirement
Income Systems



Samuel Stewart
Andrew Prescott Prize
C10 Commercial Actuarial
Practice

Member Milestones in 2018

New Fellows in 2018

Alycia Amundson
 Preetham Arvind
 Akshay Basrur
 Robert Batley
 Rujiao Bian
 Daniel Bui
 Xiaohang Cao
 Kim Chan
 David Chan
 Wen Xun Chan
 Ean Chan
 Yiu Hon Elton Chan
 Chih-Hsuan Chang
 Zheng Chen
 Sijing Chen
 Guanliang Chen
 Jeremiah Cheung
 Yi Dong
 Richard Dunn
 Melanie Dunn
 Kushan Fozdar
 Jevon Fulbrook
 Lin Gan
 Robert Gibbs
 Boban Gorgoski
 Junliang Guo
 Dai Huang
 Augustine Thania Istanto
 Dennis Jiang
 Grant Knapman
 Anna Knezevic
 Jean Nette Koay
 Brendan Kwok
 Thomas Ying-Tai Lam
 Andrew Lau
 Timothy Lee
 Daryl Lee
 Oliver Li
 Zhao Liu
 Siyi Liu
 Dmitro Lyulik
 Yi Hua Mao
 Timothy Marsh
 Amy McDonald
 Daniel Newlan
 Nicholas Ng
 Michelle Ng
 Aidan Nguyen
 Luke North

Maung Sit Nyein
 Matthew Oates
 Jane Patten
 Kevin Pun
 Ye Ren
 Clayton Roderick
 Stephanie Russell
 Sameep Singh Sandhu
 Shubham Saxena
 Vaibhav Sharma
 Andrew Song
 Samuel Stewart
 King Hei Tam
 Poa-Yin Darryn Tam
 Nicola Thompson
 Stephanie Thomson
 Jared Toe
 Owen Tong
 Jeremy Tong
 Yeung Wang Tsang
 Cindy Vuong
 Luya Wang
 Xin Wei
 Justeen Wong
 ZhenZhen Wu
 Mengtong Xia
 Andrew Xu
 Claudia Yan
 Chen Yang
 Estella Yao
 Wen Qian Yong
 Daniel Zhang
 Chunsi Zheng
 Cheng Zhu

Members who achieved Associate/Actuary Designation in 2018

Elizabeth Angkola
 Rujiao Bian
 Thomas Bland
 Matthew Botur
 Xincheng Cai
 Nathan Camlett
 Hiu Kong Chan
 Varun K Chandu
 Zhenzhou Chang
 Sue Yi Chow
 Andrew Curtin
 Partha Das

Lucille Desai
 Robert Deutsch
 Sukhpal Dhillon
 Laura Dixie
 Juan Du
 Khadijeh Eghbal
 Rui Gao
 Timothy Giles
 Charlie Han
 Xiao Han
 Michaels Hartowardoyo
 Wang Hou
 Russell Hunter
 Siddharth Jain
 Muhunthan Jayanthakumaran
 Vidhiya Joeganathan
 Shivani Juneja
 Bhadra Krishnakumar
 Brendan Kwok
 Thomas Ying-Tai Lam
 Maggie Lee
 Charlie Li
 Han Li
 Ryan Lim
 Su Yin Lim
 Ping Lu
 Daniel Luo
 Shuhong Luo
 Yi Hua Mao
 Jessica Ngan
 Matthew Oates
 Fiona O'Brien
 Kai Feng Pan
 Avanti Patki
 Henry Gunawan Putra
 Christopher Rolls
 Zhao Shi
 Xu Shi
 Sheena Soh
 Cayle Stephens
 Anna Stephens
 Olivia Stephenson
 Paul Thomson
 Jared Toe
 Joseph Toh
 Yeung Wang Tsang
 Hau Yip Brian Tu
 Jenny Vom Kolke
 Hao-Chin Wang
 Yi Wang

Steven Wang
 Lynn Wang
 Emma Watson
 Luke Wettenhall
 Anthony Willis
 Chun Hang Wong
 Hongzi Wu
 Ying Yang
 Dongxue You
 Zhimin Yu
 Lukas Zdanius
 Jin Zhang
 Qin Zhang
 Mingchao Zhang
 Michel Zhou
 Yuanyuan Zhou
 Xianwen Zhu

Members who achieved CERA Designation in 2018

Ellen Adamson
 Preetham Arvind
 Daniel Bui
 David Chan
 Kim Chan
 Victor Chan
 Varun K Chandu
 Chih-Hsuan Chang
 Zheng Chen
 Sijing Chen
 Guanliang Chen
 Simon Cheng
 Philip Chow
 Yi Dong
 Melanie Dunn
 Richard Dunn
 Stephen Goh
 Chun Xia Huang
 Siddharth Jain
 Juanita Jamsari
 Dennis Jiang
 Grant Knapman
 Wen-Han Koh
 Brendan Kwok
 Maggie Lee
 Oliver Li
 Changyu Liu
 Zhao Liu
 Calise Liu

Daniel Luo
 Dmitro Lyulik
 Amy McDonald
 Daniel Newlan
 Nicholas Ng
 Luke North
 Fiona O'Brien
 Kai Feng Pan
 Jordan Pedder
 David Pettersson
 Tianyu Qi
 Shubham Saxena
 Shivam Sharma
 Andrew Song
 Anna Stephens
 Calvin Teng
 Stephanie Thomson
 Jared Toe
 Yeung Wang Tsang
 Luya Wang
 Hao-Chin Wang
 Yi Wang
 Mengyi Xu
 Andrew Xu
 Edwin Zhang
 Xin Zhang
 Zhi Zu

Volunteer Awards

Following the success of the inaugural Volunteer Awards in 2017, the second annual Volunteer of the Year Awards were presented at the Sydney and Melbourne Volunteer Cocktail Parties this year.

These awards recognise and celebrate the valuable contributions of our fabulous committee members and other volunteers, this year we introduced a new award category *The Spirit of Volunteering Award*.

Huge congratulations to the 2018 winners of the Volunteer of the Year Awards.

The President's Award	Ian Laughlin
The Distinguished Service Award	Brett Riley
The Spirit of Volunteering Award	Colin Grenfell
The Young Volunteer Achievement Award	Lisa Ye



▲ Ian Laughlin



Brett Riley ▲



Colin Grenfell ▼



▼ Lisa Ye

Queen's Birthday Honours List

Richard Madden, an actuary who has advocated for better and more services for Australians with disabilities through decades of volunteer work, has been celebrated with an award in the 2018 Queen's Birthday Honours list.

Professor Madden was made a **Member of the Order of Australia (AM) in the General Division**. He is a professor at the University of Sydney, where he is the co-director of the National Centre for Classification in Health, and he is the deputy chair of Australia's largest provider of disability services, House with No Steps. He also plays an active role in improving statistics on Aboriginal and Torres Strait islander people. He is a firm supporter of social statistics informing good public policy. An advocate for Australia's National Disability Insurance Scheme (NDIS), he said seeing changes come to fruition that include increased resources, greater choices and better services has been enormously satisfying.

Professor Madden had been an active member of the Institute's Health Practice Committee and was named Actuary of the Year in 2002. He joined the House with No Steps Board in 2006 and became Chair in 2010. This year, the organisation merged with Victoria's The Tipping Foundation to support a greater number of people with disabilities, in more places. Following the merger, he was appointed Deputy Chair of the organisation.

Apart from his actuarial qualifications, he holds a Doctor of Philosophy (Statistics) from Princeton University, and is the recipient of an honorary doctorate of science from the University of Sydney, awarded in 2005.

Richard Madden ▼



Public Policy

Overview

The Institute aims to build the profession's brand, in part, by contributing to public policy development through a variety of thought leadership communications. The Public Policy Council Committee sets the agenda by selecting policy issues that concern the public good and are relevant to the skills and expertise of the actuary.

Institute Green Papers have been influential in sparking policy debate in data analytics, mental health, retirement incomes, climate change and longevity risk. Increasingly the Institute's views are being sought by ministerial offices, departments (Treasury, DSS) regulators (APRA, ASIC) and agencies (AGA, Productivity Commission, Vic EO&HRC).

In addition, Members are becoming more active; suggesting ways to improve public policy by contributing to our Dialogue series of short papers. Dialogue topics are often proposed by the Member or by Practice Committees that detect emerging issues within their commercial sphere.

Achievements

The Actuaries Institute launched **the Australian Actuaries Climate Index**, an objective measure of extreme weather conditions and changes to sea levels, to help policymakers and Australia's businesses assess how the frequency of weather extremes is changing over time.

The index is the culmination of many months of work by a team led by Tim Andrews, Principal at Finity who devised and managed the project. The work involved consultation with Australia's Bureau of Meteorology, CSIRO, leading insurance natural hazard scientists and regulators.

A second major piece of work was the development of **annuitant mortality research paper**. The motivation for the work was a desire to better understand the mortality of older Australians who might purchase Comprehensive Income Products in Retirement (CIPRs). These products are being promoted by Government and aim to provide better outcomes for retirees by sharing the risk of living to advanced ages with reduced assets.

The aim of the study was to produce a series of mortality tables that would enable product manufacturers to design and price appropriate products that will mitigate the financial risk faced by long lived individuals. The work was undertaken by Alun Stevens, Senior Consultant, Rice Warner and funded by the Orford Family Trust.

Two more Green papers, on an integrated view of retirement provision and private health insurance, are underway and will be delivered in 2019.

Hugh Miller, Principal at Taylor Fry, was awarded the Actuaries Institute's inaugural Young Actuaries Public Policy Prize for his essay *Modern Government Service Delivery*. The essay was subsequently expanded and published as part of the *Dialogue* series in September. The Young Actuaries Public Policy Prize is awarded biennially.



