

MBE
consulting



Making Business Evolution

mbeconsulting.it

*Who
We
Are*



We are passionate about adding value, and our blend of experience and expertise is what makes our advice unique.

About MBE

- MBE Consulting is a specialist consultancy with a reputation for insight and innovation within the financial services.
- Drawing from a diverse range of skill sets and disciplines, we are responsive, creative and highly motivated. We excel at successfully delivering projects helping our clients become more efficient, effective and profitable.

Experience

- MBE Consulting has gained deep expertise in Actuarial and Risk Management, Risk Mitigation and Pricing, Finance Transformation, Pension / Retirements Services and Welfare / MGA Support.
- We have gained deep expertise in IFRS 17, working in multiple countries, our approach has been proven with several business and financial assessment.

Making Business Evolution

- MBE Consulting is a Centre of Excellence. An integral element of the MBE ethos is to embrace progress and create solutions where they do not already exist. Our in-house software systems and tools have been developed by industry insiders to provide relevant solutions to real-world, specific challenges.



*Our
Strategic
Approach*

Flexible and fast cooperation models are sought, whereby it is possible to embed new operative processes and a new culture. MBE can identify new trends and develop new cooperation models with an Open Innovation approach.



Strategic partnership

- MBE Italy is the open innovation initiative of **Oliver James Associates**.
- Due to changes in markets and financial models, the traditional business services model, based on generalist knowledge, is now inadequate. Mobility in the job market makes it always more challenging to hold talents and to maintain stable teams with multidisciplinary expertise.
- Based on agreement on project objectives and background, MBE expert could select the most adequate cooperation model aiming to achieve the expected outputs and leveraging on the Oliver James network.

Cooperation models

Traditional consulting services / outsourcing

- Achievement of specific objectives through the direct commitment on projects or coordination of working group or specialised personnel alongside the client staff.

Temporary resourcing

- Secondment of junior / experienced people based on the strategic partnership with Oliver James and the multidisciplinary expertise of MBE management.



*Our
Range of
Services*



We are responsive, creative and highly motivated. We deliver long-lasting, individually tailored programmes, which meet the demanding requirements of the financial services sector.

The MBE team applies a range of actuarial skills to enable clients in the financial services sector to optimise their risk management frameworks, maximising value while complying with regulatory requirements.



Actuarial and Risk Management



Risk Mitigation and Pricing



Finance Transformation



Pension and Retirements Services



Welfare and MGA Support

The MBE team has developed an internal Centre of Excellence (CoE) on **financial modelling** using advanced technology solutions.



Through our international experience and in-depth industry awareness, we are able to add real and lasting value.

Our actuaries have provided consulting across numerous facets of the insurance industry for more than 20 years. We have provided actuarial analysis and oversight, risk management, and analytics for life insurance companies, reinsurance companies, and international consulting firms.

Actuarial

- Implementation, simplification and redesign of actuarial valuation processes
- Profitability analysis, capital management and Asset and Liability Modelling (ALM) Peer review of reports performed by the client's in-house actuarial department
- Calculation of capital requirements and other financial reporting metrics (Local / SII / IFRS / USGAAP)
- Business plan and business strategies based on regulatory compliance (ORSA and Capital Projection)

Risk Management

- Regulatory Reports (Model Documentation, Solvency and Financial Condition Report, Regular Supervisory Report, Quantitative Report)
- Risk mapping, monitoring risk framework and risk indicators report
- Data Governance and data quality framework
- Design and implementation of risk management tools and tableau de bord
- Mapping and design of business processes
- Top management technical training



Help our clients meet their business goals, ensuring an attractive return on investment in us. We strive to be an integral part of our clients' management team, building long-term relationships based on trust, valued insight, and exceeding expectations.

We provide actuarial consulting services in the reinsurance strategy and pricing support for protection & health insurance products.

Reinsurance

The level and type of reinsurance approach in place can have a large effect on profitability. We can assist in investigating the financial impact when varying reinsurance arrangements and retention levels. This is performed using statistical modelling, and results in a probability distribution of profits across various scenarios.

Pricing models

We have strong experience in pricing protection and health insurance products. We can assist in specific medical product development and pricing, and subsequently track results. Our services include:

- Identification and research of the target market
- Product design and pricing with sensitivity testing
- Competitive analysis and business plan projection
- Asset share and cash flow analysis
- Policy illustration and analysis of capital required
- Measurement of return to policyholders and shareholders
- Analysis of existing experience for mortality, lapsation, investment and expenses



Our solutions are always tailor on needs and circumstances. Our regulatory and product management expertise help stay in compliance and achieve approval from state officials for these often challenging technical projects.

Our insurance experts provide a variety of technical services designed to help insurers manage and understand the vast amount of information that they collect. In this area we recognise the innovation challenges stemming from **International Financial Reporting Standards for Insurance Contracts**.

