

# RiskIntegrity™ Insight Webinar

An innovative strategic tool that leverages AXIS™

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# Today's Presenters

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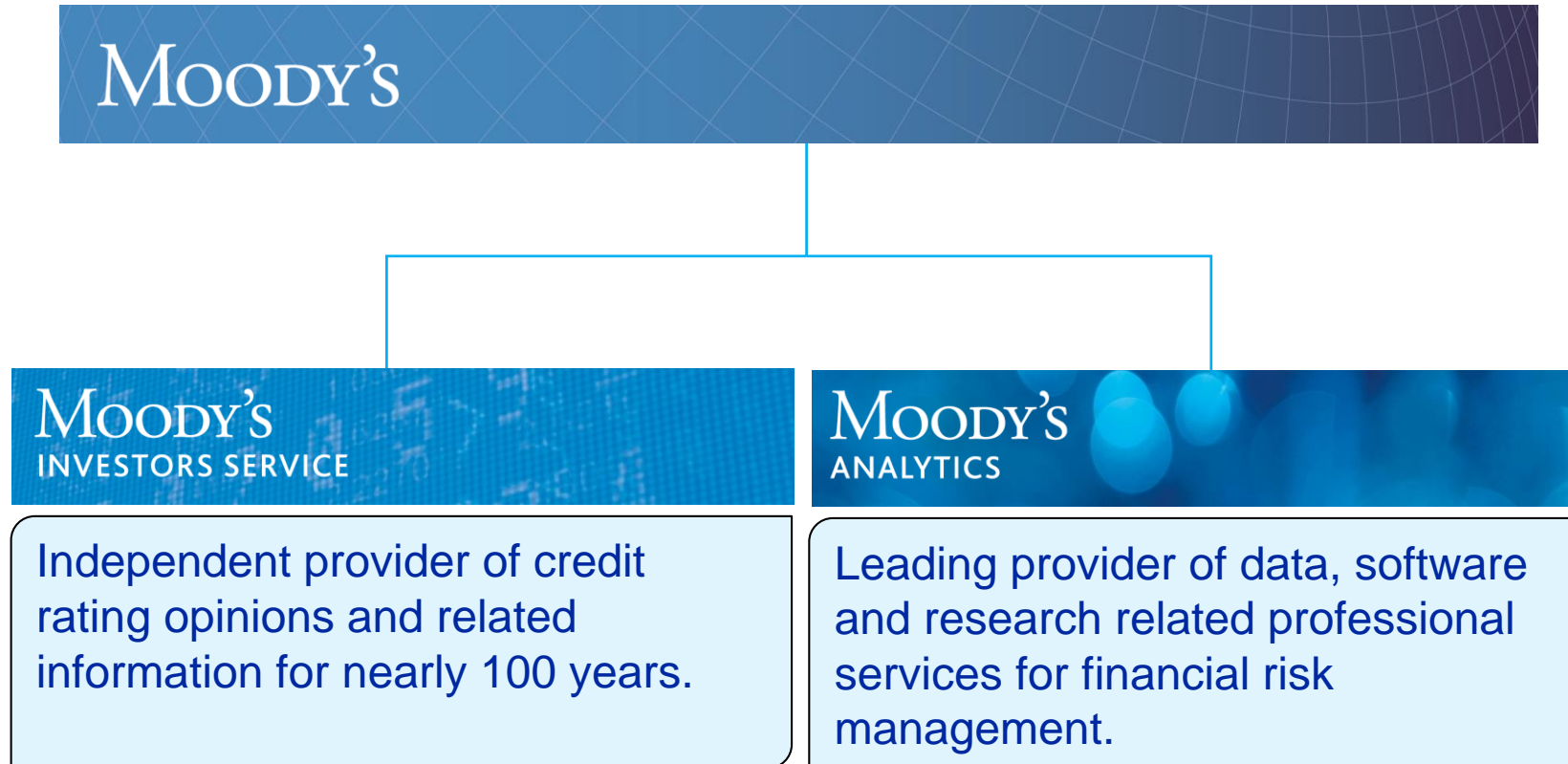
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# Moody's Analytics helps our global clients measure, understand, and mitigate risk – beyond ratings



# Agenda

1. Trend Towards Delivering Better Insight
2. RiskIntegrity Insight & AXIS
3. Practical Insights

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Trend Towards Delivering  
Better Insight