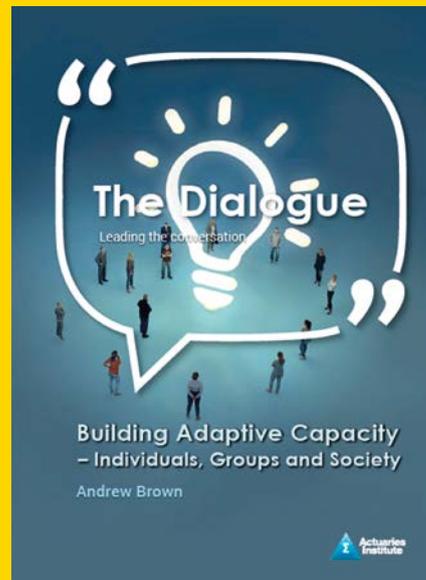
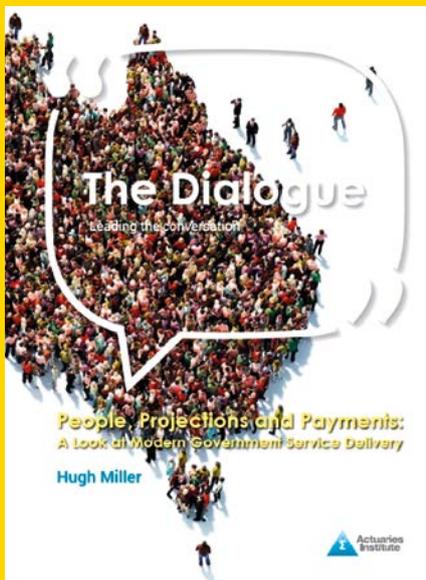
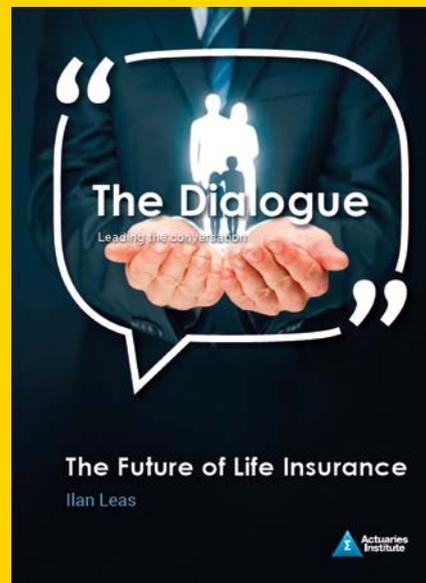
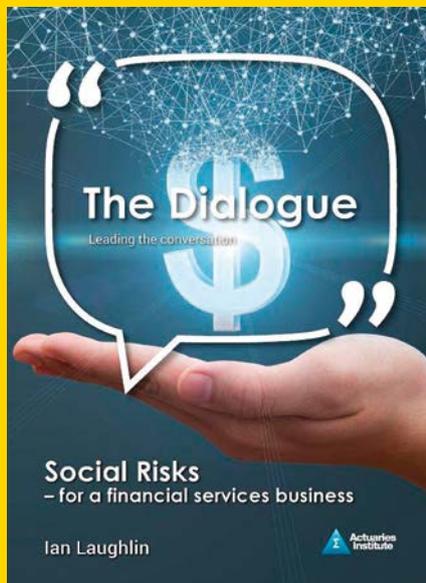
Michael Rice presents the Public Policy Prize to Hugh Miller

The *Dialogue* series continues to roll out with Members using the channel to express their thoughts on emerging threats and opportunities. Papers on **social risks, the future of life insurance, modern government service delivery, and adaptive organisations** have attracted mainstream media attention and demonstrated the profession's capacity to explore issues at a strategic as well as a technical level.

13 submissions were made to government during the year, primarily on superannuation related matters but also including mental health, life insurance, child sexual abuse compensation scheme, APRA prudential standards and the Appointed Actuaries framework.

The PPCC and HQ Public Policy Team acknowledge the significant contributions made to the development of various papers throughout the year by the following authors: Ilan Leas, Ian Laughlin, Hugh Miller, Alun Stevens, Tim Andrews and Andrew Brown.

Special thanks to Michael Rice the PPCC Convenor who stepped down from that role after four years. Under Michael's guidance the Institute has become more active in delivering a stream of policy papers covering a diversity of topics. Anthony Lowe, the new convenor, will no doubt continue that trend.



International Committee

2018 was an excellent year for the International Committee with some big issues tackled.

These issues included:

- 2018 International Congress which has relevance for the Australian Congress in 2022.
- Appointment of a new Chair of the International Committee.
- Creation of an Asia Sub-committee.
- Two International Actuarial Association (IAA) meetings in Berlin and Mexico City.
- Review of Mutual Recognition Agreements.
- International accounting standard IFRS 17.
- Development of a Member Value Proposition for Actuaries Institute members residing and practising in New Zealand.

International Congress of Actuaries

The 31st International Congress of Actuaries (ICA) was held in Berlin this year. Over 2,700 attendees (representing over 100 nations) enjoyed the 125 scientific sessions and 364 presentations given by 511 speakers. The ICA is held every four years and the Actuaries Institute will be hosting the next ICA in Sydney in 2022.

Creation of an Asia Sub-Committee

This year we established an Asia Sub-committee, reflecting that many of our members are based in Asia. Many members of this Sub-committee are also based in Asia, and are able to provide useful input for Kitty Chan, the Actuaries Institute Asian Liaison Manager based in Hong Kong.

The Asia Sub-committee are working on a membership strategy for China, which is the subject of special attention because of the size of its insurance industry, its potential growth over the next few years and its expected need for actuaries.

Review of Mutual Recognition Agreements

In 2018 we also began a holistic review of our Mutual Recognition Agreements. These arrangements are very important, as they allow our members to be recognised as Fellows internationally, by the UK, by both the Casualty Actuarial Society and the Society of Actuaries in the US, South Africa and Canada. We also work to make sure our qualifications are recognised by countries, such as Singapore, Hong Kong, Malaysia and China.

International Accounting Standard IFRS

The International Actuarial Association's Insurance Accounting Committee was established to provide input into the International Accounting Standards Board's (or IASB's) development of Accounting Standards. While the Insurance Accounting Committee's scope covers all accounting standards, its focus in recent years has been on the new accounting standard for insurance contracts, IFRS 17. The Insurance Accounting Committee has been very active in the global discussion and debate on key interpretive issues, both during the development of IFRS 17 and also since it was issued in May 2017. Brendan Counsell is Australia's representative on this committee.

2019 Plans

Preparations for ICA2022 are already underway. This is a great opportunity to learn more about what actuaries do around the world, and to develop relationships with actuaries overseas, as well as to meet new people and contribute to the Actuaries Institute.

The IAA is looking at possible ways of restructuring and we have been invited to be a part of the discussions surrounding this, which is expected to continue well into next year, including at the 2019 meetings in Washington and Tokyo.

We will also continue to monitor developments in professionalism. The importance of 'doing the right thing' and considering 'customer expectations' is even more important following the recent Royal Commission and regulatory reviews, and it is useful to see what others are doing internationally, to challenge our developments in these areas.

I would like to express my thanks to the President, Council and HQ for the support that the International Committee has received during the year. I would also like to thank members of the Committee for their work during the year.

Bozenna Hinton
International Committee
Convenor



Bozenna Hinton

Asia Activity



The Institute highly values the 13% of Members who are based in Asia. The direction of the Asia Strategy focuses on member engagement and retention, enhancement of CPD delivery and key stakeholder management.

A new beginning filled with new components

Elayne Grace joined the **2018 Asia Tour** as the new CEO in March. We travelled to Hong Kong, Shanghai, Singapore and Kuala Lumpur and met our senior Members, stakeholders and regulators and hosted a few networking sessions. These face-to-face meet up opportunities are valuable for Members and key stakeholders to share their feedback on the Institute, the local markets and challenges for the actuarial profession in Asia. There were many key takeaways from this tour, which HQ will use to identify the

Asia initiatives and formulate a long-term strategy for Asia.

The ***Under the spotlight – Asia Series*** was featured in *Actuaries Digital* and the ***Inside Asia*** podcast series was recently launched. Members who are keen to learn about the Asian market, will find these resources inspirational and motivational.

The weekly Bulletin now features a dedicated Asia events section and we also launched the bi-monthly ***Inside Asia*** newsletter in June this year. Both of these aim to provide updates of Asia activity, stories from Asia and useful notifications for interested Members.

This year, the annual **Joint Regional Seminar (JRS)** travelled to Sydney for the first time. The Institute collaborated with the IFoA, SOA and local associations to organise the JRS which also travelled to Bangkok, Hong Kong, Kuala Lumpur, Taipei and Jakarta. The Institute was proud to bring the JRS to Sydney, giving our Members the opportunity to participate at this major CPD event in Asia, attracting over 1,000 participants in 2018.

Events held in Asia

The inaugural **Joint Risk Management Seminar**, organised with SOA was held in Singapore. The program featured senior speakers from regulators, reinsurers and consulting



Joint Regional Seminar in Sydney. Back row: Kitty Chan, Lesley Traverso and Nicolette Rubinsztein. Front row: Dr Bruce T Porteous, Andres Webersinke, Annette King, Kenneth McIvor and Alan Merten.

firms. The conversation between the attendees was interactive and the discussion on the topic of Risk Culture was a highlight of the Seminar. Both the Institute and SOA appreciated the effort and quality of this Seminar and are keen to continue collaboration in Asia.

Dr Frank Ashe and Anna Knezevic joined the Hong Kong Insights series as guest speakers. Dr Ashe presented on 'Concerning Risk Aligning individual asset portfolios with retirement goals' in September, and Anna presented her 'Forecasting interest rates with neutral nets' session from the ICA2018 Berlin in October.

The success of the **Annual General Insurance & Takaful** seminar continued in 2018. The Institute, CAS, IFoA and ASM jointly presented the fifth annual seminar in Kuala Lumpur in December. It was a two-day program with 11 sessions, 16 speakers, and attracted over 120 delegates from the region. The program provided insights on how the industry is responding to the changes in the business environment. One of the highlights was the plenary session on 'Actuarial Reflections and Projections from the three generations of actuaries', which examine what the past can tell us about the future adaptability and relevance of the profession.

