

INTERMEDIARY CULTURE AND CONDUCT BEST PRACTICES

Promoting Ethical Culture and Conduct in Insurance Intermediaries (General)

General insurance intermediaries (GI intermediaries) serve as the primary bridge between insurers and customers. They must maintain high standards of integrity and professionalism by upholding standards of ethical culture and conduct.

Six areas of best practices are identified to elevate and maintain the level of service provided, customer trust and confidence in the sector.

1

VALUE ALIGNMENT

- Continuing professional development for GI intermediaries on topics related to ethics, conduct, regulatory & statutory requirements, and continuing efforts to foster the correct culture.
- Incorporating the core values of principal insurers into agency agreements.



2

COOPERATION TO MITIGATE ROLLING BAD APPLES

- Ensuring that corporate GI intermediaries and insurers cooperate to prevent individuals with prior misconduct to re-enter the industry through evasion methods, and to consider the past misconduct when hiring.
- Establishing accountability of staff responding to reference checks.

3

REMUNERATION PRACTICES

- Utilising incentives and a balanced scorecard for staff of corporate GI intermediaries beyond financial key performance indicators.
- Achieving a minimum of 2 training hours on ethics, conduct and compliance topics annually as a non-financial key performance indicator in determining remuneration.



4

USE OF SUB-AGENTS & INTRODUCERS

- Prohibiting payment or receiving of referral or introducer fees for general insurance.
- Use of sub-agents should be prohibited in the sale of general insurance.

5

AGENCY PERFORMANCE MANAGEMENT

- Establishing an agency performance management framework to drive proper conduct, with appropriate improvement and remedial actions.
- Applying close & frequent monitoring of agents by 1st and 2nd lines of defence.



6

AGGREGATOR & E-COMMERCE PLATFORM

- Prioritising protection of customers and avoid unethical practices when working with online partners.