# Demand for business insight from senior leaders

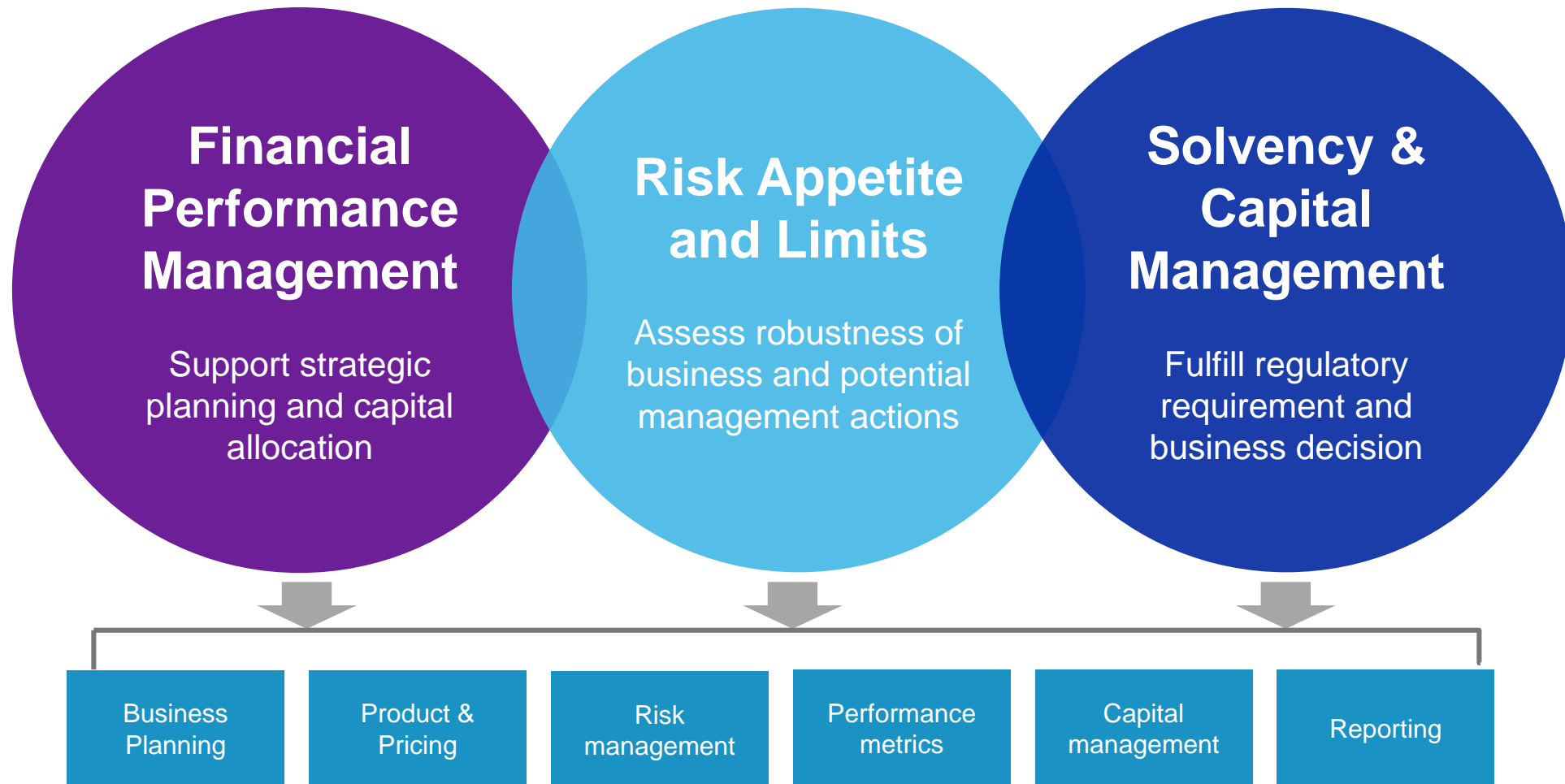
An analytical approach to gap analysis





# What insight does management need?

Increase demand for business insights from different lenses



# What insight does management need?

## Evolution of stress & scenario testing



“Integrated scenario stress testing” - a projection of financial statements and most importantly, a projection of available and required capital over a multiyear planning timeframe (including the new business).

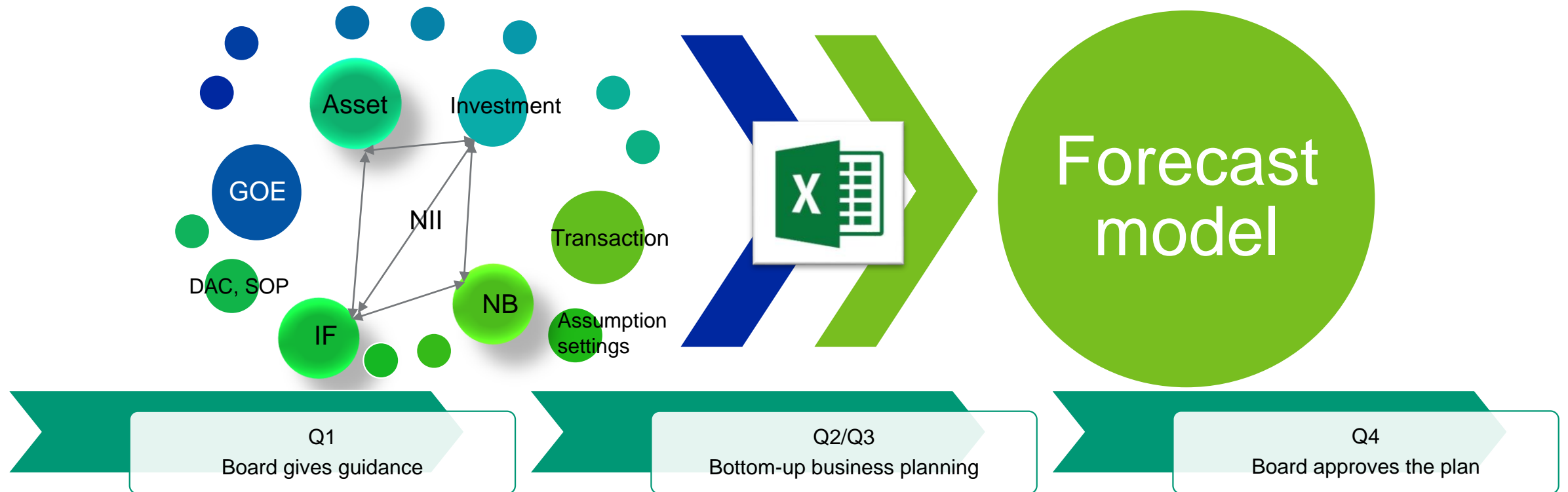


# How quickly does management need insight?

Real time needs are challenging due to the complexity in the products, modelling, processes, and organizational culture.