The aim of the **21st Asian Actuarial Conference 2018 (AAC)**, held in Hong Kong, is promoting the actuarial profession within the East Asian region and for the AAC Members to discuss various aspects of regulatory conditions, actuarial education and practice, standards of competence and conduct within the profession. Over 700 delegates across Asia and Australia joined the 2018 AAC. The program consisted of 27 presentations including few sessions presented by our senior Members. The topic for the C-suite roundtable discussion was 'Risk Management in the New Insurance World'. It featured



Hoa Bui speaking at the Asian Actuarial Conference

three influential CEOs and Fellows in Asia: Julian Lipman, Lilian Ng and Tony Cheng. The session was well received and proved that our senior Members play a key role in leading the Asian market. Vice President, Hoa Bui, Chairperson of Asia Sub-committee Andy Yang and I attended to represent the Institute and we hosted a networking session for our Members who attended the AAC.

The Australian actuarial profession has been active in the Asian region over many years. The Institute and the Asia Sub-committee support collaboration with other societies and local associations. As a Member of the Institute, it is vital to stay connected within Asia. Your support from Asia, comments and feedback on the Asia strategy are highly appreciated.

We look forward reaching out further in Asia and collaborating with different associations to build a stronger network between the Asian and Australian actuarial communities.

Kitty Chan
Liaison Manager, Asia



Joint Risk Management Seminar at Singapore

2022 International Congress of Actuaries

Members should now be aware that Australia will host the International Congress of Actuaries in 2022 (ICA2022). Held every four years, the venue for the 2018 Congress was Berlin. I attended the five-day conference with Actuaries Institute Senior Vice President Nicolette Rubinsztein, CEO Elayne Grace, and about 30 members from Australia including David Whittle (Treasurer ICA2022) and David Knox (Scientific Chair ICA2022).

Highlights from Berlin:

- **The number of attendees** – there was approximately 2,500 delegates and while there were many German-based delegates, strong representation from a broad range of countries made it a truly international event.
- **The Australian contingent** – Colin Grenfell organised a dinner for the Australian delegates, it was great to get the views of our Members on the Congress set-up and what we should replicate or consider doing differently in Sydney.
- **Congress Ambassador program launch** – we were privileged attend a cocktail function in the Australian Consulate hosted by Her Excellency Lynette Wood the Australian Ambassador to Germany. With about 50 attendees, we took the opportunity to launch our Congress Ambassador program which seeks to encourage actuaries from around the world to promote ICA2022.
- **The Congress sessions** – the Congress had no shortage of fantastic content for attendees to digest. The plenary sessions featured a range of speakers from various backgrounds. There were 15 presenters, speaking in 10 sessions from Australia. Highlights included:
 - Mengyi Xu's (UNSW) paper on *Demand for Annuities and Long Term Care Insurance with Recursive Utility: Impact for Housing* which won IAA section best paper – health.
 - Jennifer Alonso-Garcia's (UNSW) paper on *Saving Preferences in Retirement: The Impact on Mandatory Annuitization, Flexibility and Health Status* which won ICA2018 best paper award – aspects of long term savings: uncertainty in low real returns, longevity and inflation.
- **The handover ceremony** – as part of the closing ceremony, the baton was handed to Sydney. At the request of the ICA2018 organisers we also sang Waltzing Matilda with some alternative lyrics. The audience enjoyed the performance and many stood up and joined in the singing.

International Congress of Actuaries 2022

ICA2022 may be just over three years away but the Organising Committee has already set the wheels in motion for a great Congress in 2022. Much of the work so far has been focused on developing an appropriate governance structure, delegations and the Congress budget.

The Organising Committee is made up of volunteers. While a lot of work has been undertaken in 2018 we are just beginning the journey and there is a lot of work ahead for us. To ensure an excellent Congress, each member of the Organising Committee is a leader of one of the main facets of running a conference. Each will drive excellence in coming years and I'd like to introduce them to you:

- **David Whittle – Treasurer:** responsible for the budgeting and financial aspects of the Congress..
- **David Knox – Chair/Scientific Committee:** leading the development of the Congress program.
- **Jules Gribble – Sponsorship:** managing sponsorship of the Congress (don't hesitate to contact Jules if you'd like to be a sponsor of ICA2022).
- **Lesley Traverso and Scott Duncan – Marketing and Communications:** overseeing the marketing of the Congress and developing communication strategies.
- **Jessica Twigg and Fiona Tsang – Logistics and Events:** overseeing the Congress logistics including, but not limited to, location, registration and social events.

As convener of the Organising Committee I will be responsible for overall project and risk management and reporting to various stakeholders. I'm confident that the talented team we have on board will be able to deliver.

In 2019 we plan to secure our platinum and gold sponsors, finalise the budget, develop the broad program structure and streams, roll out the ambassador and champions program and, start to plan the logistics and social events... plus much more - it will only get bigger in 2020!

Daniel Smith

ICA Committee Convener



With IAA President Masaaki Yoshimura, DAV President Roland Weber and Mathieu Langelier Executive Director IAA at the ICA 2022 booth

Practice Excellence

Practice Committee Reports

Banking

It has been a year of many challenges and successes for the Committee, as we aim to raise awareness of 'brand actuary' and provide support and a platform for the actuarial profession to make a mark in banking.

The Banking Practice Committee (BPC) has achieved some major milestones during 2018;

- With the majority of our focus on education, we have been working towards getting a Part III Banking course up and running. I would like to thank the members of the BPC Education Sub-committee led by Mark Hayes. They have spent many hours over the course of the year, developing, reading, editing and pulling together the course material, and have succeeded in developing a broad base of course material which has now been handed over to the Institute.

With the changes to the education structure and Part III courses, the baton has now been passed to the Institute whose education team will build on our work and aim to deliver the Banking course in the next few years.

- In addition to education, we have been focusing on positioning the profession to be more visible expressing views on the banking issues of the day, and have been working on a number of publications including reports on Banking Capital and Housing Affordability, both presented at the Financial Services Forum.

The Housing Affordability Subcommittee, led by Andrew Doughman, have been working to produce a study that discusses potential solutions to the affordability crisis through an actuarial lens.

Significant progress has been made with initial findings being completed and presented at the FSF which was well received. The team are now working towards releasing a foundation paper sometime next year to put forward our initial views on housing affordability in Australia, incorporating feedback from FSF.

2018 also saw the resignation of our convenor, Jason Slade. Jason has been the Convenor of the BPC since April



Chao Qiao and Alex Kaufman in the 2018 – 2019 Banking Practice Update video.

2017, and was instrumental in leading the committee to a number of successes. The BPC would like to thank Jason for his hard work and dedication over the past year, and wish him well.

The search for a new BPC Convenor is currently underway, and hopefully we can announce a new appointee soon.

Looking forward to 2019

With the implementation of the Banking course being passed to the Institute, the BPC has been able to refocus our efforts to new areas. We held a strategy day on 26 June which allowed the BPC to get together in person and discuss renewed goals and strategy for the coming year.

Going forward the BPC will be focusing our efforts towards three main areas.

1. Bring actuaries in banking together – through events such as insight sessions, networking events, university career fairs etc.
2. Getting banking issues covered in actuarial publications.
3. Connecting the Actuaries Institute to other relevant industry bodies.

I would like to thank the members of the BPC for their hard work over the year and look forward to furthering our achievements next year.

Alex Marks

Banking Practice Committee Secretary

Practice Committee Reports (continued)

Data Analytics

This has been another busy year for the Data Analytics Practice Committee (DAPC), Young Data Analytics Working Group (YDAWG) and the Actuaries Institute. In 2018, there were some structural adjustments made to cater for more efficient progress and collaboration. The monthly DAPC meetings were restructured to align discussions and actions with the current Data Analytics (DA) Strategy, new subgroups were introduced and there has been increased integration of the DAPC and the YDAWG to improve engagement and better harness energy of the YDAWG.

Key achievements of 2018:

- The **Core Data and Statistical Analysis syllabus** was signed off by the Education Council Committee in September. Work on this new subject has been a great example of collaboration between the DAWG, YDAWG, Actuaries Institute's Education team and universities. The current focus is to create the subject content.
- Andrés Villegas, lecturer at UNSW Business School, presented three **Machine Learning Insights sessions** in Sydney (with webinar) and was joined by a number of members from industry. The first session was the most attended Insights session in Actuaries Institute's history.
- The **fourth DA Seminar** was held in October. The theme was 'Reinvigorating the Usual' with a focus on seeing DA permeate through broader actuarial practice.
- The inaugural **monthly DA newsletter** was released in August. The newsletters focus on a range of DA related topics and have received high praise. Going forward they will be an impactful way to engage with the membership, update them on latest initiatives and provide valuable CPD material.
- The YDAWG with the HQ Communications and Marketing Team drove the **'Weapons of Mass Deduction' competition** where actuaries could showcase their passion for a particular program, package, technique, tool or data set that excites them for performing data analysis in a short video. Congratulations again to Andrew Xu who won with a video on geospatial analysis.
- By early November there were 28 DA articles published on **Actuaries Digital**. These articles are not just valuable and interesting sources of information for readers, but



Dr Eugene Duborssarsky, 2018 Data Analytics Seminar



Ash Nair, 2018 Data Analytics Seminar

they continue to be an accessible way for members to share their insights with the broader profession in a highly visible arena.

