PSAK74 – Technology Enabled!
NUR HASAN KURNIAWAN – CEO APACINSURTECH

Nanang has 25 years of experience in the Financial Industry in Insurance and Pensions, with his last role as Chief Employee Benefits at Manulife Indonesia. He is the Chairman of the DPLK Association. He is often invited to be a speaker in various international and domestic seminars, most of which are related to pension issues. He works with regulators (OJK, Ministry of Finance and Ministry of Manpower) as an expert in several regulations related to the Pension Program, Insurance and Social Security.

Dr. LUDOVICUS SENSI WONDABIO, CPA, CA – ACCOUNTING ADVISOR - APACINSURTECH

Sensi has over 30 years of experience in auditing with a specialization in accounting and auditing for the insurance industry, life insurance, reinsurance, pension funds, banks, telecommunications, hotels, shipping, manufacturing, hospitals, real estate, oil and gas. He is Member of IAPI and, as a member of the Committee of Disciplinary and Investigative from 2017 until now, he plays an important active role in the accounting association organization.

I GDE EKA SARMAJA, FSAI – ACTUARIAL– APACINSURTECH

Gde has 20 year of consulting and insurance experience, he spent 3 year as Director for Health and Wealth Business of Mercer Indonesia. Prior to that, Gde was a senior leader in Manulife’s Employee Benefits business – Head of Employee Benefits Business Development and Head of Group Life and Health business. His last position was the CFO of Syariah Business. Prior to Manulife, he spent 9 years with Towers Watson Indonesia with last position as Director & Country Business Leader.
Your Hosts for the Session

MARK MILLER – IFRS GLOBAL LEAD AND HEAD OF CLIENT ADVISORY – Legerity
Mark is a qualified accountant (ACA) with over 20 years of experience of finance change programs. Mark initially trained with PwC in the insurance practice. He has been involved in multiple accounting and IFRS implementations and is the global lead at Legerity for IFRS 9, 15, 16 and 17 programs.

PETER HASLEBACHER – HEAD OF APAC (HONG KONG) – Legerity
Previous COO Sungard Insurance Asia with responsibility for the insurance solution business (including Prophet) in Asia Pacific, covering Hong Kong, Singapore, Japan, Korea, Australia and India. A highly experienced business development and delivery executive with 20 years in the insurance sector. Maintains an extensive business network throughout Asia.

ANDRIES BEUKES – PARTNER – MBE Consulting
Andries is a Partner at MBE and responsible for the strategic planning of Actuarial Solutions. With over 15 years’ experience in the Life Insurance industry and a qualified Actuary, Andries has worked in a broad range of projects. He is passionate about delivering practical advice and solutions to support the needs of the financial services sector. As a consultant Andries has focused on the insurance industry and has a proven record of excellent management, leadership, decision-making and interpersonal skills.
WHO WE ARE AND HOW CAN WE HELP
Partnership Introductions

APACINSURTECH (Hong Kong & Indonesia), Legerity Financials (IFRS17 Solution) and MBE (Gap Assessment Solution) have teamed up to help insurers in Indonesia with an end-to-end offer to reach IFRS17 compliance.

The voices of the leaders:

Jeremy Wood (Founder/CEO) Legerity Limited: When it comes to efficient and successful project implementations, we believe delivering the most value to customers requires a global view, but with a strong focus on local presence. That’s why we are committed to this partnership.

Peter Haslebacher (Founder/CEO) APACINSUTECH: Clients want to make the transition to IFRS17 as hassle free as they can. That’s not easy. However, bundling expertise in our partnership will make that a reality. End-to-end from technology to implementation services in an efficient manner will help make the journey as easy as possible!