## Real time means hours rather than weeks

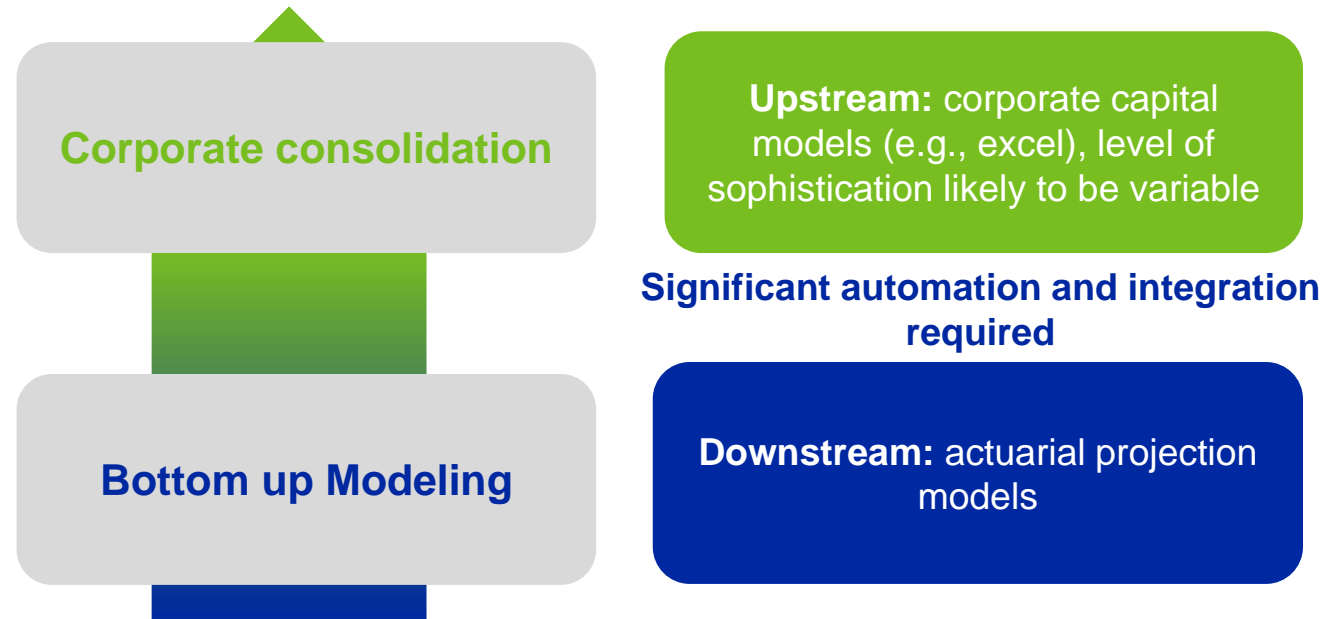
Illustration: a typical bottom-up forecasting process (1-3 months)



# How credible is the insight?

Define the optimal tradeoff between the top-down and bottom-up approaches

- » Current approach: not easy for senior management to use or access, significant reliance on the heavy model re-runs
- » “Improvise” the corporate model: hard for management to justify the results



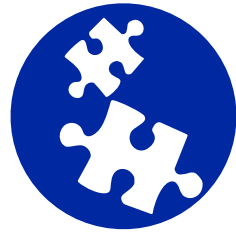
# But timely answers are challenging...

Common hurdles for management to receive timely results



## Multiple Stakeholders

Multiple stakeholders involved with different perspectives/needs.



## Data & Model Integration

Multiple model and data sources may not well integrated



## Model Ownership

Difficult to re-run heavy models if ownership sits elsewhere.