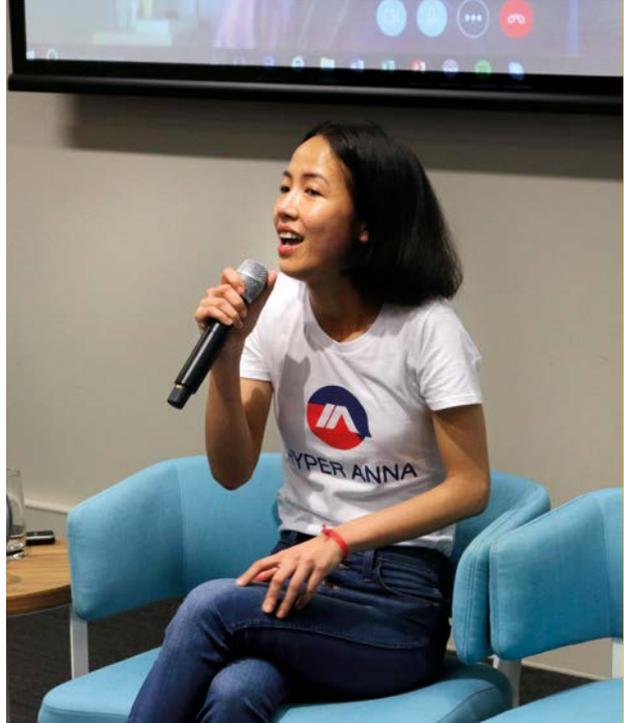
- There were four **podcasts** published in 2018, *Managing a Data Analytics Team*, *The Ethics of Machine Learning*, *Geospatial Analysis and Data Science*, and *What Makes a Good Data Scientist?* A number of DAPC and YDAWG members featured in these podcasts as hosts and interviewers.t

Since inception, the key focus has been to create a DA community, establish relationships in the DA space with overseas actuarial bodies and, more recently, modernise the actuarial education program so that it incorporates modern DA techniques.

While the work will continue in these areas and there are some important milestones to be achieved during 2019 (e.g. finalisation of the Core Data and Statistical Analysis subject), the key focus of 2019 will be to progress the Value Proposition, Employers and other DA bodies work streams, CPD Program and external education work streams.

Bartosz Piwcewicz

Data Analytics Practice Committee Convenor



Natalie Nguyen, 2018 Data Analytics Seminar



Bartosz Piwcewicz, Sarah Gibson, Basem Morris, Jonathan Shen, Rob Deutsch and Aaron Cutter. 2018 Data Analytics Seminar Organising Committee.

Practice Committee Reports (continued)

General Insurance

The General Insurance Practice Committee (GIPC) covers a broad range of industry issues and areas of interest for Members. The Royal Commission was undoubtedly the biggest event in 2018, and the effects of it will roll over to 2019.

The GIPC has been working hard on the various topics which arose throughout 2018. The new accounting standard IFRS17 on Insurance Contracts was issued in May 2018, and it represents a significant change for insurers in all jurisdictions. Insurers are all preparing for its implementation and will need to be ready well in advance of 2021, when it becomes mandatory.

APRA commenced a review of the Appointed Actuary role and associated Prudential Standards in June 2016. Two years later in June 2018, APRA released Prudential Standards CPS 320 and GPS 340. A key component of APRA's changes is the need for all insurers to agree an Actuarial Advice Framework with their Appointed Actuary. In doing so, APRA hopes that the AA role will shift to a more strategic focus, with reduced compliance obligations and increasing flexibility in the provision of actuarial advice. This is a great development for Actuaries to have more influence.

The current PS300, which was last updated in 2013, has also been through a review and a revised version will be released soon.

The Committee has also been keeping a close eye on the Insurtech space, data analytics, cyber risk, injury schemes,

climate change and public policy such as the National Redress Scheme for Institutional Child Sexual Abuse.

Another key success in 2018 was the launch of the Australian Actuaries Climate Index at the 2018 General Insurance Seminar. Developed by the Climate Change Working Group, the GIPC has been involved in the technical details of the work.

As mentioned, the Royal Commission will be a focus for 2019. Another major focus of the GIPC will be the further development of the Institute's education system. A Member of the GIPC chairs the GI education faculty, and indeed provides final sign off on the GI exams. As the nature of the work Actuaries do changes, this is important to ensure that the education and course materials and tuition keep pace with the needs of employers (& Society) and make sure that the key actuarial skills are maintained and enhanced as the profession faces challenges from new analytics methods and technologies.

Thank you to all our committee members and volunteers who have worked together in 2018. We predict 2019 will be another big year of changes and exciting developments for the general insurance industry and the profession as a whole.

Jeremy Waite
General Insurance Practice
Committee Convenor



Jeremy Waite



The 2018 General Insurance Seminar Organising Committee L-R: David Wan, Antony Tockar, Ashish Ahluwalia, Gavin Pearce, Emily Law, Scott Duncan, Cindy Cheung, David Whittle, Kitty Ho, Don Johnstone, Liz Gemmell, Rashi Bansal, Zoe Carlyon, Andrew Matthews, Vincent Chen

Health

The Health Practice Committee's meetings are open to all interested Institute members. In 2018 discussions focused on monitoring and preparing for the PHI reform options and a capped premium increase environment, actuarial contributions to health policy, risk management, development of the PHI CPD Course and the impact of IFRS17. Work commenced on the development of a green paper looking at the long term sustainability of the Private Health Insurance system in Australia and we look forward to the results of that work as a basis for discussion with industry, government and other interested stakeholders, particularly as we move towards a likely Productivity Commission Review into Private Healthcare Funding in Australia.

The highlight of the year was the Institute's third 'Future of Health Seminar'. The speakers and content for the seminar reflected the Committee's desire for actuaries to partner with industry in the healthcare sector. Delegates, from both the health industry and actuarial profession, had the opportunity to hear expert speakers share their views on the challenges of balancing cost with new technology and quality of care improvements, practitioner and consumer expectations and whether we need a new model for healthcare and healthcare funding.

Our recently established Wider Health Sub-Committee continues to share the exciting work that actuaries and their clients are doing in health analytics, improving the efficiency of government health programs and influencing health policy.

The Sub-committee provides a gathering place for actuaries who are taking actuarial skills beyond the traditional insurance sector and we continue to look for ways to support our members as well as inspiring others to join this exciting field.

The Committee's other achievements to enhance health policy and actuarial knowledge and insight in the industry in 2018 include:

- Active engagement with industry, including presenting at an industry actuaries and analysts lunch program, and meeting with consumer representative organisations.
- Improved communication and regular invites to Institute Health members to participate in events and meetings.



Nic Woods, Dr. Amy Prawira, Adam Stolz and Ignatius Li at the Future of Health Seminar

- Attendance at industry and Appointed Actuary roundtables on PHI reforms, prudential regulatory changes and the Appointed Actuary Review.
- Review and update of the Institute's Practice Guidelines in Health.

2019 promises to be a big year in Health and we look forward to:

- Growing the Government Health/Health Policy/Health Analytics Sub-committee and promoting the great work being done by actuaries in these fields.
- The next instalment of the Future of Health Seminar
- Developing our relationships with industry bodies in health insurance and with other Institute practice committees.
- Ensuring you are plugged in to international developments in health and health funding.
- Contributing to APRA's prudential policy outlook, including a review of the Capital Management Standard.
- Having a body of work, including the Green Paper and some Institute Principles for commenting on private health funding, in readiness to engage with a Productivity Commission review should one be called.

We welcome your contribution to the profession and the sector in 2019!

Nick Stolk
Health Practice Committee Convenor

Practice Committee Reports (continued)

Life Insurance and Wealth Management

Like most financial service areas, Life Insurance and Wealth Management has been focused on the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry. In addition, 2018 saw a number of government, regulatory and policy proposals emerging which will impact the future of life insurance.

Against this backdrop of change, the Life Insurance and Wealth Management Practice Committee (LIWMPC) and its various sub-committees make up a collective of around 100 senior life actuaries who volunteer their time to support the actuarial profession in life insurance and wealth management and advance the role that actuaries can play in addressing the many challenges facing the industry.

2018 also saw the committee and volunteers focus on the following:

- **Strategy** – development of a new structure for member involvement centred around two core sub-committees and a number of time bound working groups to deliver on key topics.
- **Education** – increasing the focus at a senior level through supporting the updating of the education syllabus along with CPD, Communication and Insights sessions aimed at sharing knowledge and insights.
- **Actuarial brand** – developing a vision for the future state of the industry and increasing engagement with regulators.
- **Product** – contributing to the debate in areas such as genetics, mental health and legacy product solutions.
- **Policy and standards** – focusing on major developments such as APRA's proposed changes to the Appointed Actuary role with the corresponding required changes to PS200, and the impending introduction of AASB17.

Three new members also joined the LIWMPC: Bessy Ma, Catherine Robertson-Hodder and Meera Sardana.

Plans for 2019

2019 will see a continued focus on implementing the strategy, but it will need to be re-assessed based on the outcomes of the Royal Commission, the Parliamentary Joint Inquiry, the Productivity Commission, regulatory

responses to these, and other proposed government legislation and reviews.

Specific planned activity includes: responding to the final report of the Royal Commission; raising awareness amongst the profession of the implications of conduct risk; and ensuring business decisions are assessed through a consumer lens.

The committee also expects to advance in a number of other new focus areas, including:

- **Wealth Management** – a new convener of the Wealth Management Sub-committee will be appointed to work with the team to implement strategy across the wealth management area, including encouraging better integration and knowledge sharing with the life insurance area;
- **Retirement** – supporting the new Retirement Strategy Group, releasing a paper on retirement income and engaging with Treasury over CIPRs; and
- **Data Analytics** – developing and implementing a strategy to move life actuaries to the front of the data analytics space.

A number of new working groups have recently been set up in response to these emerging areas of focus. These include a data and underwriting stream as well as a group considering product sustainability.

The Genetics working group will also be setting out an Institute policy on genetics, including a response to the FSC proposed changes.

2019 is shaping up to be another very busy year. For any actuaries looking to volunteer some of their time, there won't be a more exciting time to get involved and there is no shortage of projects that we could use help on.