ANDRIES BEUKES – PARTNER MBE: We are fully committed to this alliance of quality partners!
Partnership Benefits for Customers

- Full range of experts for a smooth and successful IFRS 17 end to end journey
- Local and Regional Presence
- Single point of contact for you as a customer
- Expert level knowhow in Accounting, Actuarial, IFRS 17 Solution Delivery including full range Bureau (Managed) IFRS 17 Disclosure Service
- Economy of scale
- IFRS 17 Community Building
Partnership Proposition

Readiness Support | GAP Assessment

- Data
- Methodologies
- Financial Reporting
- Training

• Level of Aggregation
• Measurement Model
• Assumptions
• Unit of Accounts
• High Level Approaches for Data Mapping
• Transition Approaches
• Accounting principles/policies
• Designing ledger entries
• Disclosures
• Technical Approaches and requirements documented as an input for the Implementation Phase

Implementation Solution through Legerity FastPost

Key Milestones

- Configuration Design
- Data Specification and Mapping
- Live Sample Testing
- Configuring Report Outputs
- Systems installation
- FastPost Software Training
- UAT and Handover
- Typical Timelines

Option 1: Implementation Support and Handover

- Limited
- 5-6 Months*

Option 2: Managed Bureau Service

- 4-5 Months*
Partnership Proposition

Modular Additional Support services available

KKA GD | MBE
Actuarial
• Review actuarial cashflow models
• Review actuarial assumptions
• Create actuarial models

APACINSURTECH
Accounting
• Review accounting policies
• Advise on wider IFRS implementation
• Advise on finance process transformation

Legerity – Accounting Technology Tools
• Wider financial multi gap reporting platform (e.g. IFRS17, IFRS 4, IFRS9)
• Finance process transformation tools
Flow of the Session

Understanding IFRS 17 Readiness and GAP Assessment

A Brief Introduction to FastPost Accounting Solution

Questions and Answers

Appendix : A Brief Introduction to IFRS 17
IFRS 17
READINESS
Considerations when preparing for IFRS 17

- Data Challenges
- Project Governance
- Suitable Tools
- Indications of IFRS 17 Readiness
- Calculations
- Gaining Insight
- Complete Transparency
Our Approach

- We have implemented this approach for multiple insurance companies globally. We are able to customise it to individual client's requirements to suit various aspects such as data availability and current modelling output.

- We share our knowledge with the client so that they fully understand the results and where they come from. In this way, it provides training on various aspects of PSAK 74.

- It is an holistic approach, looking at the most important parts of the balance sheet, income statement and disclosures.

- Provides a view of multiple approaches/decisions before the client has to invest in a strategic solution. This assessment then informs that decision.
IFRS Assess Tool

IFRS Assess is a cost-effective modelling solution that assists clients in understanding the impact of PSAK 74 on all areas of the business.

Key Features
- Supports investigations and effective and efficient decision-making processes in all areas required by PSAK 74 regulations.
- Flexible spreadsheet-based solution that allows users to customise it for specific product features and reinsurance structures.
- Supports scoping, design and planning of the system landscape affected by PSAK 74.
- Demonstrates to stakeholders how key financial metrics e.g. P&L and Balance sheet, are likely to differ between PSAK 62 and PSAK 74.

IFRS Assess will enable you to easily model and compare:

- Key financial metrics under PSAK 62 and PSAK 74
- Profit cashflows and present value of future profits
- Fair value vs retrospective approach
- Contractual service margin run-off methods
- Risk adjustment calculations
Recommended Next Steps

Operational challenges must be overcomed and we must be ready with the following:

- Complete a GAP analysis / initial assessment
- Review Contracts and choose the Groups and Portfolios
- Review pricing, reinsurance arrangements and rider attachments keeping in mind contract boundaries
- Take accounting policy decisions in conjunction with auditors and actuaries
- Determine the data and system implications and be ready with upgraded systems, processes and resources
- Effective Training and Team Building
- Start Immediately and do not wait for 2023
- Appropriate Project Management is essential
- Get the appropriate internal and external resources onboard to assist

Effective Implementation Date - 1\textsuperscript{st} January 2025 with comparatives for 2024
INTRODUCTION TO FASTPOST
Agenda

• Familiarization with the Legerity FastPost Solution

• Demo FastPost IFRS17 in Operation
LEGERITY CREDENTIALS

FASTPOST – PRE-CONFIGURED

- Insurance contract measurement and management
- GMM, PAA, VFA Reinsurance
- Enterprise class finance solutions live since 2018
- Configurations to support multiple use cases
- Accounting Standards, Insurance Transformation,
  - IFRS 4,9,15,16,17, LDTI, US and multi GAAP
  - Allocations, Aggregation, Consolidations, etc
  - Client specific processes
- Audit, Control & Data Lineage are in our DNA