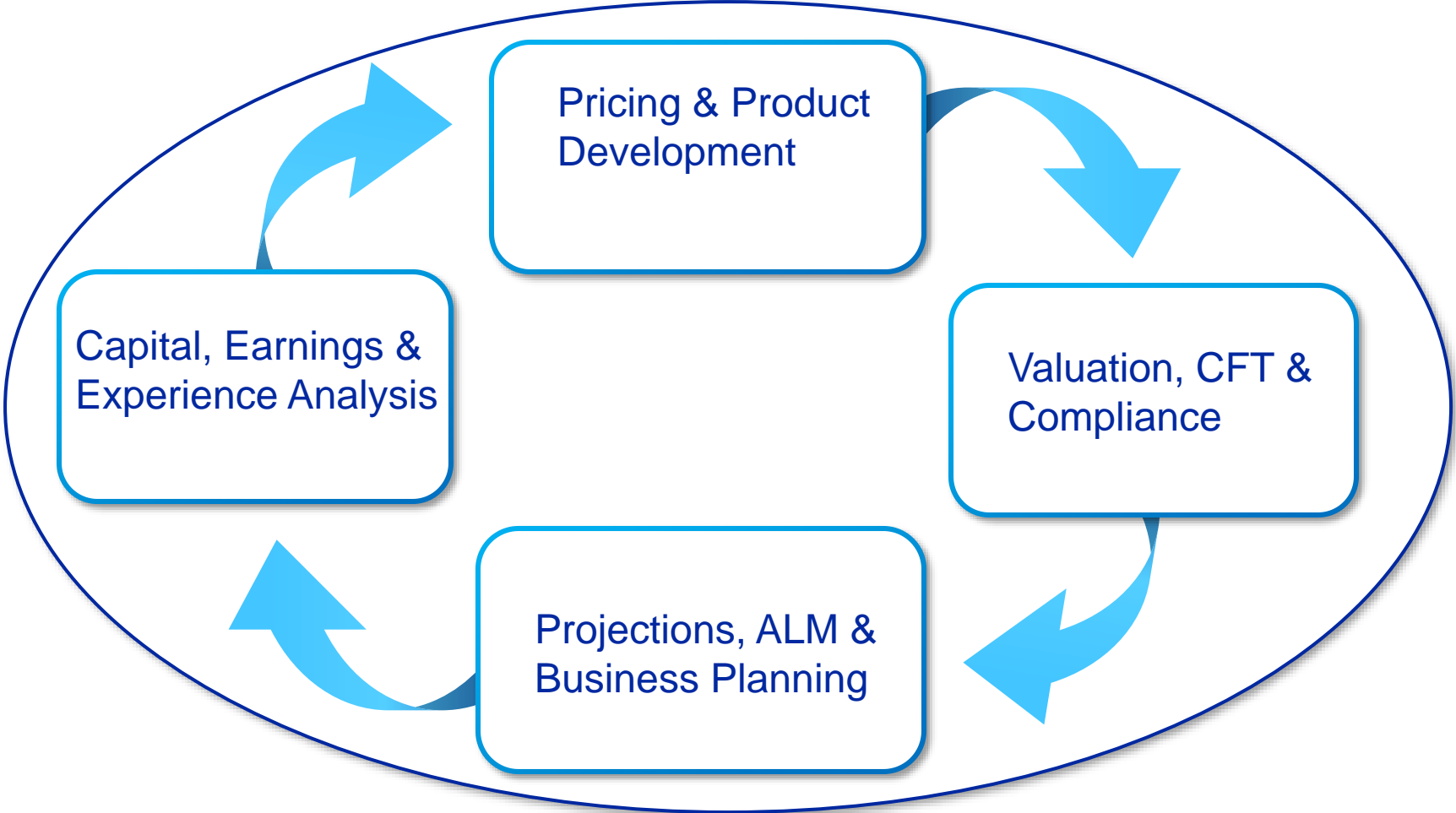
## Spreadsheets

Heavy reliance on complex spreadsheets to manage results.

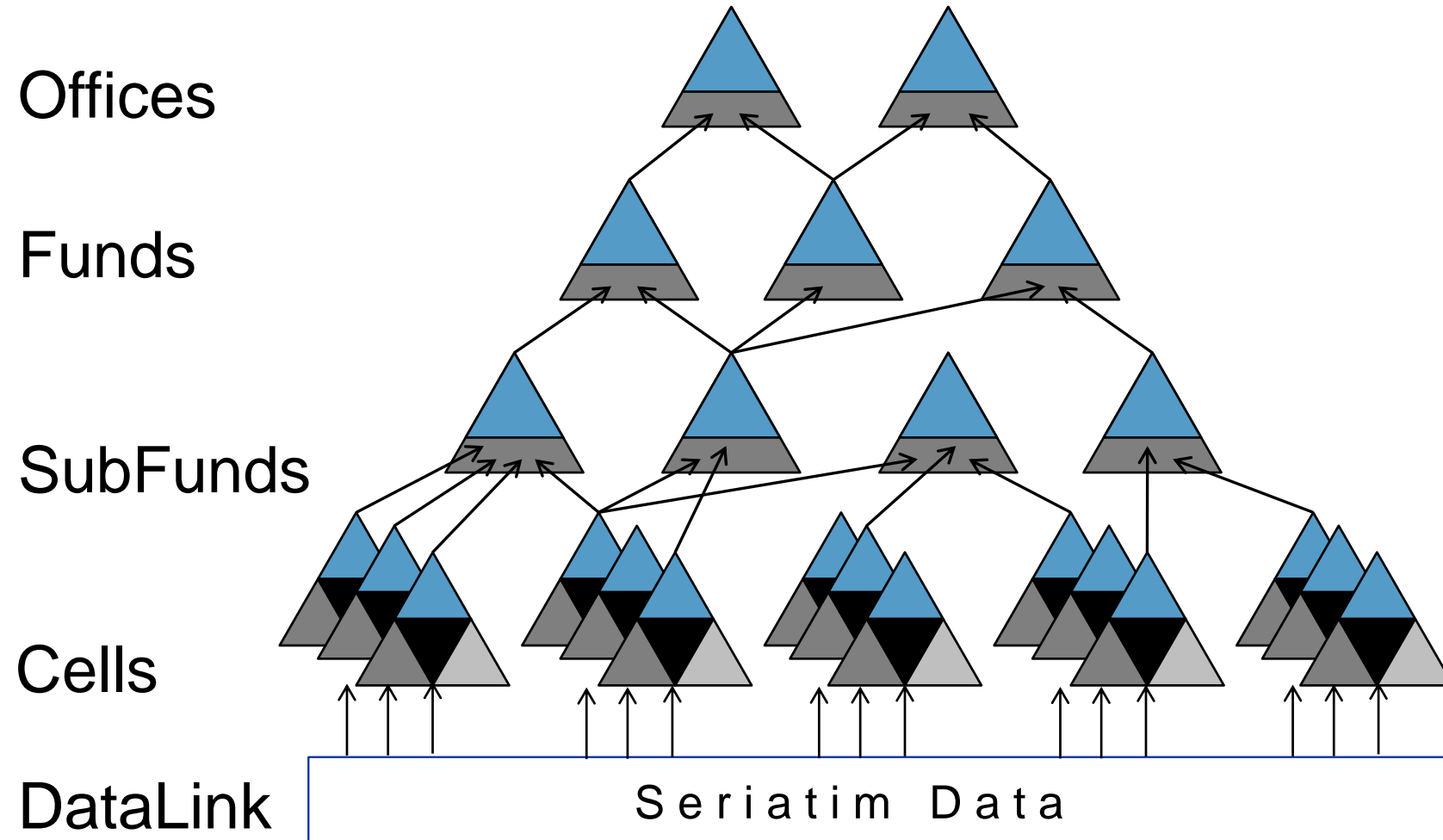
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RiskIntegrity Insight  
& AXIS