Ilan Leas

Life Insurance and Wealth Management Practice Committee
Convener



Ilan Leas

Risk Management

Top five achievements

1. Professional Guidance & Information Notes

The Risk Management Practice Committee (RMPC) reviewed the International Standard of Actuarial Practice 5 (ISAP5) covering Insurer Enterprise Risk models in early 2018. It investigated the alignment of ISAP5 to Australian practice and developed **Professional Guidance Note 5 (PG5)** as a result. PG5 provides guidance and consideration of key topics to members when performing actuarial services involving the use of Enterprise Risk Models for Insurers. Following on from the work on ISAP5, the RMPC provided input to the IAIS on the current exposure draft of a related ISAP, ISAP 6 covering Enterprise Risk Management Programs and IAIS Insurance Core Principles.

The RMPC reviewed and extensively updated the **Information Note: Actuarial Advice regarding Risk Management**, last updated in 2012. The Information Note assists actuaries in providing advice in relation to risk management frameworks as required under APRA Prudential Standards including CPS220 (Risk Management). The working group consulted with representatives from other practice areas including General Insurance, Health Insurance, Life Insurance and Wealth Management and Superannuation as the Information Note is designed to cover risk management frameworks where CPS220 applies.

In addition, RMPC members were involved in working on an **Information Note on the Actuarial Advice Framework**.

2. Risk Education

The RMPC actively contributed to **risk education** during 2018, including the completion of CERA re-accreditation for the Actuaries Institute. Similarly, university re-accreditation for ANU and UNSW is currently being finalised. The RPMC also provided external examiners for these universities. It gave extensive input into the Actuaries Institute's Education Strategy Review.

RMPC members also collaborated with GIPC members as part of the **Cyber Insurance Working Group** in finalising their paper on cyber risk and insurance. This was presented at the 2018 General Insurance Seminar and has been the subject of two Insights sessions.

3. Diversity

During the year the RMPC has improved on and **exceeded some key Actuaries Institute diversity targets**. Of the 14 RMPC members, currently 50% are female including the Convenor, Deputy Convenor and Secretary, compared to the target of 25%. The RMPC also exceeds the cultural (i.e. from South Asian heritage) target of 20% at 36%.

4. Risk Events and Seminars

The **RMPC promulgated the significant role actuaries can play in ERM** by contributing to, participating in, and/or hosting a number of events. The aim is to promote risk opportunities and grow the number of actuaries working in risk management. Target areas include actuaries who are CROs, younger actuaries and Asia.

The RMPC hosted the **Insurance CRO Forum** in March which provided valuable learning and sharing of insights amongst risk professionals. The Forum explored external



Amy Barouch presents a plenary session at the 2018 Insurance CRO Forum.

Practice Committee Reports (continued)

perspectives of risk including those from a strategist, a Board Director and an innovator.

The RMPC arranged for a CRO to present on the topic of Actuaries in Non-traditional Practice Areas at a **Young Actuaries Program (YAP)** event hosted in August 2018. The RMPC presented at the Young Actuaries conference in May, and also at an October 2018 UNSW pathways event which promoted an ERM career for younger and potential actuaries.

The RMPC co-organised the inaugural **Joint Risk Management Seminar in Singapore**, co-hosted by the Actuaries Institute and the Society of Actuaries. It featured speakers from the local regulator and industry risk leaders, with a highlight being the session on 'Making Culture and Conduct Count'.

5. Risk Insight Sessions and Articles

The RMPC has at the time of writing hosted four **Risk Insight Sessions** in Sydney and Melbourne, with another two planned prior to year-end. The breadth of topics covered included Securing Our Digital Future, CRO Journey, Cyber Risk and Risk Ownership Culture Establishment.

At the time of writing, we have produced eight Actuaries Digital risk related articles this year with at least one more planned before the end of the year. Article topics included Climate Change Risk, Risks in Superannuation, the Royal Commission and career pathways to becoming a Chief Risk Officer. In some instances, article topics aligned with the topics of Insight sessions.

Looking to the Future

The RMPC is committed to driving the strategic goals of the Actuaries Institute, especially as it pertains to membership growth (ERM in particular) and diversity, incorporating newer practice areas like ERM into its education program and professional development, and continuing to advise the Actuaries Institute on risks.

In 2019 the RMPC intends to further its work on reaching out to younger members including those in Asia on ERM both as a separate practice area and potential career path. The RMPC will also explore collaborating with other risk industry bodies (e.g. the RMIA, currently in progress) to promulgate 'brand actuary' in risk management to potential (including non-traditional) employers. The CRO Forum will also expand next year to include not just senior risk leaders but also actuaries on Board Risk or Audit Committees.

Some highlights to note for future *Actuaries Digital* articles schedule include the inaugural joint Asian Conference with the SOA, the 2018 CRO Survey, underwriting data risks and anti-discrimination laws, as well as additional Royal Commission reflections following the release of the final report.

Susan Looi
RMPC Convenor



Susan Looi



Sunny Chundra, Gavin Pearce, Peter Bradd and Lisa McIntyre



Scott Reeves, John McAneney, Simone Collins and Tim Andrews



Rade Musulin, David Karoly and Holger Maier

Superannuation

In 2018 we saw Ben Facer step down from his role as Convenor of the Superannuation Practice Committee (SPC) after 18 months of dedicated contribution to the Committee, the practice area and the profession. I took over in September and have since continued to work with the Committee and Members to carry out valuable work in the industry.

2018 was an incredibly busy year for the superannuation industry, with the significant issues being the efficiency recommendations of the Productivity Commission, media attention around the Royal Commission and the Federal Budget. We expect it will continue to be busy throughout 2019 as major changes in the superannuation system and financial services are implemented, especially as a result of the Royal Commission's findings. This will likely increase pressure on the profession and consequently the SPC's activities in 2019.

The SPC were also responsible for several submissions providing an actuarial perspective to APRA, ASIC, Treasury and the Department of Social Security. Notable areas of interest include Superannuation Dashboards, MySuper products and various forms of regulation.

The SPC were also involved in a number of standards and guidance updates including:

- PS 406: Unsegregated Superannuation Liabilities
- PG 499.07: Additional conflict of interest guidance for actuaries working in superannuation
- PG 499.06: Australian Accounting Standard AASB 1056 Superannuation Entities

- PG 3: Actuarial Practice in Relation to AASB 119 Employee Benefits
- PG 499.02: Projected Retirement Benefit Illustrations

Apart from public policy and standards updates, the Committee also contributed to the Education Strategy Working Group's curriculum review, especially Part III 6A and 6B.

There has been a regular contribution of articles on industry news to *Actuaries Digital*, the profession's magazine, and we supported the curation of the superannuation sessions at the 2018 Financial Services Forum.

The SPC couldn't operate without the help of willing volunteers on the Committee itself and its Sub-committees and taskforces, some who have been involved for over a decade. Encouragingly, we called for more volunteers to get involved, and have had several expressions of interest. This reinvestment in the role of actuaries in super is ever more important. The industry may be seeing less prescribed roles for actuaries, however there is greater potential than ever as super funds become mini financial institutions in their own right. Managing longevity risk and uncertainty around retirement income in a competitive world remains as important as ever.

Thank you to all our volunteers. We look forward to working together in 2019 as we continue to make valuable contributions to the industry and the profession.

Tim Jenkins

Superannuation Practice Committee Convenor



Insights: Insurance in Super implications from the Federal Budget

Lifelong Learning

Education Strategy Review

The new Education Program for qualifying actuaries in Australia has been developed to modernise, increase relevance and flexibility, improve quality and sustainability, while maintaining high standards and international equivalence.

2018 has been focused on program development/ implementation and in 2019 teaching in two new subjects will commence.

What's happened in 2018?

- The first positions in the new Actuarial Educator Team were hired at the start of the year, with further roles to be recruited in subsequent years. In 2018 we welcomed:
 - **Michael Callan** FIAA – Lead Actuarial Educator
 - **Amanda Aitken** FIAA – Actuarial Educator
 - **Steve Holstein** FIAA – Actuarial Educator
- In May Council approved the subjects and requirements comprising the new Associateship and Fellowship programs. Within the restraints of a small profession and organisation, the new programs deliver subjects focused on the skills further in demand by employers such as communication, business acumen, professionalism and data analytics. The qualification programs remain with the profession with members involved in syllabus design, subject coverage, teaching and assessment. With the Institute delivering two subjects of the Associateship Program there will be better linkages between the Associateship and Fellowship programs and more oversight of the students becoming Associates and/or entering Fellowship studies.
- In mid-2018 the Institute released detailed communications to students, accredited universities and members regarding the changes to the education program, the rationale for the changes and the related transition rules for students studying between 2019-2023 as the new programs are phased in.
- The second half of 2018 has been focused on developing the first of the new Fellowship subjects to be launched in semester 1, 2019, The subject, Life Insurance and Retirement Valuation is modularised in its delivery to assist students with their learning and to ensure improved agility for course updating and repurposing for member CPD needs. The new subject is designed to be delivered online with weekly tutorials, and has a fresh, modern new look and feel.

What's coming in 2019?

Stay tuned for these exciting developments in 2019:

- The first subject of the new Fellowship Program, Life Insurance and Retirement Valuation will launch in January, with modularised core reading materials, professional videos, weekly tutorials, quality teaching and additional learning support materials. The next subject, Life Insurance and Retirement Product Development will launch in Semester two.
- A further two Fellowship subjects will be developed during 2019 for launch in 2020. These subjects, Life Insurance Applications and Retirement Applications provide the Australian context for students' learning.
- The Associateship subjects to be delivered by the Institute will also be developed during 2019, these include Asset Management, and Communications, Modelling and Professionalism.
- The eight Universities currently accredited by the Institute across Australia and New Zealand will go through a process to become accredited to deliver the new Foundation Program exemption subjects. These Universities will also have the opportunity to become accredited to deliver two of the new Associateship Program exemption subjects launching in 2020 - one subject is called Core Actuarial Management (which is similar to the current Actuarial Control Cycle subject) and the other is called Core Data and Statistical Analysis, which has been introduced to ensure all Associate and Fellow actuaries have these key skills.