SCALABILITY & FUTURE PROOF

- Delivered via the Cloud. Massive scalability
- PaaS or SaaS fully managed service options
- On demand computing, adaptive pricing
- 3rd generation with future proof design
- Rapid integration, non disruptive, Open APIs

EXPERIENCE TO DELIVER

- Industry innovators over 28 years
- 100+ finance & accounting change projects
- FastTrack implementation methodology
- SME “A” team that will deliver
- Innovation, trust, integrity, customer success

FASTPOST CUTTING EDGE TECHNOLOGY

- JAVA
- IN MEMORY DATA GRID
- OPEN & EXTENSIBLE
- COLD START PERFORMANCE
- SPEED ENHANCED
- DATA SCIENCE ENGINE

CLIENT IMPLEMENTATIONS AND ACTIVITY

Legerity was named a Category Leader in the Chartis Research report, “IFRS17 Technology Solutions: Market and Vendor Landscape 2020,” a report that assesses leading vendors of IFRS 17 solutions.
DELIVERING IFRS 17 – END TO END SOLUTION

Source Systems
- Policy Admin System
- Claim System
- Transaction & Reference Data
- Actuarial and Risk Systems

Data Manager / Integration Layer

Calculations

ARE & Subledger

Data Layer

Reporting Data Store

Output
- Journal Extract
- Reports / BI
- Extracts
- Customised Reports
IMPORTANCE OF AN IFRS17 REPORTING FRAMEWORK

- Ledger Tables
  - CofA
  - GAAP
  - Currency
  - Period
  - Unit of account

- Data Tables
  - Balances
  - Journals
  - Events / Transactions
  - Cashflows

- Client Tables
  - Entity
  - Segments
  - Policy Group / Portfolio
  - Reference data (Rates, Yield Curves etc)
FASTTRACK TO Legerity FASTPOST

FastPost Express – Out of the Box

End to End Solution

Project Accelerators

IFRS17 Disclosures

Source Systems
- Policy Admin System
- Claim System
- Transaction & Reference Data
- Actuarial and Risk Systems

Calculations
- Berthold
- IFRS17
- IFLEX
- Actuarial
- Multi-IED
- IFRS16

ARE & Subledger
- Journals Posting
- Subledger
- Audit & Control

Output
- GL Journals
- Reports / BI
- Extracts
- Customised Reports

IFRS17 Express

Data Manager/Integration Layer

Reporting Data Store

Disclosures: Measurement component - insurance contracts not measured under the IFRS17

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“Legerity FastPost Express enables us to deliver both IFRS17 and IFRS9. With its powerful rules-based architecture and complex allocations module, we will be able to deliver levels of finance transformation that will have benefits across the business. We sought a respected partner with a modern enterprise grade software solution and found this in Legerity”.

Abdulrahman Mohammed Al-Dakheel, General Manager at Buruj Co-operative Insurance

“Proud to be part of this team effort! No one can whistle a symphony alone; it takes a whole orchestra to play it and that is exactly what we did and still do: combining the expert resources on regional, country unit and Legerity to get the IFRS17 challenge done!”

Gea Keijsters, Aegon International IFRS17 project

“When reviewing solutions in the market we identified Legerity FastPost as the most complete and flexible solution to address our IFRS17 needs. It will also help us to widen our vision for finance transformation. Legerity quickly established itself as a trusted partner, committed to our success, which was an important consideration in selecting the right vendor.”

Karine Morel, Senior Manager – Group Finance at Swan
LINKS TO USEFUL FASTPOST IFRS17 SOLUTION AND DELIVERY INFORMATION

legerityfinancials.com/ifrs17-express

legerityfinancials.com/ifrs-17-explained

legerityfinancials.com/technology

Transition Webinar
Reinsurance Webinar
PLEASE CONTACT US IF YOU REQUIRE MORE INFORMATION

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