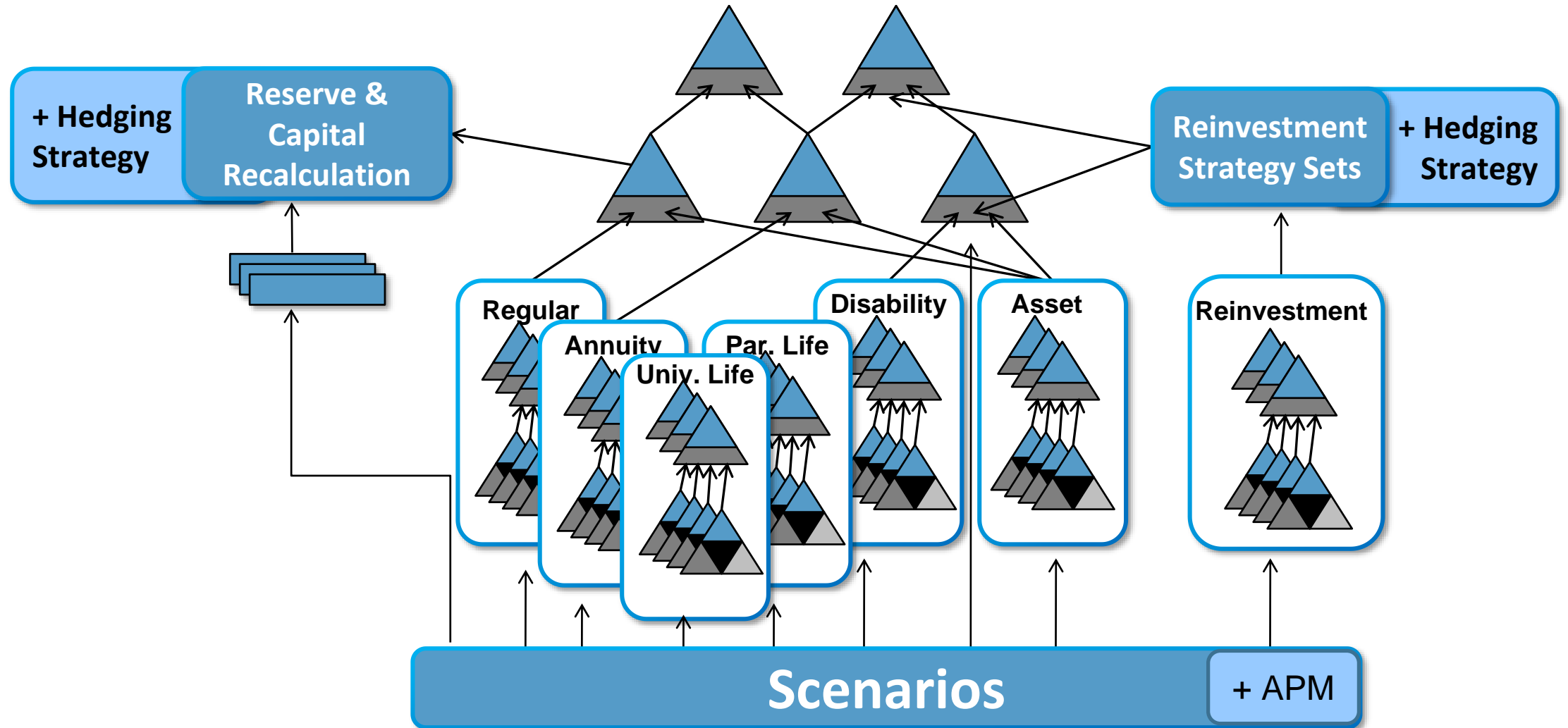
# AXIS is an integrated multiple purpose system



