



Code of Actuarial Professional Conduct

*(Issued together with Decision No. 35/2022/QĐ-HHBH dated 31/10/2022
of Chairperson of Insurance Association of Vietnam)*

I. GENERAL PROVISION

The Code of Actuarial Professional Conduct (“Code”) aims to build and promote confidence in the work of Actuaries and in the actuarial profession.

All Actuaries, who provide any Actuarial Services within the jurisdiction of Vietnam, are required to adhere to the standards of conduct, practice, and qualifications of the actuarial profession, thereby supporting the actuarial profession in fulfilling the responsibility to its stakeholders.

The Precepts of the Code identify the professional and ethical standards with which an Actuary must comply in order to fulfill the Actuary’s responsibility to the public, their stakeholders and to the actuarial profession.

Laws may also impose legal requirements upon an Actuary. Where relevant requirements of Law conflict with the Code, the requirements of Law shall take precedence.

An Actuary must be familiar with, and keep current with, not only the Code, but also applicable Laws and rules of professional conduct for the jurisdictions in which the Actuary renders their Actuarial Services. An Actuary is responsible for securing translations of such Laws or rules of conduct as may be necessary.

The Insurance Association of Vietnam issues this Code and will oversee any revisions and explanations of the Code.

Annually, insurers together with the Insurance Association of Vietnam will review the Code if necessary. Any amendments and supplements to the Code must be approved by the insurers according to the majority principle and expressed in writing to amend, supplement or replace these Code.

II. DEFINITIONS

Actuary: An individual who provides Actuarial Services, regardless of their organizational membership.

Actuarial Communication: A written, electronic, or oral communication issued by an Actuary with respect to Actuarial Services.

Actuarial Services: Professional services provided statistical analysis, insurance premium calculation, reserve, capital, solvency, business performance evaluation, business valuation to ensure financial safety of insurer, reinsurer, foreign branches in Vietnam, mutual organization providing micro insurance.

Confidential Information: Information not in the public domain of which an Actuary becomes aware as a result of providing Actuarial Services to a Principal, including information of a proprietary nature and information that is legally restricted from circulation.

Law: Statutes, regulations, judicial decisions, and other statements having legally binding authority.

Principal: A client or employer of the Actuary.

Stakeholder: the public, the actuarial profession, Principal, policyholders, investors, auditors, regulators, rating house and other third parties.

III. CODE OF CONDUCT

Precept 1: Professional Integrity

An Actuary shall act honestly, with integrity, and in a manner to fulfill the professional's responsibility to the public, Principal and other stakeholders as well as to uphold the reputation of the actuarial profession. An Actuary shall not knowingly engage in any illegal conduct, receive illegal improper treatment or act in any manner that reflects adversely on the actuarial profession.

Precept 2: Qualification

An Actuary shall perform Actuarial Services only when the Actuary satisfies applicable qualification standards and has sufficient relevant experience to do so.

If an Actuary finds that they lack the professional capability for a particular part of the service, the Actuary should advise the Principal to enlist the service of another qualified professional to provide assistance or review the work documents produced by the Actuary.

Precept 3: Communication and Disclosure

Actuarial Communication whether written or oral should be delivered in a timely fashion, be clear, accurate and appropriate to the circumstances and its intended audience and satisfy applicable standards of practice and regulatory requirement.

An Actuary must take reasonable steps to ensure that any communication for which they are responsible or in which they have a significant involvement is accurate, not misleading, and contains an appropriate level of information.

Where an Actuary identifies that a user of their work has, or is reasonably likely to have, misunderstood or misinterpreted the information or advice provided by them in a way which could have a material impact, the Actuary should draw the user's

attention to this, take the initiative to make clarification, and if necessary, discontinue the service or take legal action.

Written or electronic communication should include:

- Name, contact details and qualifications of the actuaries who performed the Actuarial Services and their responsibility.
- If appropriate, the extent of the responsibilities, reliance, and limitation in the actuary's advice.
- A statement identifying the data used and the actuarial methods and assumptions employed. The Actuary should also explain the reasons for adopting the actuarial methods and assumptions.
- In circumstance where an Actuary is unable to satisfy themselves as to the validity of the data used or is constrained to adopt actuarial methods or assumptions which, in their opinion, are inappropriate, they should include an appropriate disclosure in the communication of the actuarial advice.

Precept 4: Conflict of Interest

An Actuary shall not knowingly perform Actuarial Services involving an actual or potential conflict of interest unless:

- The Actuary's ability to act fairly is unimpaired;
- There has been disclosure of the conflict to all present and known prospective Principals whose interests could be affected by the conflict; and
- All such Principals have expressly agreed to the performance of the Actuarial Services by the Actuary.