The Education Strategy Review is now well into implementation. There has been a huge amount of work completed to get us to this stage, and still more work to undertake as all the new subjects are phased in. The Institute would like to sincerely thank members for the time and expertise they have provided to enable a significant change to the way in which we qualify the actuaries of the future, in particular the:

- Education Strategy Review Committee
- Education Council Committee
- 2018 Curriculum Review Working Group
- Education Faculties
- Practice Committees
- Accredited Universities staff
- Council members
- HQ team members

Education and CPD

Enhance qualification education program

For the Institute's education program, *Driving Excellence* means setting the highest possible standards in qualifying education and professional education. To achieve this objective, we must focus on content, delivery and process. In 2018, a year of significant change to the education system (see ESR on p41), progress has been achieved in all areas, and the outcomes have been very pleasing.

Enrolments

Enrolments for 2018 have been strong, with results over budget most subject areas. For example, total enrolments were 12% over budget in Semester 2. Our students continue to recognise the value of an Institute education.

Part III improvement project

The Education Council Committee (ECC) approved the Part III Improvement recommendations in November 2017, including the establishment of all education faculties under revised terms of reference, reviewing all syllabuses and course materials, and introducing assignments for all subjects.

All recommendations have either been implemented or will be addressed as part of the implementation of the Education Strategy Review (ESR).

Communication

Detailed information on the changes to the education program for 2019 (as a result of ESR) was delivered to students, volunteers and university partners in July 2018 and a volunteer information session was held in August. Education staff have worked closely with our volunteers to ensure a smooth transition to the new program in 2019.

ECC

The table opposite indicates the planned delegation of ECC duties to new Sub-committees, which will be established over 2019, with new opportunities for Member involvement.

Curriculum and Accreditation

The new Foundation Program (which replaces Part I) follows the Institute and Faculty of Actuaries (IFoA) Curriculum 2019 and can be undertaken at an accredited university or directly with the Actuaries Institute. The program includes six subjects, with some new elements, particularly around data analytics. Detailed information is available on the website

All partner universities have been provisionally accredited for the new curriculum, with full accreditation to be progressed over 2019.

The new Associateship program (Part II) will commence in 2020. It will comprise four subjects and a one year work experience requirement. Two subjects will be taught by partner universities (Core Actuarial Management and Core Data and Statistical Analysis), and two by the Institute (Communications, Modelling and Professionalism, which replaces the current Professionalism Course, and Asset Management). Universities will be accredited over 2019 for delivery of the new program.

CPD

Drive continuing professional development program by expanding the CPD offering and engaging the membership with a more personalised approach

Individual accountability for continuing professional development (CPD) is the driver of excellence in lifelong learning. The Institute supports Members with a rich and expanding suite of CPD offerings and tools to assist the individual in managing their own development.

In 2018, there were over 800 CPD products that were offered to Members including events, articles, papers, rich media, educational resources, participation in programs and volunteering initiatives. We have focused on enhancing the CPD infrastructure and content. A Content Repository System (CRS) has been installed following customisation, file migration, detailed user acceptance testing and the development of comprehensive internal procedures.

An Actuarial Content Specialist (ACS) was engaged to tag and classify the existing Institute CPD assets in the CRS. This work will be completed in early 2019. They have also been involved in the development of the CPD Knowledge Hub to ensure that tagged CPD content assets are relevant and display appropriately.

The Knowledge Hub is a new development that will significantly enhance Members' access to the CPD that best suits their development needs. Originally conceived as individual practice area hubs, this new system will enable members to stay within their chosen discipline, or search across the entire repository of CPD assets, using parameter driven and saved searches. Content can be previewed within the Hub, downloaded or saved for reading later.



The web interface is user platform independent – members can access content at their desktop, laptop or on a smartphone.

The CPD Knowledge Hub will incorporate the new branding, which compliments the new branding for qualification and is planned for launch in February 2019.

This year, there has also been greater focus in the CPD practice update videos on key industry highlights in 2018 and predictions for 2019. The video series whas been filmed with the assistance of the Practice Committees and launched at the end of November.

In 2019, we'll look to build personalised CPD tools, and will add to our Knowledge Bank with new courses and additional practice-specific materials.

Education Volunteers

Evelyn Agustin
Ryan Anderson
Sacha Antioch
Nicole Appleton
Frank Ashe
Joel Atputharaj
Matthew Ayoub
Pallav Bajracharya
Akshay Basrur
Danny Bechara
Raymond Bennett
Luv Bhatnagar
Stuart Bingham
Gregory Bird
Julian Braganza
Anthony Brien
Meredith Brooks
Timothy Brown
Andrew Brown
Aaron Bruhn
Stephen Burke
Adam Butt
Bryan Candy
Matthew Chae
Chris Chan
David Chan
Marlon Chan
Eric Cheng
Janice Cheng
William Cheong
Clement Cheung
Keith Cheung
Jeremiah Cheung
Li Lan Chong
Kevin Chou
Raymond Chow
Brian Chu
Samuel Chu
Oui Yau Chuah
Ann-Maree Cook
Peter Corbett
Joshua Corrigan
Vivian Dang
Michael Di Pilla
Jack Ding
Georgina Dircks
Deborah Driussi
Richard Dunn
Stephen Edwards
Naomi Edwards
Saul Field
James Fitzpatrick
Andrew Gale
Han Gan
Peter George

Tim Gorst
Claire Greenwell
Leon Guo
Georgina Hemmings
Mari-Lize Hill
Alissa Holz
Su Hu
Timothy Jeffrey
Umashankar Jegasothy
Janice Jones
Roman Kashkarov
Lai Keong
Gaurav Khemka
Grant Knapman
Margaret Kwan
Cindy Lau
Ian Laughlin
Daniel Lavender
Daniel Lee
Kelly Lee
Timothy Lee
Alex Leung
Oliver Li
Yuenan Li
William Lim
Shannon Lin
Sophia Liu
Wen Liu
Peter Lurie
Tony Ly
Kate Maartensz
Cathy Marquis
Claymore Marshall
Adrian McCarthy
Amy McDonald
Trevor McMahon
Eric McNanara
Martin Mulcare
Stuart Mules
Lawrence Ng
Jim O'Donnell
Sharranjit Paddam
Phil Patterson
James Pettifer
Colin Priest
Kevin Pun
Yonjie Qi
Chao Qiao
Ben Qin
Charles Qin
Matthew Ralph
Jacqui Reid
Jim Repanis
Clayton Roderick
Daniel Rose

Christine See
David Service
David Shade
Minjie Shen
John Shepherd
David Shuvalov
Kok Keng Siaw
Andy Siu
Lindsay Smartt
Tony Snoyman
Jun Song
Hitoshi Sonobe
Michael Storozev
Rebecca Stowe
Nicole Stransky
Jessica Sum
Yu Sun
Felix Sun
Gautham Suresh
Young Tan
Chong-It Tan
Merry Tang
Wen Yi Tang
Andrew Teh
Bruce Thomson
Robert Thomson
Jeff Thorpe
David Ticehurst
Phin Wern Ting
Alice Truong
Daniel Truong
Stuart Turner
Lawrence Uy
Rein Van Rooyen
Jeremy Waite
Yvonne Wen
Richard Wickremasinghe
Ashley Wilson
Danny Wong
Wan Wah Wong
Steven Wood
Stephen Woods
Noeline Woof
Christopher Woolfrey
Angela Xu
Vivian Yeung
Wynnie Yeung
Charlene Yong
Jason Yu
Edwin Zhang
Kelly Zhang
Xin Zhang
William Zheng

Our Volunteers have made a difference – THANK YOU!

Sincere thanks to ALL Members who have contributed during 2018 in a voluntary capacity. There have been many achievements and highlights this year, none of which would have been possible without your commitment and time.



Volunteers Cocktail Party and Awards presentation



Financial Services Forum Committee meeting



Brendan Counsell at the IFRS 17 Insights session



Some of the volunteers on the 2018 Hackathon Committee



Panel discussion at the IFRS 17 Insights session



CRO Forum Organising Committee



Jennifer Lang – 2018 Hackathon



Anton Kapel at the Actuarial Advice Framework Insights session

Engaging and Promoting Members

Continuing to promote connectivity among Members and the diverse talent and thought-leadership of actuaries to business, government and the community, was a major focus for the Communications and Marketing Team in 2018.

See what we see

The 2018 campaign to promote the profession externally featured an exciting new creative concept – *Binary Code* – featuring a series of animated digital adverts. The campaign leveraged from two groups of high-profile actuaries Adam Driussi, Alan Greenfield and Kai Yang ‘unlocking opportunity with big data’ and David Knox, Jan Swinhoe and Greg Cooper ‘shaping industries and driving change.’

The programmatic advertising campaign commenced on 7 November across a range of online news and business sites utilising targeted and re-targeted display advertisements. Lift and lobby adverts also promoted the profession across a range of office blocks in Sydney, Melbourne, Brisbane, Adelaide and Perth.

The campaign paused on 8 December due to the imminent festive season holiday period and will recommence on 29 January 2019, concluding on 28 February.