# Bottom up modelling in AXIS

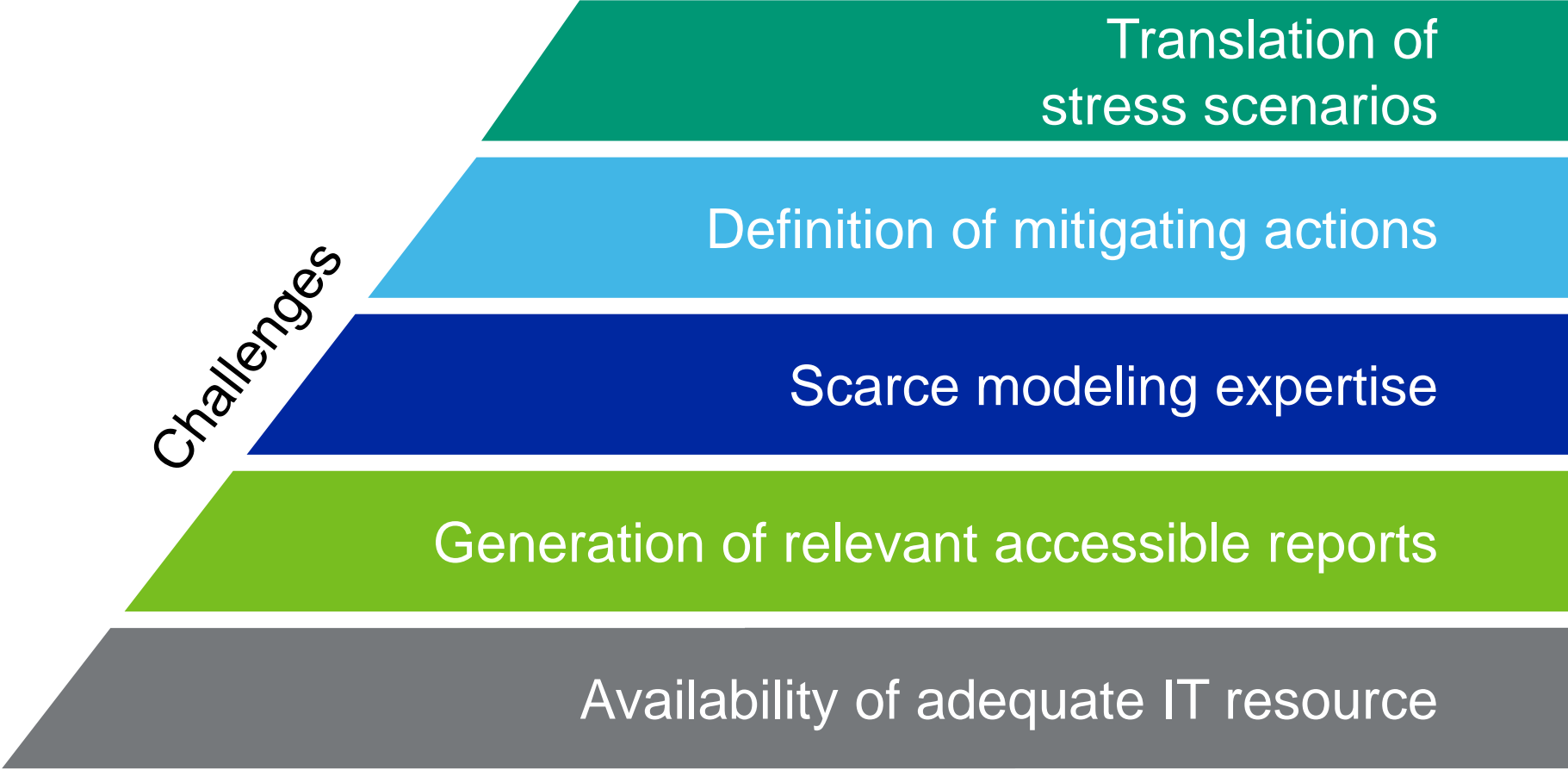


# Dynamic aggregate reserves and capital





# Challenges of timely management insight



# Why RiskIntegrity Insight with AXIS?

1

**Designed to deliver insight to management.**

2

**Leverages AXIS capabilities.**

3

**Enables access across the organization.**

# RiskIntegrity Insight

Empowering the business

## Strategic 'What-If' Solution

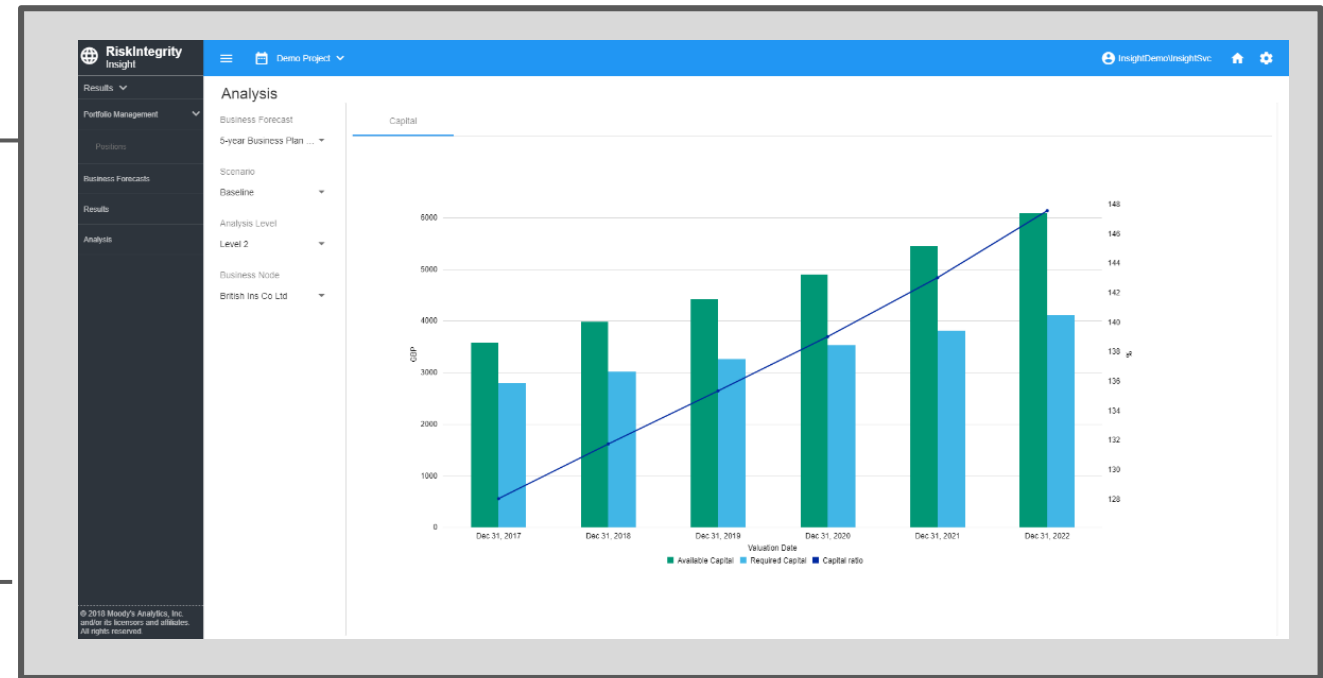
### Modelling & analytics platform

designed to support:

- Scenario & Stress Testing
- Planning & Analysis
- Etc.

## Financial Statements & Metrics

Consolidates and projects financial statements and user-defined metrics under different **what-if scenarios**.



## Data Management & Control



Leverage data from **existing modelling** infrastructure and manage via robust analytical data repository.

