

RiskIntegrity™ Suite

Moody's Analytics RiskIntegrity Suite provides enterprise risk and solvency management for insurance companies. As a comprehensive, modular solution, it manages a wide range of finance and risk data, produces risk and solvency analytics to support decision making, and generates regulatory and business reporting.

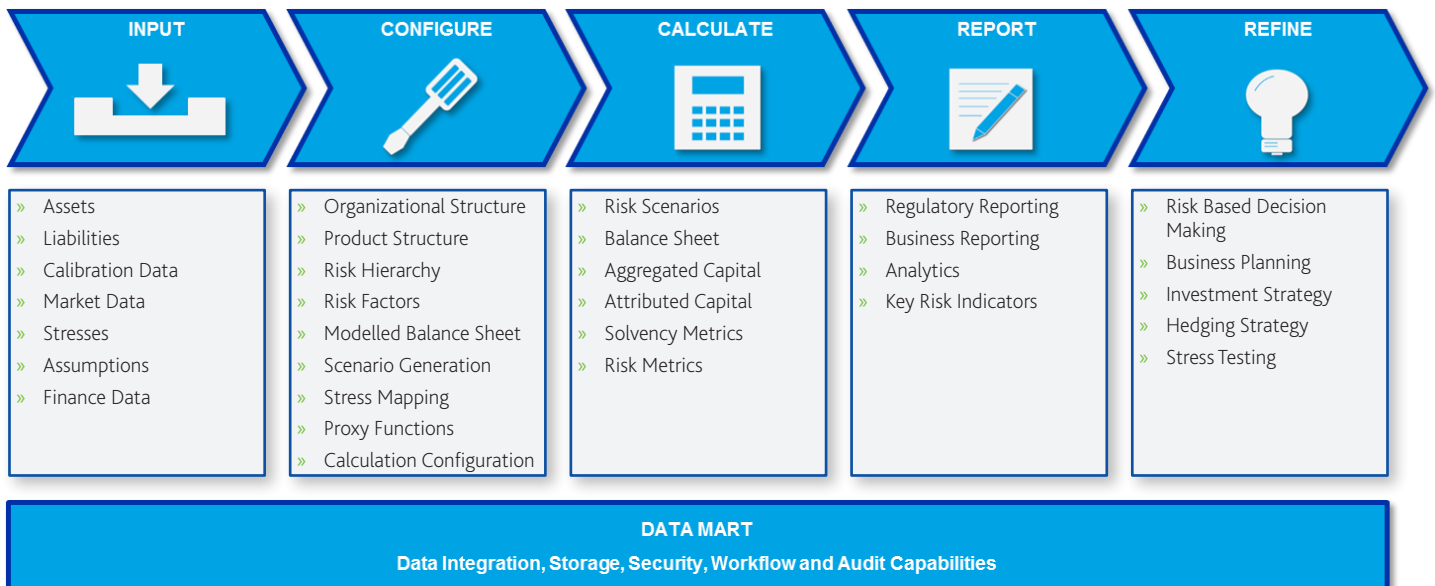
The Challenge: Accurate, On-Demand Risk and Solvency Measurement

As risk-based capital continues to gather pace across the global insurance industry, insurers want to have a better understanding of their risk profile and solvency position at any point in time. Senior Management need to use risk-based metrics to support strategic and business planning decisions, such as capital allocation and day-to-day operational business decisions.

The Solution: Modular Software that Scales with Your Business

The RiskIntegrity Suite helps insurers to measure solvency and risk exposures for both regulatory compliance and efficient management of the business via economic capital. This modular solution supports enterprise-wide control of risk management and business processes, combined with the flexibility to meet the unique needs of different firms. RiskIntegrity software can be tailored to support either small-scale business unit deployment, or large-scale multi-national enterprise deployment. It is supported by the RiskFoundation™ platform, which provides a controlled enterprise environment to manage business processes in a multi-user/multi-site environment and ensures transparency through its audit and data quality features.

