



Accelerating Your Accounting Change Journey

Introducing LDTI Express for Insurers

August 2021



Addressing the end-to-end requirements for an LDTI implementation can be a daunting task for insurance organizations. From developing accounting policy and actuarial models to managing required data for disclosures and reporting, stumbles at any step in this process can put the implementation at risk for failure. In this paper, we further describe these challenges and offer insurers a possible solution, **LDTI Express**.



Challenges in Redesigning Management Information

— More extensive disclosures

- LDTI disclosures will present more information that will need to be validated and explained (including comparisons to prior period projections).

— Changes in understanding the emergence of profit

- Explaining the factors driving the emergence of profit and loss in the current period will become more complex.
- Structural changes such as the separation of direct and reinsurance results, the delinking of assets and liabilities and the behavior of large transition blocks, further complicate analysis and introduce new factors which need to be analyzed and explained.

— Increased granularity of analysis and other data challenges

- Effective validation and explanation of results will require analysis at an LDTI cohort level (and at a lower level of aggregation in certain cases). Additional alignment of financial and actuarial data will be necessary.
- Producing analysis at this more granular level and managing and sourcing the data required to do so can present a significant challenge.

— Changes to existing reports, KPIs and related analyses

- To be fit for purpose, existing reports, KPIs and related analyses will likely require significant modification or complete redesign as existing off the shelf solutions lack the depth and breadth of analysis to fully understand and explain results under LDTI.



What is KPMG LDTI Express?

Our solution is a subledger that produces journal entries, LDTI disclosures, and management reporting.



Integrates and Stores Data



LDTI subledger and general ledger entries



Management Reporting







Produces LDTI Disclosures



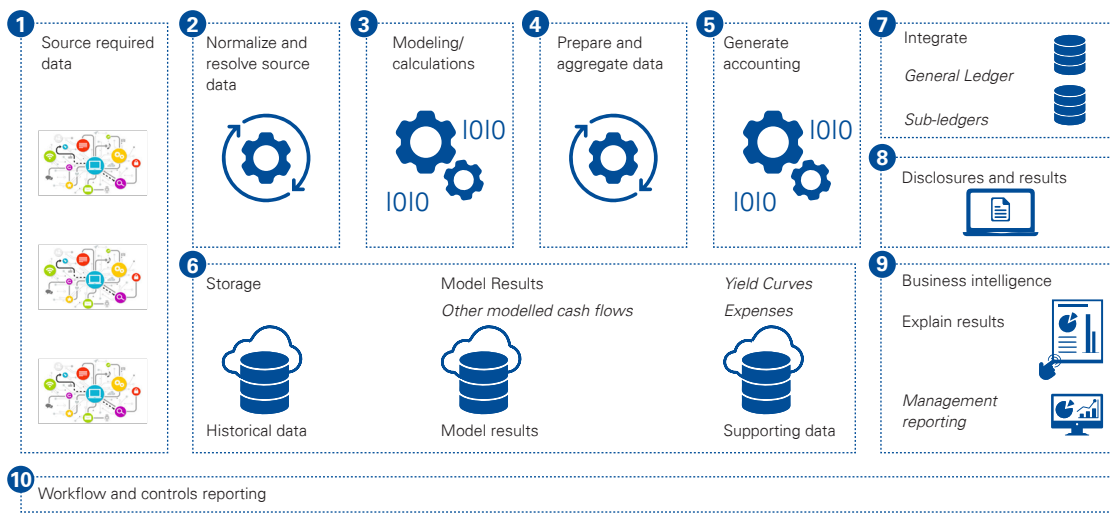
KPMG Value Proposition

KPMG's LDTI Express is a technology agnostic solution which takes discounted cash flows produced by a Company's actuarial modelling platform and generates journal entries and LDTI compliant disclosures.

<p>Business-led, tech-enabled digital acceleration</p> 	<p>Modern applications powered by low code</p> 	<p>Alignment of accounting, actuarial, and technology teams</p> 	<p>Use of accelerators to get to results quickly</p> 	<p>Deep industry expertise and cutting edge industry solutions</p> 	<p>Cost effective solution that can be easily configured</p> 
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How does LDTI Express work?



Contact us

The KPMG insurance professionals know how to transform today's uncertainty into opportunity for our clients. We view our insurance clients' current challenges as possible breakthroughs that can transform their operations and create a sustainable advantage.

Please reach out to us today to learn more about LDTI Express and see how KPMG can help your organization with its LDTI implementation.



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