

# Market Announcement

## FWD Fuji Life adopts Swiss Re's automated underwriting solution to offer digitalised customer experience

- FWD Fuji Life Insurance Co., Ltd. ("FWD Fuji Life" hereafter) becomes the first life insurer in Japan to adopt Magnum, Swiss Re's automated underwriting solution
- Magnum provides FWD Fuji Life with future-ready capabilities to digitally issue policies on-the-spot
- Customers will enjoy better onboarding experiences with a shortened, paperless application process
- Magnum will enable FWD Fuji Life to seamlessly integrate further predictive underwriting and data-driven analytics in future

Tokyo and Singapore, 24 November 2020 – Swiss Re and FWD Fuji Life (HQ: Chuo-ku, Tokyo, President & CEO: Norio Tomono) announced today that the insurer has started operating Swiss Re's automated underwriting solution, Magnum, to offer a faster, paperless customer experience. FWD Fuji Life has seamlessly integrated Magnum into the underwriting process of its leading products, including "FWD Monthly Income Benefit" and recently launched "FWD Cancer Best Gold".

Following FWD Fuji Life's successful installation of Magnum, the insurer is now ready to provide faster, more personalised and more responsive customer experiences to consumers in Japan. When customers purchase new policies, Magnum selects the most relevant underwriting questions based on initial customer responses to shorten the application process.

FWD Fuji Life customers can digitally submit their information and receive initial policy offerings directly at the point of sale, substantially simplifying the customer journey without the hassle of handling paper forms. Applications are automatically checked for any incomplete information to further speed up the process. Customers get their policies on the spot, and they are better protected with the right questions asked via Magnum.

"It's our passion to offer simple and easy-to-understand insurance experiences to our customers, especially during the initial application process," said Ryuji Kaneda, Chief Technology & Operations Officer, FWD Fuji Life. "Having evaluated Magnum's core underwriting and data analytical capabilities, we decided to adopt this future-ready automated underwriting solution to continually improve our unique customer experience."

The Japanese insurer joins a growing list of Magnum implementations around the world, currently installed by more than 60 insurers worldwide in more than 20 markets and 17 languages. The Magnum suite of solutions processes more than 15 million applications globally per year.

"We are excited to welcome FWD Fuji Life as the first Japanese life insurer to adopt our future-ready automated underwriting solutions in the market," said Cathrine Graf, Head Magnum APAC, Swiss Re. "With this partnership, we have set up a dedicated local team in Tokyo to provide our client with strengthened support throughout the integration and operating processes."

As a Magnum client, FWD Fuji Life gains direct access to Life Guide and its periodic updates, the industry's No. 1 underwriting manual as rated by NMG Consulting. Backed up by Swiss Re's expertise and evidence-based underwriting philosophy, Magnum clients are also well equipped to make accurate, efficient and concise underwriting decisions amid rapidly changing market conditions.

"While Japanese consumers and businesses have long embraced automation in our everyday lives, our automated underwriting solutions are now ready to empower insurers to accelerate the insurance digitalisation that consumers keenly expect in the new normal," said Steven Hunter, Head of Client Markets, Life & Health Japan, Swiss Re.

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#### Notes to editors

##### **About Swiss Re**

The Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer, working to make the world more resilient. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cyber crime. The aim of the Swiss Re Group is to enable society to thrive and progress, creating new opportunities and solutions for its clients. Headquartered in Zurich, Switzerland, where it was founded in 1863, the Swiss Re Group operates through a network of around 80 offices globally. It is organised into three Business Units, each with a distinct strategy and set of objectives contributing to the Group's overall mission.

##### **About Magnum**

Magnum is a platform solution automating risk assessment for driving sales with a multi-channel model, providing better, faster underwriting decisions powered by Swiss Re's Life Guide, consecutively rated as industry's top underwriting guidelines by NMG Consulting. Magnum only collects the necessary information for each application using interactive and tailored questions instead of lengthy paper forms. It reduces the need for manual underwriting, minimises human errors, shortens the processing time from days to minutes, and frees up underwriters for handling more complex cases.

In addition, the solution produces interactive reporting which converts vast amount of information into clear and simple graphics, allowing insurers to better understand their customers and adapt offerings to their needs. Magnum mobile allows customers to apply for insurance anytime, anywhere via online and mobile app. For more information about Magnum, please visit: <https://www.swissre.com/reinsurance/life-and-health/solutions/magnum-automated-underwriting-solution.html>

For logos and photography of Swiss Re executives, directors or offices go to <https://www.swissre.com/media/electronic-press-kit.html>

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Forward-looking statements typically are identified by words or phrases such as “anticipate”, “assume”, “believe”, “continue”, “estimate”, “expect”, “foresee”, “intend”, “may increase”, “may fluctuate” and similar expressions, or by future or conditional verbs such as “will”, “should”, “would” and “could”. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Group’s actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

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- mortality, morbidity and longevity experience;
- the cyclical nature of the reinsurance sector;
- central bank intervention in the financial markets, trade wars or other protectionist measures relating to international trade arrangements, adverse geopolitical events, domestic political upheavals or other developments that adversely impact global economic conditions;
- increased volatility of, and/or disruption in, global capital and credit markets;
- the Group’s ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of the Group’s financial strength or otherwise;
- the Group’s inability to realize amounts on sales of securities on the Group’s balance sheet equivalent to their values recorded for accounting purposes;
- the Group’s inability to generate sufficient investment income from its investment portfolio, including as a result of fluctuations in the equity and fixed income markets, the composition of the investment portfolio or otherwise;
- changes in legislation and regulation, or the interpretations thereof by regulators and courts, affecting the Group or its ceding companies, including as a result of comprehensive reform or shifts away from multilateral approaches to regulation of global operations;
- the lowering or loss of one of the financial strength or other ratings of one or more companies in the Group, and developments adversely affecting its ability to achieve improved ratings;
- uncertainties in estimating reserves, including differences between actual claims experience and underwriting and reserving assumptions;
- policy renewal and lapse rates;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes and certain large man-made losses, as significant uncertainties may be involved in estimating losses from such events and preliminary estimates may be subject to change as new information becomes available;
- legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability;

- the outcome of tax audits, the ability to realize tax loss carryforwards and the ability to realize deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings, and the overall impact of changes in tax regimes on the Group's business model;
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- strengthening or weakening of foreign currencies;
- reforms of, or other potential changes to, benchmark reference rates;
- failure of the Group's hedging arrangements to be effective;
- significant investments, acquisitions or dispositions, and any delays, unforeseen liabilities or other costs, lower-than-expected benefits, impairments, ratings action or other issues experienced in connection with any such transactions;
- extraordinary events affecting the Group's clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- changing levels of competition;
- the effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health emergencies, hostilities or other events;
- limitations on the ability of the Group's subsidiaries to pay dividends or make other distributions; and
- operational factors, including the efficacy of risk management and other internal procedures in anticipating and managing the foregoing risks.

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