



ADDACTIS® Worldwide: adapting to a fluid market

Julie Laroche, senior consultant at ADDACTIS® Worldwide, explains the developments the company has made to its software as it looks to meet ever-evolving clients' needs

Do you think the market was ready for the move to Solvency II this year?

Companies have been preparing for Solvency II for years. But while you could have expected everyone to be ready it's not the same to be prepared for a marathon and to run it.

In particular, a lot of companies were quite late in preparing for their reporting requirements and not many were fully ready for this. For one, there are a lot more reports than in the test runs, which is something insurers are having to deal with now. Moreover, for a lot of companies, the reporting is still produced manually or thanks to no more maintained tools. This is why the May 2017 annual reporting submission is one of the biggest SII challenges in terms of IT and data.

How are you supporting clients in the Solvency II reporting process?

We have developed ADDACTIS® reporting Solvency II software called ADDACTIS® Pillar3. This allows the calibration of data into the XBRL format as well as allowing you to perform a whole set of checks to enable testing before sending reports to the regulator.

We have also focused on automating the data mapping processes through our ADDACTIS® Modeling software. This contains a mapping feature to feed data into ADDACTIS® Pillar3.

When you have carried out your first year set-up, the software will automatically map it for future years. And it is a big competitive advantage to have pillar 1 calculations mapped into ADDACTIS® Pillar3.

The first quarterly submissions were a success as we supported almost 100 solo submissions and about 20 group submissions in 9 different European countries.

What changes have you made to the software in the last twelve months?

There are always changes in the regulation so you have to update your software regularly. We have seen an increase in companies, especially smaller ones, looking for all-in-one solutions. In order to facilitate this we decided to provide them with a new tool: ADDACTIS® One. This reporting software will be an all-in-one package that will incorporate the pillar 1 calculations with a direct data mapping.

We have also been incorporating new taxonomies into the

software. For example, we developed IFRS reporting modules for different countries in Latin America, having just opened an office in Bogota. Indeed, industrialisation of actuarial processes is not a need limited to Solvency II. Countries outside Europe are also willing to increase reporting automation in order to avoid operational risk due to manual handling as well as to be fast enough to meet short deadlines.

We are also in the process of adding a reporting tool into our reserving package ADDACTIS® IBNRS® to automate data mapping for pillar 3 reporting.

We are also adding a USP (undertaking-specific parameters) module for the pillar 1 calculations.

More generally, we are thinking of new interactions between our software, for example with our ADDACTIS® Pricing tool. As we are planning to add portfolio projections in this tool we could link this software to our modelling platform ADDACTIS® Modeling.

What is your view on the evolution of your software?

We have been working to interconnect software in line with promoting a global approach to our services. As well our current offices in seven countries we have a partnership in Italy, one in Asia with one being set up in Switzerland and are looking to the establish presence in African markets very soon. This focus on geographical expansion is a key part of our strategy for the evolution of ADDACTIS® Worldwide with ADDACTIS® Software. And we already serve our big clients all over the world (more than 50 subsidiaries of our bigger clients are using our software).

How are you looking to develop as global player in the actuarial software market?

New technologies, digital information, big data, complex algorithms... there is a huge enthusiasm in today's world about all these buzzwords. And the reality is that the re/insurance industry is still far from exploring all the possible techniques and positive outcomes of data analytics. Our big challenge for the next years will be to show our capacity to support re/insurance companies to move into this new world, thanks to our deep knowledge of the insurance industry and our actuarial expertise. ■

Julie Laroche

T+33 (0)2 526 13 10, E: Julie.laroche@addactis.com