- Training and workshop activities (onboarding of people, top management key information)
- Operative impact analysis
 - Identification of gaps and activities related to processes, systems, data, people and KPIs;
 - Prioritization of activities depending on objectives;
- Accounting impact analysis
 - Simulation of economic insurer position in several potential scenarios;
 - Definition of disclosure items and corresponding gap analysis about data required;
 - Reconciliation about solvency II and IFRS 17 data and results
 - Simulation of First Time Adoption and transition impacts
- Business impact analysis
 - What if analysis and impact of business mix and product design, ALM and investment, risk mitigation using reinsurance and hedging
- Master plan design and roadmap implementation



Strategic analysis of data using Data Analytics provides you with information that can give you a competitive advantage and make you more profitable.

Our insurance experts provide a variety of analytical services designed to help insurers manage and understand the vast amount of information that they collect. Given a complete and robust dataset, Data Analytics can be used to address a number of operational areas of the insurer.

Some uses of Data Analytics include:

Product management

- Pricing plan development using instant tickets
- Pricing variables identification and testing (statistic support)
- Develop individual risk scoring procedures for underwriting

Underwriting, claims and behaviours

- Fraudulent claims identification with support of data analysis
- Establish more accurate case reserving practices.
- Claims analysis based on likely size of the settlement to reduce underwriting risk
- Behavioural analysis for fast closing and ALM dynamic valuations

Sales and marketing

- Develop information to use in customer analysis and create an advantage against competitors
- Analyse the purchasing patterns of the customers.
- Determine the adequate model score that meet the sales expectation of applicants
- Focus on customers with buying appetite, increase hit ratio.
- Better predict insured's reactions to product/pricing changes.



Our objective is to design or suggest the retirement plan that best meets the financial and human resources needs of you, the plan sponsor, as well as your employees.

Our insurance experts and retirement plan advisor affords a unique combination of actuarial, legal and administrative talent that enables us to efficiently design, implement, and administer all types of retirement plans.

- **Actuarial Retirement Valuations**
 - IAS 19 – employee benefits
 - Test Plan for compliance with regulations
 - Valuation of benefit distribution packages
- **Pension Fund Governance**
 - Pension Fund Representative
 - Supervision of the work of service providers
 - Supervision of compliance with legal requirements
 - Monitor of investment policy
 - IORP II
- **Medical funds**
 - Actuarial, statistical and financial assessment
 - Accounting support
 - Training for the Board



Our objective is to provide insurers with a complete web-based solution which cover the whole commercial, technical and management process. Our MGA support permits insurers to develop Welfare Business reducing new business set-up costs.

MBE supplemental health actuarial expertise includes but is not limited to the following products:

- Accident/Sickness Expense
- Hospital Confinement/Fixed Indemnity
- Critical Illness/Specified Disease
- Short Term Disability
- Accidental Death & Term Insurance
- Gap Medical

Actuarial Services

Through our first hand experience in welfare consulting practice MBE increase clients' chances of success with new supplemental health products or reviewing their operations (underwriting procedures, claims processes and data analysis) to ensure consistency with product design.

MGA Support

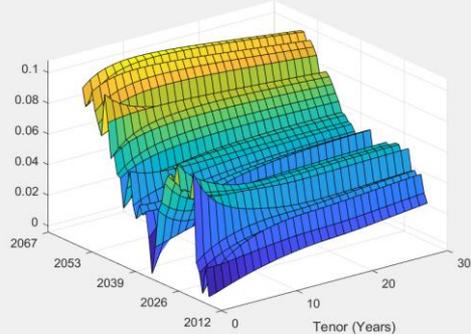
MBE has distinguished itself offering a Managing General Agent (MGA) service for all lines of supplemental health business. Our ability to design the technical products background permits our senior actuaries to present the insurer the whole process (front end / back end activities, recommendations about “in-house” or “full-outsourcing” activities) and complete web-based solutions.

Based on this approach, MBE represents a strategic resource that companies can use to reduce their fixed costs while increasing the market share, the efficiency and value of their welfare operations.

*Our
Technology
Expertise*



Evolution of the Zero Curve for Trial #1 of G2++ Model



Surface Tool is a user friendly interface designed to support the entire process of generating market-consistent scenarios (Solvency II balance sheet, MCEV, Fund Rate valuation, IFRS17) in an intuitive and easy-to-use environment.

The competitive cost of the **Surface Tool** permits a huge cost reduction against the complexity of the scenario generation process.

