

FiNCAD F3 for Insurers

Cutting-edge risk and analytics platform, helping insurers optimize the performance of their balance sheet assets

Industry Challenges

The insurance industry has encountered challenging paradigm shifts in recent years and will need to react quickly to a dynamic landscape in the years to come. Solvency II has fundamentally changed the way insurance balance sheet management is undertaken. Today regulatory capital optimization is just as important as generating returns for shareholders.

The analytical benchmark has raised significantly as portfolio managers are now challenged to hunt yield across an enlarged and increasingly esoteric asset universe. As such and in order to meet regulatory requirements, optimize capital and maximize profitability, the insurance industry is now required to equip itself with cutting-edge tools to decompose investment portfolios. FiNCAD F3 for Insurers provides all the forensic pricing, risk, capital and valuation technologies required for insurers to outperform their peers in meeting these new challenges. Insurers can be confident in the enterprise reliability and operational readiness of F3, combined with FiNCAD's expertise in the insurance industry.

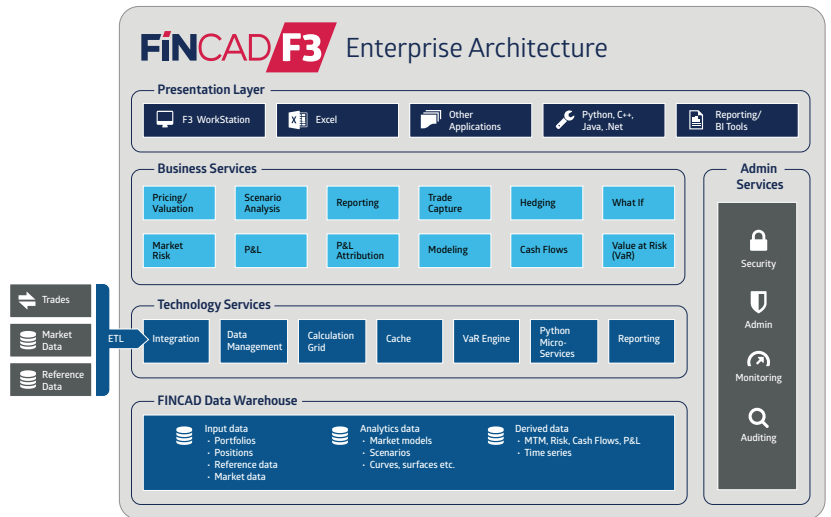
The Solution

FiNCAD F3 for Insurers has been specifically designed to help insurers optimize the performance of the assets held on their balance sheets. At its core, F3 offers unrivalled asset modelling capabilities, enabling portfolio managers to decompose even the most complex instruments into their constituent building blocks. This fundamental capability is the foundation for a suite of analytics which have been specifically designed and tested for insurance workflows:

- **Pricing, Risk and Valuation:** F3 is fundamentally different to black box asset modelling systems which constrain portfolio analysis to a narrow asset universe. F3 offers unparalleled coverage of any asset class or instrument under consideration for strategic or tactical asset allocation.
- **Solvency II Internal Model Reporting:** F3 is the market leading Solvency II risk and capital analytics platform. Internal Model authorized firms need powerful analytical tools to sustain approvals under both the Matching and Volatility Adjustment. F3 for Insurers delivers mission-critical reporting as a core service, in technology agnostic mediums, to all business users.
- **Discounting:** Fair valuation of liabilities is now essential. F3 integrates both the bottom-up and top-down approaches to yield curve construction under IFRS 17 and seeks alignment between accounting and capital frameworks.
- **ALM Optimization:** Today, portfolio managers must go further than simply optimizing asset allocation to known liability benchmarks. Minimizing the use and volatility of capital is key, as are delivering positive returns on risk budget and regulatory capital.
- **Dynamic Scenario Analysis:** F3 is not merely an analytics library, it is an integrated technology ecosystem. The powerful solution offers unlimited capabilities for creating scenarios (natively or via ESG's), collecting and persisting data and creating user-defined curves and models. Workflow generation is available in developed software mediums, fully-codified Software Development Kits (SDK's) or can be integrated with existing solutions.

FINCAD F3 Technology

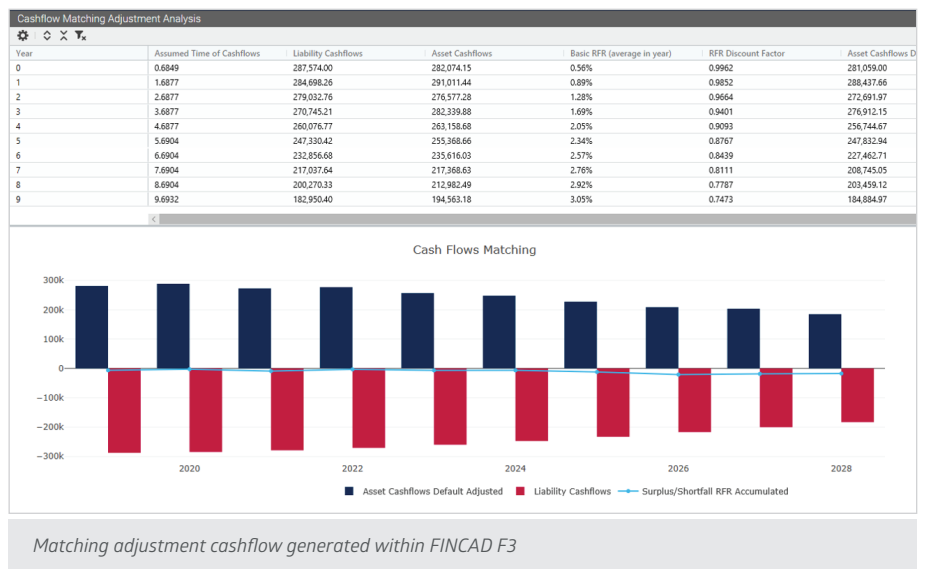
F3 for Insurers' high performance, distributed architecture is designed to run efficiently and scale with the complexities of your balance sheet. Deployable on-site or via a hosted service in the cloud, the solution offers the fast delivery and ease of use of off-the-shelf software, combined with supreme flexibility for customization.



Workflow

F3 for Insurers is both powerful and unique. It offers a full suite of workflow-enabled presentational utilities that can be independently deployed to specific business users. Additionally, F3 retains an open solution architecture and, at the same time, sustains complete analytics and data consistency across the organization.

No competing analytics platform can deliver the same combination of insurance specialization alongside F3's inherent extensibility and customizability. In practice this means that developers, risk analysts and quants can freely extend analytics capabilities in Python, Java or C++ whilst business users consume battle-tested business reports via our GUI, F3 Workstation – or operate at any point in-between of their choosing.



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About FINCAD

FINCAD is the leading provider of valuation and risk solutions for derivative and fixed income portfolios. An industry standard since 1990, our advanced analytics, flexible architecture and patented technology enable better investment and risk management decisions. We are committed to helping our clients solve their toughest challenges, without compromise. Clients include leading global asset managers, hedge funds, insurance companies, pension funds, banks and auditors. For more information, visit fincad.com.

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