An Actuary must ensure that their professional judgement is not compromised, and cannot reasonably be seen to be compromised, by bias, conflict of interest, or the undue influence of others.

Precept 5: Confidentiality

An Actuary shall not disclose to another party any Confidential Information obtained through professional services performed for a principal unless authorized to do so by the Principal or required to do so by Law.

Precept 6: Competence and care

An Actuary must carry out work competently and with due care:

- An Actuary must ensure they have an appropriate level of relevant knowledge and skill to carry out a piece of work.

- An Actuary must ensure their work is appropriate to the needs and, where applicable, instructions of Principal.
- An Actuary must provide a Principal with actuarial advice of an appropriate standard, and which conforms to most relevant standards and disclose it. If work which an Actuary considers necessary is precluded by cost or time constraints, the Actuary must either decline to act or qualify the actuarial advice.
- An Actuary must consider whether input from other professionals or specialists is necessary to assure the relevance and quality of work and, where necessary, either seek it themselves or advise the user to do so, as appropriate.

Precept 7: Compliance and speaking up

An Actuary must comply with all relevant legal, regulatory, and professional requirements and guidelines:

- An Actuary must take reasonable steps to ensure they are not placed in a position where they are unable to comply.
- An Actuary shall not provide any service for any Principal if they have any reason to believe that such service may be used to violate or evade the law or professional requirements or guidelines.
- An Actuary should challenge others on their non-compliance with relevant legal, regulatory, and professional requirements and guidelines.

In addition to complying with any legal requirements to report matters to relevant regulators or other authorities, an Actuary should also report to those bodies any behavior that they have reasonable cause to believe is unethical or unlawful, and carries significant risk of materially affecting outcomes.

An Actuary must take reasonable steps to ensure users are aware of any substantial issues with a piece of work for which they are responsible or in which they have had significant involvement, if those issues might reasonably influence the decision-making or judgement of users.

Precept 8: Ongoing professional development

Considering the nature of the Actuarial Services, an Actuary shall constantly endeavor to improve professional competence by engaging in relevant study activities in a manner appropriate for their role, preferably with other Actuaries, to develop their knowledge and skills.

Precept 9: Mutual respect and Support

An Actuary must show respect for others in the way they conduct themselves.

When performing Actuarial Services, an Actuary shall respect the rights of other Actuaries to express different opinions. When discussing alternative actuarial opinions with other members or interested parties, an Actuary should maintain objectivity and fairness. In the best interests of the Principal or the public, an Actuary shall give fair and reasonable opportunity to alternative opinions to be heard for the reference of the Principal or other third parties.

When discussing a possible assignment from a Principal, if an Actuary knows or has reasonable grounds to believe that the Principal intends to have the Actuary take over the same or similar service that has been provided by another Actuary, the Actuary should, regardless whether the work relationship between the Principal and the other Actuary has ended, consult with the other Actuary with the consent of the Principal, to obtain background about the work prior to accepting the assignment. If the aforementioned Actuarial Service involves a statutory actuarial job and the Principal refuses consent to such consultation with the other Actuaries, the Actuary shall not accept the assignment.

When an Actuary is performing or has performed an Actuarial Service for a Principal, if the Principal has appointed another Actuary to perform the same or similar service and has given consent for the newly appointed Actuary to consult with the Actuary with respect to the Actuarial Service that the Actuary is providing or has provided, the Actuary shall cooperate in the matter and render reasonable assistance upon such commercial terms as acceptable and agreed.

Precept 10: Control of work product

An Actuary shall take reasonable steps to ensure that their Actuarial Services are not used to mislead other parties or to violate or evade the law.

IV. VIOLATIONS OF CODE OF CONDUCT

An Actuary who has knowledge of an apparent, unresolved, material violation of the Code by another Actuary, should consider discussing the situation with the other Actuary and attempt to resolve the apparent violation. If such discussion is not attempted or is not successful, the Actuary shall disclose such violation to the Insurance Association of Vietnam, except where the disclosure would be contrary to Law or would divulge Confidential Information.

An Actuary shall respond promptly, truthfully, and fully to any request for appropriate information by, and cooperate fully with, the Insurance Association of Vietnam. The Actuary shall comply with any disciplinary or counseling decided by the Insurance Association of Vietnam in relation to the Code. The Insurance Association of

Vietnam may consider reporting the Actuary's violation(s) to the professional actuarial organizations (such as SOA, IFOA...) that the Actuary is currently an official member of. The Actuary's responsibility to respond shall be subject to applicable restrictions on Confidential Information and those imposed by Law.

V. EFFECT:

The Code of Actuarial Professional Conduct takes effect from the date of signing.