

## Software Disclaimers:

- General Insurance Reserving and Reporting Suite (“GIRRS” or “the Software”) is developed by PricewaterhouseCoopers Limited (“PwC”). The purpose of the Software is to assist the users of the Software (“the Users”) to perform calculations and produce financial figures in accordance with International Financial Reporting Standards 17 Insurance Contracts (“IFRS 17”) for accounting and financial reporting purposes. The Software is designed for the purposes of measurement of specific insurance and reinsurance contracts that fall within the scope of IFRS 17 and only for Premium Allocation Approach (“PAA”) measurement approach under IFRS 17. For details, please refer to “Highlights of the Software functionality” section below.
- This Software is designed based on a series of important assumptions and configurations (such as IFRS 17 accounting policies, loss development projection, expected loss ratios). The Users are expected to be familiar with these assumptions and configurations and be able to make appropriate decisions on these assumptions and configurations (that are editable by the Users) where necessary. Refer to the User Guide (link in the Software home page) for the assumptions and configuration options for the Software.
- The Users should ensure the reasonableness, accuracy, completeness and relevancy of the data input in the Software as the Software is not designed to perform verification of the appropriateness of the data input. The outputs of the Software will be dependent on the quality of the data inputs.
- The Users should assess and ensure the appropriateness and reliability of the external data sources (such as local market’s risk free discount rate) before applying them in the Software.
- The Software will be updated from time to time based on the latest IFRS 17 and Software enhancements will also be performed where appropriate. If there are any aforesaid changes after implementation of the Software, the Users should contact PwC to assess whether the Software is still applicable to them, PwC expressly disclaim any liability or duty arising therefrom.
- Access to the Software by the Users will be terminated and all the data in the Software will be automatically purged immediately after the end date of the software licensing contract if it is no longer renewed. It is the responsibility of the entity to maintain a complete copy of data that the Software uses or/and generates and storage of all data which is required by applicable law to retain as the Software is not built for or intended for the entity and the Users’ primary source of storage or hosting for their materials, information, data and records.
- The outputs generated by the Software are only for reference by the entity’s management for the compliance of IFRS 17 and related work to be performed by the client and should not be regarded as professional accounting or consulting advice issued by PwC. The entity should designate a competent member of your management to make all management decisions and be responsible for all management functions.
- The Software and any information in the Software should not be partly or wholly disclosed to any other party other than the permitted users specified in the software licensing contract. PwC expressly disclaim any liability or duty to any other party in connection to this Software and the information therein.
- Refer to the User Guide (link in the Software home page) for the functions of the Software and the instructions on how to operate the Software.
- Users should change their login ID and password after their first login and keep the login info confidential to any prevent any inadvertent access to any confidential information retained in the Software.

## Highlights of the Software Functionality (Scope and Limitations):

- The purpose of the Software is to perform IFRS 17 specific calculations and produce financial figures in accordance with IFRS 17 for accounting and financial reporting purposes.
- The Software is designed for the purposes of measurement of specific insurance and reinsurance contracts that fall within the scope of IFRS 17. Concepts referred to within IFRS 17 that require measurement under a different IFRS (e.g. distinct investment components, embedded derivatives) cannot be accounted for within the Software. Contracts that are not within the scope of IFRS 17 (e.g. warranties, financial guarantees) also cannot be accounted for within the Software.
- The following types of insurance contracts that are within the scope of IFRS 17 and can be accounted for within the Software include:
  - Insurance contracts without direct participation features
  - Reinsurance contracts held
- The following types of insurance contracts that are within the scope of IFRS 17 but cannot be accounted for within the Software include:
  - Insurance contracts with direct participation features
  - Investment contract with direct participation features
  - Fixed fee service contracts
  - Loans that transfer significant risk
- The following types of transactions that are within the scope of IFRS 17 but cannot be accounted for within this version of the Software include:
  - Refund of premiums due to surrender of policies
  - Non-distinct investment component (including no claims bonus and/or other experience refund)
  - Premium shortfall due to policyholder's credit risk
  - Any subsequent change to the total amount of insurance acquisition cash flows
  - The impact on coverage period over the premiums are allocated due to lapse of policies
- In this Version of the Software, the calculation are performed at the level determined outside of the system and then aggregated to group/portfolio level.
- Positioned as a streamlined IFRS 17 solution for General Insurance companies, the Software can perform the measurement for the PAA only and does not include the GMM and VFA measurement. The Users are required to perform their own analysis outside of the Software to determine which the measurement model is appropriate for the company's insurance contracts.

- In terms of IFRS 17 financial figures, given the Users input correct data and select appropriate assumptions, the Software is able to produce (but not limited to):
  - Balance Sheet (“B/S”) items for IFRS 17 related items, including:
    - Asset for Incurred Claims
    - Liability for Incurred Claims
    - Asset for Remaining Coverage (including any Loss Recovery Component)
    - Liability for Remaining Coverage (including any Loss Component)
  - Profit or Loss (“P&L”) items for IFRS 17 related items, including:
    - Insurance Service Revenue
    - Insurance Service Expenses
    - Insurance Finance Income or Expenses
    - Other Comprehensive Income
  - IFRS 17 related disclosures, including:
    - Reconciliation of Asset for Remaining Coverage
    - Reconciliation of Liability for Remaining Coverage
    - Reconciliation of Asset for Incurred Claims
    - Reconciliation of Liability for Incurred Claims
    - Other quantitative IFRS 17 disclosures
  - IFRS 17 related accounting journal entries