RiskIntegrity Suite Control Framework



Maximize your Return on Investment, Minimize Total Cost of Ownership

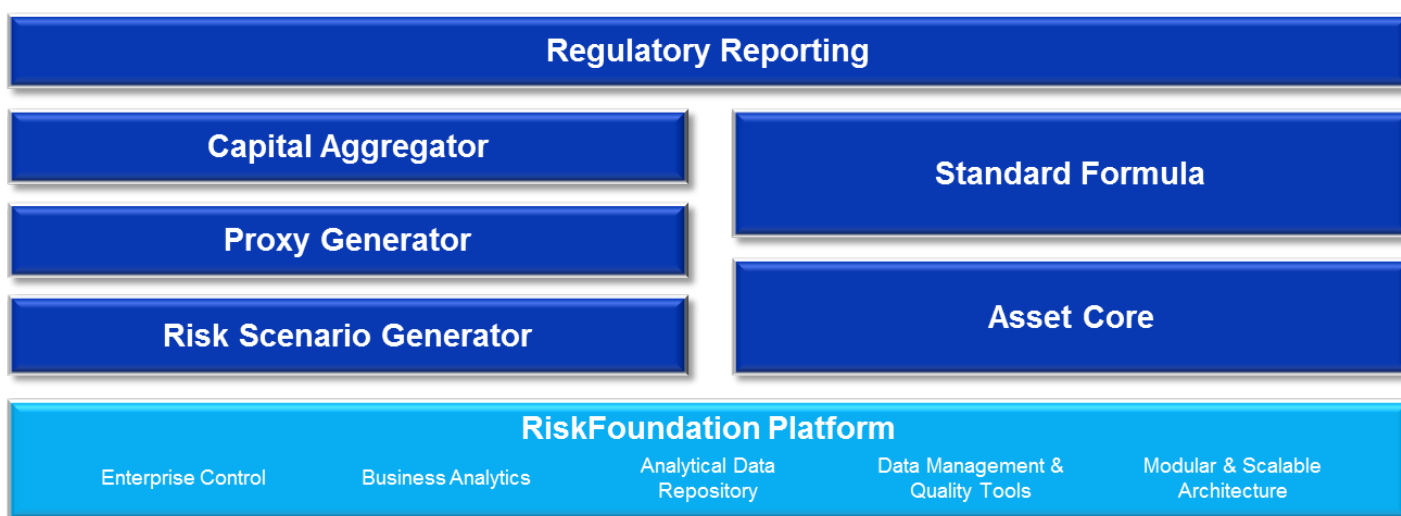
Our technology framework has been designed to support your long-term business needs, enabling you to maximize your return on investment. It provides a flexible and open technology that can integrate with existing upstream and downstream systems.

The shared grid computing environment, developer toolkits and application programming interface (API) provide deployment options to minimize implementation and system maintenance costs. Insurers can also build on prior infrastructure investments by adding modules over time.

RiskIntegrity Suite Modules

The RiskIntegrity Suite is made up of a number of modules that together address a range of business needs associated with insurance risk and solvency management and measurement.

RISKINTEGRITY SUITE MODULES



Regulatory Reporting

Moody's Analytics' award-winning Regulatory Reporting Module helps insurers across the globe create, validate and deliver group and solo entity reporting requirements within one solution. Its flexibility allows insurers to use the outputs from other RiskIntegrity Suite modules alongside imported results from third-party systems. Moody's Analytics updates this module to include the latest regulatory reporting requirements as they emerge, saving you time and effort spent building and updating your own regulatory reports. For Solvency II, our module includes the languages, formats and templates required for compliance and covers all EU supervisors.

RiskIntegrity™ Standard Formula

The RiskIntegrity Standard Formula Module supports a 'stress and correlate' approach to capital calculations. It helps insurers calculate their Standard Formula Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR) under various global regulatory regimes. It uses a 1 year VaR stress and correlate approach for calculating capital requirements using pre-defined calibration parameters provided by the regulators. The module includes regulatory datasets covering prescribed formulae, stresses and correlation matrices that are required for the various capital calculations. Moody's Analytics updates this module to include the latest regulations as they evolve, reducing the overhead for our clients.

