5 min guide to... Aon’s PathWise® IFRS 17 Reporting Solution

PathWise® allows businesses to comply with IFRS 17 by deploying our customizable IFRS 17 SaaS model, or by outsourcing the reporting process while gaining all the required business intelligence. PathWise® timely delivers IFRS 17 disclosures by orchestrating all business units’ data and calculations aided with state of the art technology.

So let’s set the scene...
Listed insurance companies need to comply with IFRS 17 requirements for the first reporting period after January 1, 2021. Extensive disclosure requirements in combination with transitional calculations, retrospective information, comparatives, simultaneous IFRS 9 implementation, reconciliation with IFRS 4 and IAS 39, movement analysis, and Solvency II reporting gives close to impossible weight to the actuarial and financial functions.

How can you empower results?
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How can Aon help me navigate these challenges and seize the opportunities?
PathWise® offers a solution that allows companies to access next generation technology to rapidly solve today’s key insurance reporting challenges. The PathWise® Software-as-a-Service (SaaS) IFRS 17 model can be accessed by users with just an internet connection. IFRS 17 disclosures can be produced for all measurement models at the lowest level of granularity, being the insurance contract level. We offer three types of solutions:

I. **Customizable IFRS 17 model library to be operated by the insurance company**
   Aon’s proprietary IFRS 17 model covers the basic functionalities to report under IFRS 17. PathWise® users can choose their own setup to optimise key IFRS 17 metrics and model development.

II. **Customized IFRS 17 model library to be operated by Aon**
    Companies can outsource the IFRS 17 model runs and reporting to Aon for all its business units, where clients choose the format of the required reports which Aon provides each reporting period allowing insurers to focus on IFRS 17 figures.

III. **Customizable IFRS 17 model library integrated with IFRS 17 cash flow modelling**
    The solution chosen above is integrated with PathWise® Modelling Studio, where IFRS 9 and 17 cash flows for both assets and liabilities can be calculated on the fly with multiple (economic) scenarios.
What are the benefits?

✓ Reduced run-time of the IFRS reporting cycle while staying compliant with IFRS 17 requirements allowing users to focus more on analysis and spend less time waiting for results. Sun Life case study

✓ Optimization of key IFRS 17 metrics for transition date

✓ Embedded shock calculations for IFRS 17 sensitivity analysis in a single model run

✓ Decrease costs by streamlining complex and error-prone processes through the power of a single integrated and automated enterprise business solution. Standard Life case study

✓ Adapt rapidly to the latest regulatory and reporting requirements and shorten the cycle for new product development.

✓ Eliminate the need for condensed model points and other short cuts such as discount rate averaging through unparalleled computational power and scalability.

✓ Enhance risk management with a fully governed IFRS 17 accounting process where all inputs, model versions and outputs are stored with corresponding revisions with full reproducibility.

Sounds good but what makes your tool different?

✓ Policy-by-policy calculations delivering all required IFRS 17 disclosure information.

✓ Extensions for cash flow modelling, economic scenario generation, and IFRS 9.

✓ Single IFRS 17 SaaS model that can be easily customized.

✓ Full governance: integrated version control of models and scripts in a repository.

✓ Big Data ready: easily handles the largest portfolios in a single run.

✓ Visualised processes and intelligent workflow automation.

✓ Managed by Aon 24/7 with guaranteed availability and access for business users.

Did you know..?

▪ PathWise® is being used in the world’s first IFRS17 implementation for Kyobo Life.

▪ The 100+ hours Sun Life needed to produce financial results has decreased to less than one day.

▪ PathWise® is used globally by Life Insurers in North America, Asia, Africa and Europe.