



KPMG Intelligent Close Automation for Insurers

Speeding you towards IFRS 17 implementation

KPMG International

kpmg.com

The clock is ticking towards the effective date for IFRS 17 Insurance Contracts. Insurers have challenging workloads to meet the requirements of the new standard, which involves significant updates to systems, data and processes.

The additional complexity that IFRS 17 brings means extra tasks and more work to produce the financial information needed. Some of the processes involved have hundreds of individual tasks behind them, which need to be completed accurately and on time each reporting cycle.

But with the IFRS 17 effective date fast approaching, many teams are hampered by a spreadsheet-based approach to task management which is inefficient, labour intensive and potentially prone to error.

That's why at KPMG we have developed an accelerator tool which automates tasks and creates significant efficiencies. It eliminates task management performed manually — resulting in a safer and more controlled IFRS 17 implementation and creating a new, technology-enabled 'business as usual' way of working which will provide benefits far into the future.

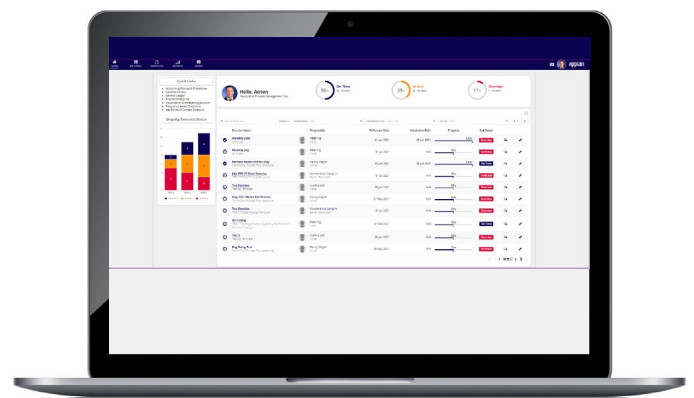
What is KPMG Intelligent Close Automation for Insurers?

An intelligent business process management solution which orchestrates the IFRS 17 reporting process end to end, KPMG Intelligent Close Automation for Insurers' brings clear visibility of the process and its performance against agreed timetables. The tool provides enhanced controls and full transparency of all tasks within processes including critical paths. It allows effective cross-team collaboration with a shared view of tasks and progress against them and built-in chat functionality for better communication. It is also highly

customizable, allowing businesses to configure the tool for their own system landscape, and quickly modify and change processes if needed in real-time for optimal use of resources.

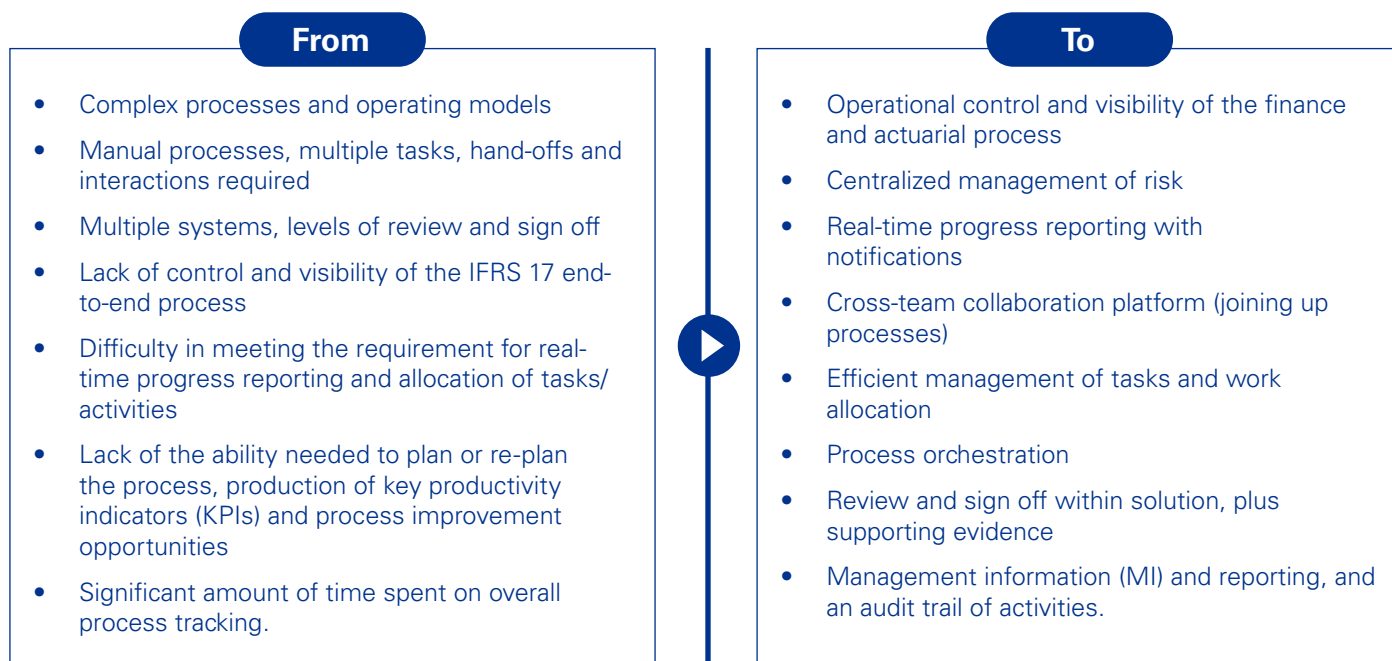
KPMG Intelligent Close Automation for Insurers also has built-in rules and validations to support compliance reviews, negating the offline effort involved in the process.