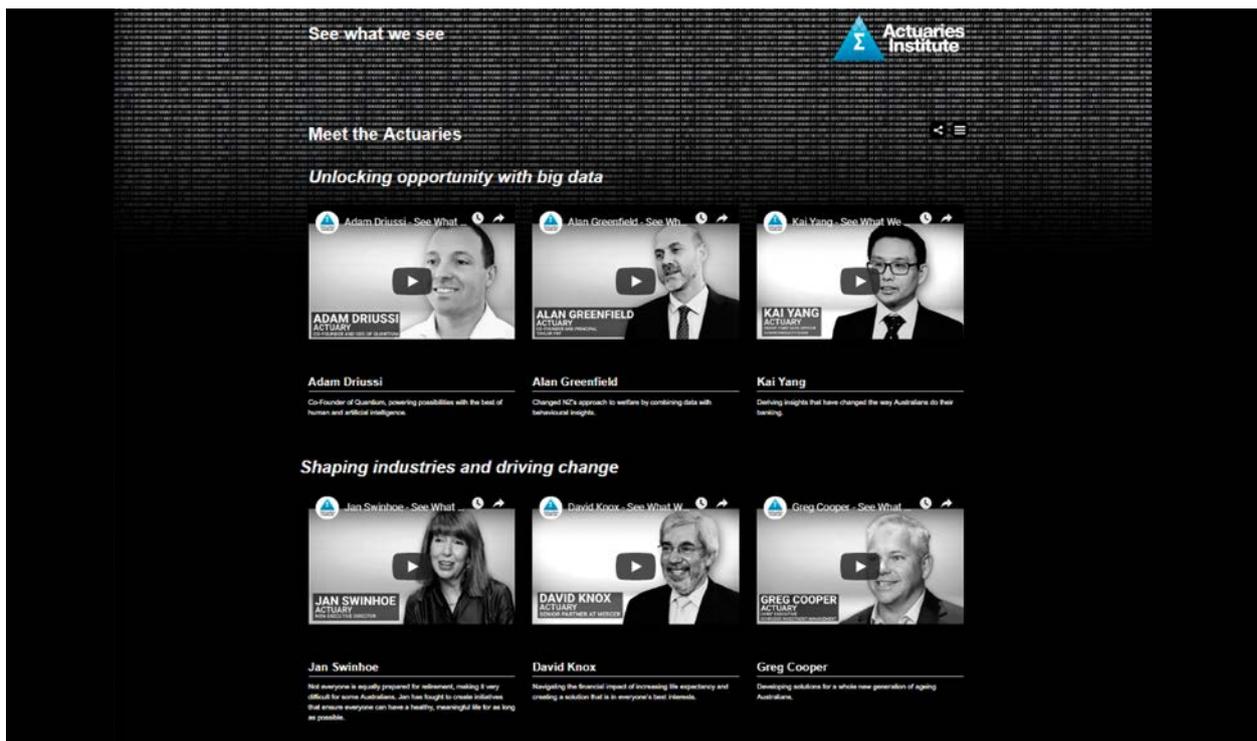
Plans are already underway to launch the 2019 campaign on International Women’s Day (8 March) featuring leading female actuaries and a further campaign later in 2019.

Media: Actuaries in the News

2018 saw continued mainstream media interest in the profession with 62 articles published across the *Australian Financial Review*, *The Australian*, the *Age / Sydney Morning Herald* and the *Herald Sun/ Daily Telegraph* – an increase compared to 55 in 2017. Trade press articles decreased to 59 (compared to 71 in 2017), 12 other articles in online business publications and 7 radio interviews across 2GB, 2UE, Talking Lifestyle, ABC, SBS and Sky news resulted in 140 media mentions overall, compared to 141 in 2017.

The profession’s expert commentary on retirement incomes continued as a strong focus for media throughout 2018. Other topics included regulation, life insurance, private health insurance, catastrophe risk, social welfare, NDIS, mental health and the newly launched Australian Actuaries Climate Index. Profile pieces were also published on Quantum CEO Adam Driussi (*BOSS* magazine) and Institute CEO Elayne Grace (*The Australian*) and Actuary of the Year Michael Rice (*Insurance News*). Also in the news were four issues of *The Dialogue*:

- **Social Risks – for a financial services business**
- **The Future of Life Insurance**
- **People, Projections and Payments: A Look at Modern Government Service Delivery**
- **Building Adaptive Capacity – Individuals, Groups and Society**



Actuaries Digital

Actuaries Digital continued to build on its popularity this year and welcomed new Chief Editor Angat Sandhu and new Life Insurance Editor Melissa Yeoh to the Editorial Committee.

2018 was the busiest year in the magazine's history in terms of article frequency. 241 articles were published (compared to 195 in 2017) across a range of practice areas, interviews, and other columns. The launch of the Actuaries Institute podcast channel, and accompanying podcast articles, helped drive these numbers.

New-look website

A major project to enhance the profile of the profession and showcase thought-leadership through Actuaries Digital was the development of a new website. Launched to Members on 4 December with a brand new-look plus enhanced functionality, the online magazine had 270 new subscribers sign-up in the first two weeks, bringing the total number of subscribers to 4,700.



Actuaries Digital – Readership		
Year	Total annual visits	Average visits per month
2018	183,572	28,242
2017	151,452	23,300
Increase	+21.31%	+21.21%

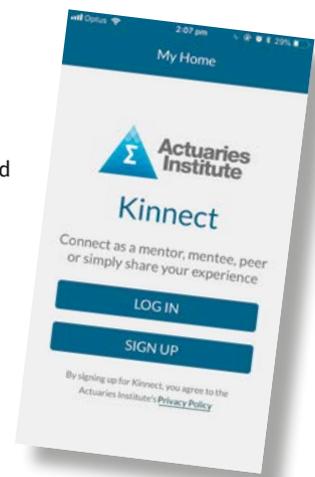
Actuaries Digital – Devices		
Device	Device % access	% Increase
Desktop	65% of visits	+22.93%
Mobile Devices	29% of visits	+13.62%
iPhones	50% use	
Android (mixed)	42% use	
Tablets	6% of visits	+28.57%
iPads	8% use	

New columns *Analytics Snippet* and *Dipping into Diversity* were established with strong readership and a record number of solutions were submitted for the *Critical Line* puzzle column.

In 2019 an advertising policy and Media Kit will be launched to attract advertising opportunities to the site.

Mentoring Program

Actuaries Joseph Daley and Kevin Wong continued to collaborate with the Institute and the Mentoring Working Group on the development of the *Kinnect* App which launched in Q4 with 127 mentees and 73 mentors signing up for the program. The second version of the app will be launched early 2019 with additional functionality including online communication, scheduling capability and peer-to-peer connections becoming available.



High School Program

The Institute participated in 33 events including university O-weeks, open days, high school presentations to a range of students from years 10-12, high school open days and careers expos. In 2019 the focus will be on expanding our reach through social media, collaborating with other STEM organisations and further promoting the diversity and inclusiveness of the actuarial profession. The program will be re-branded and exciting new rich media will be released throughout the year.

Student App – Actuarial Sprint

The Actuarial Sprint App continues to be promoted via a range of platforms including university publications, O-weeks and social media. There are 1148 users currently registered to the App and an active discussion forum. The Institute continues to provide relevant articles, event material and job opportunities via the app. It is one of the tools used to build relationships with Part I students. In 2019 we will focus on extending our promotion of the App via social media.

Podcasts and Social Media

Podcasts

In 2018 we increased our episode catalogue to 36 episodes, from three episodes in 2017. Our initial series *Peace of Mind* focused on the Mental Health and Insurance Green Paper which was greatly received achieving 400 - 500 listens per episode. Our other themed series including *CareerView*, *The Dialogue* and our newly launched *Inside Asia* continue to gain more listens and accrue positive commentary from Members.



Nick Cowdery and Angat Sandhu



Estelle Pearson and Tony Coleman on the HIH Royal Commission



Solai Valliappan and Angela Poon on the 2018 Young Actuaries Conference

The Actuaries Institute podcasts have achieved an impressive 12,000 combined listens/downloads with 2,550 hours total time spent listening.



Our most listened to episodes include the first podcast we created *Peace of Mind – Mental Health and Insurance Green Paper* which gained 522 listens/downloads, *The HIH Royal Commission* featuring Estelle Pearson and Tony Coleman which gained 489 listens/downloads and our two episodes on *The Ethics of Machine Learning* and *How to be a Great Data Scientist* featuring Antony Tockar and Tiberio Caetano which received 893 listens/downloads.

We look forward to continuing to promote brand 'Actuary' in 2019 and showcasing the profession's expertise via our podcast channel.

Total listens:

- Actuaries Institute* (Main series) – 4,531 listens
- The Dialogue* series – 2,170 listens
- CareerView* – 3,160 listens
- Peace of Mind* – 1,847 listens
- Inside Asia* – 449 listens

Social Media

Social media platforms continued to steadily grow throughout 2018 particularly YouTube & LinkedIn due to the continued focus on rich media.

- **YouTube** – 27,103 total video views in 2018, up from 19,810 total views in 2017 equating to 116,111 total minutes watched in 2018, compared to 78,950 minutes watched in 2017.
- **Facebook** – 1,763 likes (as of December 2018, up from 1,515 in December 2017).
- **Twitter** – the number of followers increased to 2,908 at December 2018 up from 2,763 in December 2017.
- **LinkedIn** – 4,387 followers at December 2018 compared to 3,010 at the same time in 2017.
- **Instagram** – 249 followers at December 2018. New account launched.

Diversity and Inclusion Working Group

Originally established in July 2017 to implement the Institute's diversity and inclusion strategy endorsed by Council and focusing on the three diversity pillars of age, culture and gender.

In 2018 the Diversity and Inclusion Working Group (DIWG) recruited a new Convenor and a number of new members as well delivering on a range of activities to raise awareness of, and promote, the benefits of diversity and inclusion within the profession.

Events

- **Insights Session** – *Gender Diversity, Where to from Here?*
8 March, Sydney
- **General Insurance Seminar** – *Gender Diversity – Closing the Gap*. 13 November, Sydney

Actuaries Digital

Five articles including new column *Dipping into Diversity* – sound bites of thought'

- *Gender diversity at work – stories from actuaries* – Helena McGeorge, 15 March
- *Rice Warner walking the walk on diversity and inclusion* – Lesley Traverso, 26 July
- *Dipping into Diversity – 'sound bites of thought' – The power of language in fitting in* – Lesley Traverso, 21 August
- *Diversity and Inclusion, how can we make a difference?* – Suzanne Patten, 9 October
- *Dipping into Diversity – 'sound bites of thought' – from tick-boxes to genuine inclusion* – Helena McGeorge, 10 October

Podcasts

CareerView – *Diversity and Inclusion*, Ashish Ashulwalia, Lesley Traverso

Careerview – *Flexible Work*, Ashish Ashulwalia, Darren Robinson

Careerview – *Paternal Leave*, Ashish Ashulwalia, Eric Tsui

In 2019 the DIWG will be updating their terms of reference. Their key purpose will be to:

Act as an advisory group to Council and develop initiatives to promote a diverse and all-inclusive culture in the profession, which will not only benefit existing members, but will also be key to attracting a broad range of students to the profession.

