

Bulletin:

# Nan Shan Life's Competitive Position To Solidify

January 11, 2024

This report does not constitute a rating action.

TAIPEI (S&P Global Ratings) Jan. 11, 2024--**Nan Shan Life Insurance Co. Ltd.** is poised to solidify its competitive position in Taiwan. Taiwan Ratings Corp. believes this stems from the recent removal of a regulatory ban on Nan Shan Life selling investment-linked products, coupled with the completion of an IT system enhancement.

In our view, Nan Shan Life (twAA/Stable/--) has a strong business position in Taiwan's life insurance sector with a solid franchise, resilient distribution network, and proactive product strategy. The resumption of the sale of investment-linked products restores the insurer's full product mix, making it comparable to other major players. We believe the move would further support the insurer's business momentum amid its transition to International Financial Reporting Standards 17.

In view of Nan Shan Life's IT system improvement, we believe its governance standards and track records are now comparable with domestic peers.

In September 2019, Nan Shan Life received a regulatory business order to suspend sales of investment-linked products. This was due to IT issues related to the insurer's Envision project. The removal of the business order came after the system improvement was certified by a third party and the regulator.

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