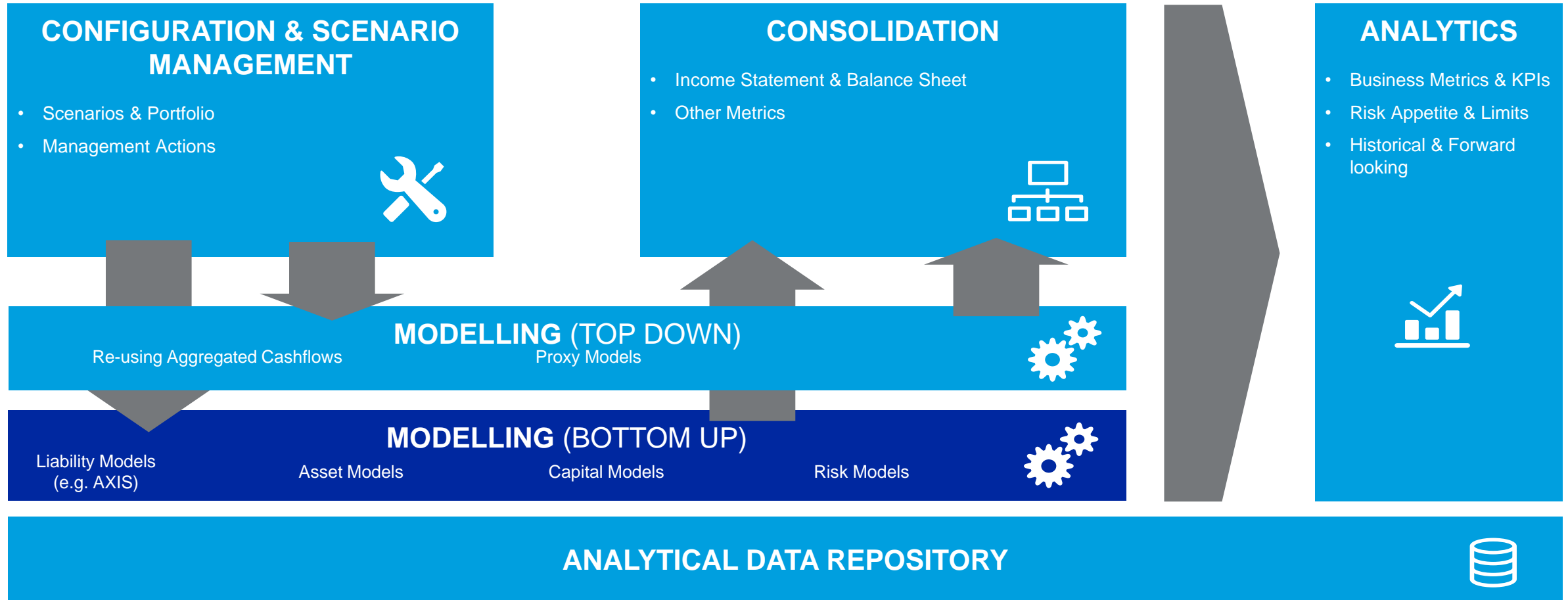
## Layered Analytics

Drill down analysis via **flexible dashboard** and comparison analysis.

# RiskIntegrity Insight

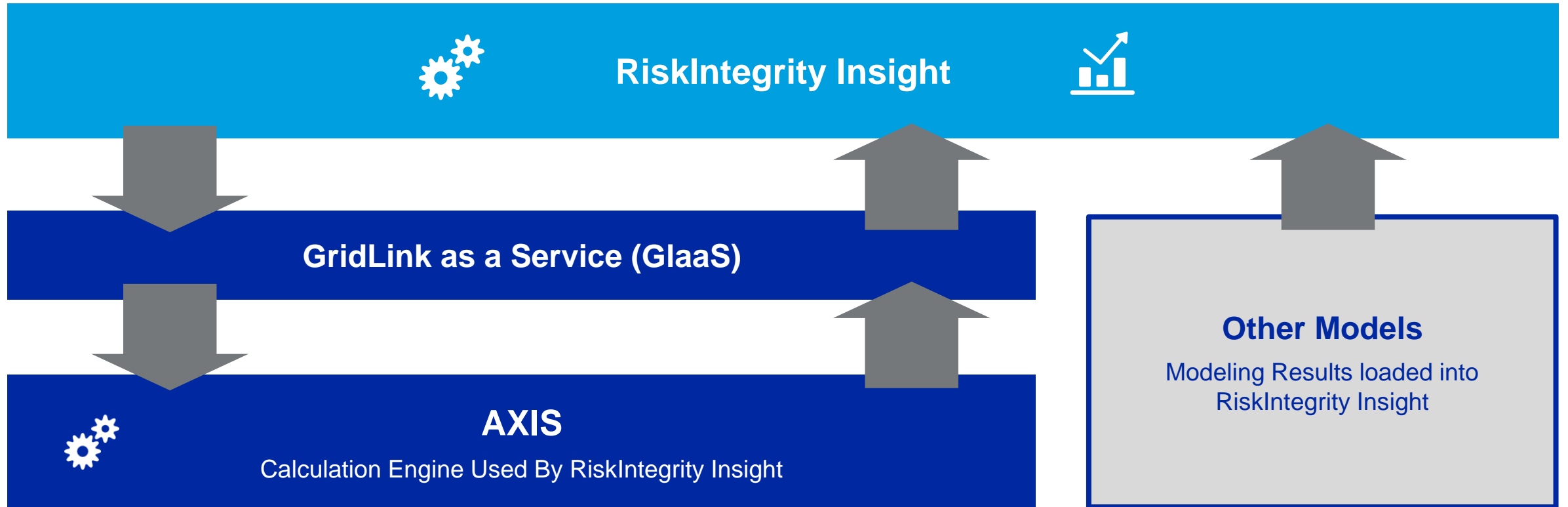
## Modelling framework

-  RiskIntegrity Insight Modelling Framework
-  Your Existing Infrastructure



# RiskIntegrity Insight & AXIS

Getting more from AXIS through integration



# RiskIntegrity Insight

## A brief look

The screenshot displays the RiskIntegrity Insight dashboard. At the top, there is a blue header bar with the RiskIntegrity Insight logo on the left, a hamburger menu icon, and the user name 'brobinson' with a home and settings icon on the right. Below the header, a dark sidebar on the left contains a 'Home' dropdown menu. The main content area is titled 'Home' and features six white cards arranged in a row. Each card represents a different functional area of the application, with a title, a brief description, a list of sub-links, and a 'Get Started' button at the bottom.

Section	Description	Sub-links	Get Started
Projects	Create and manage Projects with different data and results.	Manage All Projects	Get Started
Design	Set up the business and modeling structure.	Business Variables Models	Get Started
Data	Upload and manage data for models and economic scenarios.	Model Data Core Variables Market Variables	Get Started
Forecast	Define Portfolios and Business Forecasts.	Portfolios Business Forecasts	Get Started
Results	Construct statements and view results for a business forecast.	Reports Statements	Get Started
Admin	View error logs, and manage system settings.	Error Log Settings	Get Started

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# RiskIntegrity Insight – key benefits

Support senior stakeholder decision-making with forward looking strategic tool.