Diversity and Inclusion Working Group Members

Lesley Traverso (Convenor)
Ashish Ahluwalia
Mark Baxter
Simone Collins
Nick Cowdery
Hanna Hiscoe-James
Lina Mao
Elizabeth Martin
Katrina McFadyen (HQ Support)
Helena McGeorge
Suzanne Patten
Arshia Saluja
Paul Swinhoe
Leonie Tickle



Speakers at the Gender Diversity Insights session, Michael Rice, Jennifer Lang, Alice Huang and Adam Butt

Events

Events Timeline

2018 Catastrophe Risk Seminar

20 March • Radisson Blu Hotel, Sydney



2018 Financial Services Forum

21-22 May • Hilton Hotel, Sydney

Innovative Financial Services Forum

Leaders within each practice area were recruited to sit on the Organising Committee as Curators and recruit other leading specialists in their area to speak at the Forum. There was a generous amount of positive feedback on the breadth of topics, quality of sessions, diversity and quality of speakers. Majority of the plenary sessions were rated higher than in previous events.

We invited high profile keynote speakers, Aubrey de Grey (Biomedical Gerontologist and Chief Science Officer of SENS Research Foundation – /based in USA) and Andrew Rayner (Chief Risk Officer and Chief Actuary, Discovery limited – based in South Africa). Both received outstanding feedback, Andrew received a rating of 94% good or very good and Aubrey, 100%. Forum Facilitator and Organising Committee Convenor, Melinda Howes also received a rating of 88% of good or very good.

New practice area plenary sessions were introduced that maintained quality of the general plenary sessions but with a focus on individual practice areas. More than half of the practice area plenary sessions were rated higher than the plenary sessions and 79% of respondents agreed that they enjoyed the new addition of the practice area plenaries.



2018 Young Actuaries Conference

29 May • Actuaries Institute, Sydney

The second Young Actuaries Conference increased participation by adding live webinar viewings in Melbourne and Brisbane with their own networking for the first time. Practice Committee representatives also participated by providing perspectives on their practice areas and answering questions for those who have not yet decided on which practice area they wish to work in.



2018

March 2018 Presidential Tour

- Travelled to:
- Adelaide
 - Brisbane
 - Canberra
 - Hong Kong
 - Kuala Lumpur
 - Melbourne
 - Perth
 - Shanghai
 - Singapore

Young Actuaries Program

Welcome to Paradise: Developing Northern Australia – A Financial Risks Challenge
27 March 2018 • Sydney

The Climate Change Working Group and the Earth Systems and Climate Change Hub came together to host a workshop for the Young Actuaries Program. The workshop provided a challenge for attendees to (hypothetically) look at climate data and actuarial planning to to inform the development of insurance for New Derby, WA.

Highlight Event

Insights

New Insurance Contract Accounting Standard AASB17 (IFRS17) Workshop
3 April 2018

Presented by IRFS17 Task-Force

The new AASB 17 accounting standard for insurance businesses is a significant change for the profession. The Task force presented findings and progress on the standard, engaging Members in the process.

Highlight Event

Type of Event – 2018		No.	Type of Event – 2018		No.
Major Events / Seminars		7	Other		
Extended Insights		1	Graduation dinners		3
Asia Conferences		2	Presidential dinners		9
Insights			Business Luncheons		4
Syd		32	Young Actuaries Program		13
Melb		9	Retired Actuaries Group Sydney		11
Other Aus		1	Group of Retired Actuaries Melbourne		5
Asia		3	Volunteer's Cocktail Party		2
Total Number of Events					102

2018 Future of Health Seminar

15 October • Amora Jamison Hotel, Sydney

The third FOHS was held in Sydney for the first time. It had a strong focus on the future of the health industry and how we should prepare. Some topics included new technologies, ethics of allocation and prioritisation, the wellness model and challenges of the current health care model.



2018 Data Analytics Seminar

31 October • Actuaries Institute, Sydney

Data Analytics is very important to the Actuaries Institute and is a key focus of our 2018-2020+ Strategic Plan. This was the fourth data analytics seminar that reflected on the opportunity to be innovative and cause data disruption in the modern world.

Speakers discussed:

- The data analytics landscape.
- Analytics transformation.
- Using LightGBM.
- Data Governance.
- Model interpretation and explanation.
- Staying relevant.
- Groundbreaking technologies.



2018 General Insurance Seminar

12–13 November • Sofitel Wentworth, Sydney

In addition to the successful innovations at the FSF, the GIS also included new workshops. In response to feedback received from past seminars, the workshops aimed to provide an opportunity for further in-depth discussion and skills development. The two workshops were based on machine learning and reinsurance.

Further attendee feedback requested more networking time. At the GIS we increased the number of social functions and planned the gala dinner to allow more time for interaction.



Virtual 2018 International Conference of Actuaries direct from Berlin, Germany

June – December

The Institute provided members access to the virtual sessions of the ICA2018 in Berlin, Germany. This was an opportunity to experience an international conference and hear from Actuaries around the world for 42.5 hours.

Stand-out Insights – Data Analytics Insights Series

Insights

17 July 2018

Starting the Data Analytics Journey – Data Collection

Presented by Zeming Yu and Leon Tan

Insights

20 August 2018

Statistical Machine Learning – Part I • Statistical Machine Learning – a crash course

Presented by Andrés Villegas and Alex Rowley

Insights

29 August 2018

Statistical Machine Learning – Part II • Supervised learning: regression, regularisation, moving beyond familiarity

Presented by Andrés Villegas and Roel Verbelen

Insights

10 September 2018

Statistical Machine Learning – Part III • Supervised learning: classification, logistic regression, tree-based method

Presented by Andrés Villegas and Hugh Miller

The Institute placed an emphasis on Data Analytics as per the strategic plan (additional Data Insights than previous years).

Fun Facts

- 459 attendees in person and 594 webinar participants throughout the series.
- Record number of participants on a single webinar for the institute – 270 people (*Insights: Statistical Machine Learning – Part II Supervised learning: regression, regularisation, moving beyond familiarity*).

2018 Events



Andrés Villegas – Insights



Jennifer Lang



Young Actuaries Conference



Young Actuaries Conference



Social Networking Actuaries Group



Social Networking Actuaries Group



Young Actuaries Conference



Social Networking Actuaries Group



Catastrophe Risk Seminar 2018



Organising Committee, Financial Services Forum 2018



Ignatius Li, Dr Amy Prawira, Nic Woods and Adam Stolz



Andrew Rayner



Elayne Grace and Aubrey De Grey



Georgina Drury, Barry Leung and Richard Hurley



Hugh Miller and Michael Rice



Anthony Asher



Ian Laughlin, Financial Services Forum 2018



Future of Health Seminar 2018



YAP Workshop: Developing Northern Australia



YAP Workshop: Nick Wood presenting

Events Committees

Our Organising Committees have played a significant part in creating innovative and successful events and we are very appreciative of their time and effort.

Sincere thanks are extended to the 2018 Organising Committees behind our major events and seminars.

2018 Catastrophe Risk Seminar

Jeremy Waite – Convenor
Tim Andrews
Sharanjit Paddam
Richard Yee

2018 Young Actuaries Conference

Tim Lam – Convenor
Jenny Lyon
Angela Poon
Claire White
Phin Wern Ting
Zoe Yang
Christine Liu
Sid Jain
Veronica Tay
Chetana Koganti

2018 Financial Services Forum

Melinda Howes – Convenor
Nicolette Rubinsztein – Super Curator
Jennifer Lang – Insurance Curator
Jas Singh – Broader Fields Curator
Diane Somerville
Nathan Bonarius
Daniel Longden
Colin Yellowlees
Ray Bennett
Ilan Leas
Andrew Fisher
Eric Ranson
Angat Sandhu

2018 Future of Health Seminar

Jamie Reid – Convenor
Ignatius Li
Bronwyn Hardy
Raymond Yeow
Richard Hurley

2018 Data Analytics Seminar

Bartosz Piwcewicz
Rob Deutsch
Basem Morris
Aaron Cutter
Johnathan Shen

2018 General Insurance Seminar

Rashi Bansal – Convenor
David Whittle – Leadership and Regulation Curator
Andrew Matthews – Mental Health Curator
Gavin Pearce – Risk and Climate Change Curator
Anthony Tockar – Digital/Data Analytics Curator
Scott Duncan – Trust/Consumer Lens Co-Curator
Don Johnstone – Trust/Consumer Lens Co-Curator
Kitty Ho
Ashish Ahluwalia
Vincent Chen
Bo Jiang
Cindy Cheung
Emily Law
David Wan

2018 Young Actuaries Program Sydney

Lisa Ye
Michelle Ng
Tim Lam
Lucy Jing

2018 Young Actuaries Program Melbourne

Meg Yang
Harrison Gee
Melissa Yeoh
Lawrence Lau

In Memoriam

The Institute sadly lost the following Members in 2018. As strong supporters and valued contributors to the profession, their passing was felt by all who knew them.

Colin O'Hare

Peter Petersen

John Smart

Save the Date

Upcoming Key Events 2019

1 May 2019

Young Actuaries Conference, Actuaries Institute Sydney

3–4 June 2019

Actuaries Summit, International Convention Centre Sydney

23 October 2019

Future of Health Seminar, Grand Hyatt Melbourne

11–12 November 2019

Injury and Disability Schemes Seminar, QT Hotel Canberra

3–8 April 2022

International Congress of Actuaries, International Convention Centre Sydney

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