The interface combines calibration, simulation and validation of scenarios using the two-factor additive Gaussian interest-rate model (G2++ Model)

End-to-end scenario generation process

	Calibration	Integrated function, Optimised model parameters, Fit quality output
	Simulation	High Speed, Convergence testing on-the-fly (re-sampling), Variance technique options
	Validation	Automated martingale testing, Quartile distribution testing, Cash return testing
	Reporting	High Speed output production, multiple format output, Validation Reporting analysis

Our clients have two ways to access the Surface Tool

- Client purchase the Surface Tool directly, which is deployed with quarterly calibration updates and comprehensive training and support. Full documentation is provided, including a user guide, detailed technical manual and calibration document describing the models (coding), assumptions, limitations, calibration and validation processes.
- Clients purchase pre-generated simulations which are tailored to each client's specifications. These include documentation showing the calibration and validation of the simulation set.



RAF tool scope

Pillar I: changes in individual risk exposures based on base scenario and sensitivities

Pillar II: changes in individual risk exposures based on Business Plan and alternative scenarios
Sensitivities Analysis: market movements and alternative strategic decisions

Tool objectives

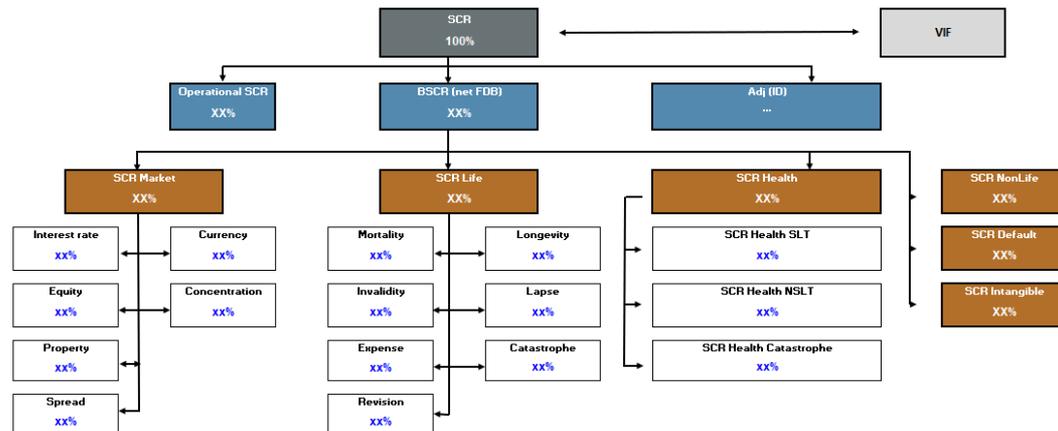
The RAF Tool allows a suitable management of Risk Appetite Framework (RAF) based on the regulation objectives:

- coverage all the risks to which the company is exposed, including those not covered by the standard approach
- consider future premium income on the horizon of the business plan

Based on the regular Solvency II assessments, the tool aims to provide quick results, in term of direction and intensity, corresponding to a defined stress.

Risk budget monitoring and scope

- The tool allows to monitor and manage(in advance) the thresholds of allocated budget risk for each modules\sub-modules.
- The tool covers Life Business / Standard formula





*The Competence
Centre of MBE
Consulting is
committed to rolling
out the best practices
across the European
countries on complex
and innovative
activities. In Italy our
expertise on Prophet
modelling covers
more than 15 local
and international
insurers.*

iWorks Prophet

Over the past 15 years MBE has made a concerted effort to develop a powerful global team of Prophet specialists.

The MBE team has been supporting insurers in modelling the life and non-life business for European legal entities, helping internal actuaries to design, develop, test, enhance and run the models for various valuation requirements.

The main modelling areas are related to:

Asset:

- Asset Liability Strategy (ALS) coding (several version of ALS Library)
- Sensitivity analysis
- Real World and Risk Neutral valuations

Liability (Life and Non-Life)

- International / French / Conventional liability coding
- Reserving / Capital Modelling General Insurance Library
- Set up of dynamic and stochastic valuations

Accounting

- Coding of business requirements for Local / US GAAP / IFRS 17

Risk

- Coding of business requirements for Solvency II (Standard Formula, Partial Internal Model) and Swiss Solvency Test.



*Our
Clients
Testimonials*

Some Clients and Testimonial in our first 12 months



*Helping clients
achieve their
objectives is our
priority. Creating a
long-lasting
relationship with
them, the best part of
our job.*

We are just months away from beginning of our activities and several companies had already relied on MBE Consulting services, reaching their goals in compliance, risk management, process improvement and, of course, business.





*Our
European
Locations*



Based in the Italy, in an increasingly connected world, MBE strives to be truly international, having assisted clients in a variety of projects around the globe.

Milan



The main team (about 20 people) with experience in IFRS17, Risk Management, Actuarial and Reinsurance

Rome



Business unit with experience in Pension and Retirements Services

Athens



Opening Business Unit with experience in Risk Management and Audit Support

A strong collaboration is in place with Data Sentic (www.datasentic.com), based in Prague, to address projects on data analytics.



*Our
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