What-If Analysis



Flexible Statements & Analytics



Integrated with AXIS



Faster Insights with Less Costs



Reduces Use of Spreadsheets



Data Management

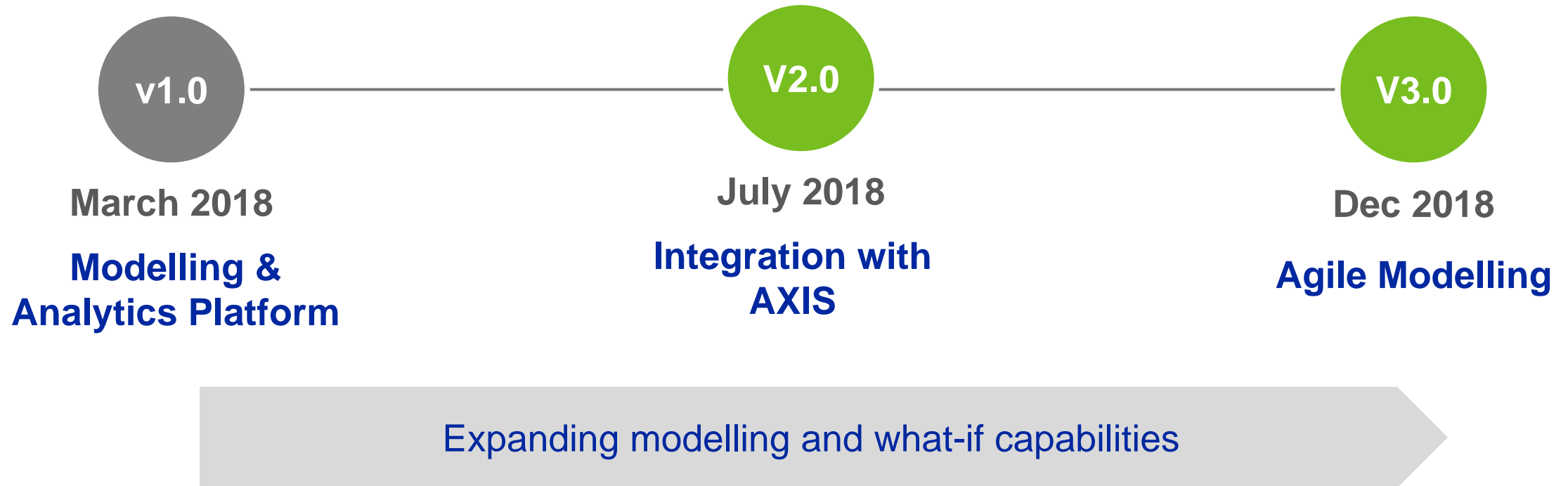


Enterprise Control



# RiskIntegrity Insight

## Roadmap highlights



3

Practical Insights

# Risk Scenario & Analysis tool for US insurer

## Overview

### Client Needs

- » Risk function requires a **Risk Scenario and Analysis Tool** ('Challenger Model') that allows them to carry out what-if analysis over a multi-year time horizon.

### Challenges

- » Risk **do not own AXIS models**.
- » **Reliance on actuarial function** who are already resource constrained.
- » Lack of **drill-down & analytics capabilities** within risk function.

### Why Moody's Analytics?

- » RiskIntegrity Insight solution is **aligned with CRO vision**.
  - Deliver business insight
  - Support effective challenge
- » RiskIntegrity Insight **leverages client's existing AXIS implementation**.

# Risk Scenario & Analysis tool for US insurer

## Scope & deliverables

### Project Scope

- » Projection of the **Balance Sheet & Income Statement** over a multi-year time horizon under **multiple bases**:
  - US GAAP
  - NAIC Stat
- » Scope covers **50+ product groupings and asset classes**.
- » Users to specify **what-if scenarios** and configure and re-run AXIS models to reflect specified stresses/management actions.

### Deliverables

- » **RiskIntegrity Insight** solution integrated with **AXIS**.
- » RiskIntegrity Insight deployed as **Software-as-a-Service**.
- » Uses **AXIS bursting** via Cloud using **GridLink-as-a-Service (GlaaS)**.

# Typical project approach

## Objectives

### Discovery

- Develop understanding of client's asset and liability portfolio
- Define broader business requirements and agree project scope.

### Solution Configuration

- Configure RiskIntegrity Insight/AXIS solution to meet project scope.

### Deployment & UAT

- Deploy solution on Moody's Hosted environment for Client access
- Complete UAT and Solution sign off.

3 staged project approach combined with leveraging existing AXIS datasets supports a **streamlined** implementation process

# Typical project approach

## Key Moody's activities

### Discovery

- Analysis of Clients AXIS datasets, reporting output, bases, metrics and "What-If" assumptions
- Document project requirements and scope

### Solution Configuration

- Tag Client's AXIS datasets (configures granularity and what-if capabilities).
- Configure GridLink as a Service (GlaaS)
- Create RiskIntegrity Insight configurations to meet project scope

### Deployment & UAT

- Create and test production environment
- Deploy Insight software solution and Client configurations
- Support Client with UAT process

**Knowledge Transfer** –Moody's will provide ongoing training to ensure users are comfortable owning the Solution at the end of the project.

# Practical points of note

## Ability to deliver with minimal impact on existing resources

### Support from Client

- » Minimal impact on Clients business and technology resources
  - Provide necessary AXIS datasets via secure portal
  - Available for discussions on business requirements
  - Undertake UAT with Moody's support

### Hosted Environment

- » Moody's handles installation which reduces set up costs and impact on technology resources

### Impact on existing AXIS systems

- » Insight does not change existing AXIS results
- » Leveraging existing AXIS data sets provides consistency with current product coverage, aggregation and reporting output

### GridLink As a Service (GlaaS)

- » Supports Cloud bursting of AXIS for runtime performance

“Proof Of Concept” can be delivered in 4-6 weeks with minimal client input.





Wrap Up

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