The solution is developed on a 'low-code' platform with advanced integration capabilities, which allows it to connect and interact with any system the organization uses. It displays the information received in a shared 360-degree view, utilizing electronic forms and dashboards to provide a single-entry point for all users across the organization.



Moving from challenges to benefits

As insurers grapple with the complex requirements of IFRS 17, many are confronted by a range of obstacles that slow down their progress. The accelerator tool replaces these friction points and barriers with a technology-led solution that transforms the landscape for the finance function.



The solution enables real-time identification of bottlenecks and challenges in the drive for future process optimization given the changing IFRS 17 environment. The flexibility to customize a process and learn/adapt is built in.

In tandem, real-time operational MI on a self-service basis provides a view of IFRS 17 process performance which will support trial runs during the process implementation as well as provide further insights post go-live.

KPMG Intelligent Close Automation for Insurers in action

KPMG used Intelligent Close Automation to support a large retail bank in the implementation of IFRS 9 (Financial Instruments). Our team developed a solution to incorporate the IFRS 9 runbook and deliver an end-to-end process deployed into the client's live production environment.

The client benefited from:



Enhanced visibility and transparency



Powerful MI and reporting



Daily snapshot email providing point-in-time view of the program, enabling real-time decision making



Critical path management allowing immediate re-planning of tasks as necessary

Flexibility and speed in development and implementation

There are a number of options available in how the solution is developed and implemented at an organization. These include:

- your own technical/development team customizing and implementing the solution themselves supported by KPMG
- KPMG's development and insurance specialist teams leading on the work in consultation with you
- a blended team of your organization and KPMG's resources working together.

Whichever route is taken, the solution provides an accelerated start to process automation for IFRS 17. In our experience, it can save up to 30 percent of the development time on a typical engagement.

A platform for the future

The KPMG Intelligent Close Automation for Insurers has the potential to significantly speed up and simplify an organization's IFRS 17 process. But there are additional benefits beyond this too. By creating a smart, cloud-based platform with API-based integration capabilities, it takes your organization along the automation and digital transformation journey which is key to the future.

About KPMG

At KPMG, we have a top-down and business-focused approach to IFRS 17 implementation to help you accelerate progress towards your goals confidently and securely.

This approach is tailored to help answer the questions that are important to clients, while building on our market leading knowledge of KPMG professionals who:

- Have a hypothesis-driven approach, starting top-down rather than bottom-up with a gap analysis. This allows design decisions to be taken earlier, reducing demands on scarce resources.
- Bring deep market insights from advising leading insurers on IFRS 17 and IFRS 9 and bring the experience from this work to help accelerate thinking in complex aspects of new requirements.
- Understand that one size does not fit all, enabling clear communication of the issues that matter to you.
- Leverage proprietary tools and accelerators for your impact assessment, tailoring our approach to meet your needs and aspirations, whether quick wins, cost savings, efficient financial and regulatory reporting as well as improved teamwork and other benefits.
- Experienced teams bring you insights every step of the way, actively promoting knowledge transfer to your people from the outset, so that you have a sound base of expertise to deliver new ways of working.

To learn more about how KPMG member firms can help unlock value from your IFRS 17 program, please do not hesitate to contact us.

Contacts

Mary Trussell

**Global Insurance Accounting and
Regulatory Change Lead**

KPMG International

E: mary.trussell@kpmg.co.uk

Dinah Cobbinah

**Partner, FS Transformation Services,
Intelligent Automation**

KPMG in the UK

E: dinah.cobbinah@kpmg.co.uk

Jessica Stapper

**Director, FS Transformation Services,
Intelligent Automation**

KPMG in the UK

E: jessica.stapper@kpmg.co.uk

kpmg.com/socialmedia



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2022 Copyright owned by one or more of the KPMG International entities. KPMG International entities provide no services to clients. All rights reserved.

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. For more detail about our structure please visit kpmg.com/governance.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

Designed by Evalueserve. | Publication name: KPMG Intelligent Close Automation for Insurers | Publication number: 137995-G | Publication date: November 2022