RiskIntegrity™ Capital Aggregator

Insurers are increasingly moving towards more sophisticated risk-based capital modeling techniques for economic capital, to enable better risk management and decision-making as well as meeting regulatory requirements such as Internal Models under Solvency II. The RiskIntegrity Capital Aggregator Module uses a Monte Carlo approach for calculating a wide range of capital and solvency metrics. It is scalable, capable of running more than a million scenarios, so that capital metrics can be produced quickly and can be used in risk-based decision making.

This module can be used as the core component of a life insurer's partial or full Internal Model for Solvency II or for economic capital calculations. It can support decision making through its powerful what-if analysis, enabling insurers to calculate economic capital under different scenarios and evaluate the capital implications of potential decisions.

Asset Core

The Asset Core Module enables insurers to value/stress granular assets for capital calculations or pricing purposes. It covers a wide range of instruments, including bonds, options, swaps, swaptions, futures, deposits, loans. This module leverages a Fincad library which provides flexibility to meet diverse insurer requirements.

RiskIntegrity Suite – Capabilities



Modular and Flexible

Moody's Analytics RiskIntegrity Suite has been designed to evolve with a firm's needs over time. Firms choose the modules that they need today with the knowledge they can add modules in the future.

RiskIntegrity™ Proxy Generator

The considerable run-times associated with asset and liability management (ALM) systems, often limit insurers' ability to perform calculations fast enough to support a range of business needs, such as economic capital, interim valuation and hedge effectiveness. For example, calculation of economic capital for complex life insurance liabilities demands a nested stochastic approach, which cannot be easily achieved using ALM systems directly.

Moody's Analytics RiskIntegrity Proxy Generator is an automated solution that supports the calibration of proxy models to replicate asset and liability values. It is an enterprise solution that can be used to manage the creation of hundreds of proxy function calibrations across an insurer's business. The solution generates fitting scenarios, whether for curve fitting or Least Squares Monte Carlo and calibrates the proxy functions using a range of user-defined algorithms that can be used in our RiskIntegrity Capital Aggregator Module.

Risk Scenario Generator

The Risk Scenario Generator Module produces risk scenarios to support capital modeling for insurers, whether as part of a regulatory Internal Model or for the calculation of an insurer's own view of their economic capital. It enables insurers to project relevant risk drivers (market and non-market) over a 1-year time horizon and uses a mix of fundamental structural and statistical relationships to produce credible joint behavior across a range of different risk drivers.

Technology Framework to Support Your Business Vision

The combination of the RiskIntegrity Suite and RiskFoundation platform provides the infrastructure needed to implement a world-class risk management system and comply with regulatory frameworks.

RiskFoundation Platform

Most RiskIntegrity Suite modules harness the power of the RiskFoundation Platform, which delivers:

- » **Enterprise-Wide Control** – provides a controlled enterprise environment that can be used to manage production processes across the business.
- » **Datamart** – manages risk and finance data, producing business analytics and generating standardized reports.
- » **Data Quality** – ensures transparency through its audit and data quality features. Users can leverage predefined and customizable rules that check for integrity, coherence and validity of data.
- » **Business Analytics** – creates a framework to support business analytics needs, including high performance business intelligence capabilities.
- » **Workflow Technology** – supports production requirements by managing different processes within the workflow.
- » **Access Management** – allows efficient segregation, visibility and usage of data.

Insurance Advisory & Implementation Services

Extensive Risk Management and Modeling Experience

Moody's Analytics Insurance Advisory Services team offers risk management consulting, and training services customized to each firm's unique requirements. Working with our clients, we find pragmatic solutions to the most challenging issues they face, and help them to meet their regulatory and business requirements.

Implementation Expertise

Moody's Analytics RiskIntegrity Suite Implementation Services team both implements these solutions and provides consulting support on the use of these solutions. This allows clients to integrate the software into their core business processes extracting the maximum value from the project as quickly as possible.

CONTACT US

Visit us at moodyanalytics.com or contact us at a location below:

AMERICAS

+1.212.553.1653
clientservices@moody.com

EMEA

+44.20.7772.5454
clientservices.emea@moody.com

ASIA (EXCLUDING JAPAN)

+85.2.3551.3077
clientservices.asia@moody.com

JAPAN

+81.3.5408.4100
clientservices.japan@moody.com

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