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## Provinzial NordWest extends the use of Aquantec Ocean to the ORSA process

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Provinzial NordWest Holding AG (PNW) and Munich-based Aquantec AG are pleased to announce the successful completion of a joint project implementing extensions for Solvency II and Own Risk Assessment. Based in Münster, PNW is the parent company of the Provinzial NordWest Group, which comprises regional multi-line insurers in Northern and Western Germany. With 3 billion Euros in annual premium income and over 21 billion Euros in assets under management, PNW is the second largest public-sector insurance group in Germany.

PNW has been employing *Aquantec Ocean* in their investment controlling since the first quarter of 2012 for the following purposes:

- calculation of economic and accounting figures for all investment products including indirect and illiquid holdings,
- extensive risk analyses of the investment portfolio,
- projections of liquidity and profit & loss calculations.

The dynamic portfolio simulation of *Aquantec Ocean* provides information that supports the strategic asset allocation and the business planning of PNW by generating detailed results of future effects in risk and portfolio development.

In the joint project, Aquantec has enhanced *Aquantec Ocean* to accommodate the requirements for Solvency II with an emphasis on Own Risk and Solvency Assessment (ORSA). The following aspects have been implemented:

- portfolio valuations according to Solvency II requirements,
- implementation of the Solvency II scenarios with the standard formula and with internal stress factors and their application to the entire portfolio,
- application of Solvency II scenarios for forward-looking projections and in various simulations and stress tests,
- representation of a customer strategy based on equity dividends.

“Since 2011, our experiences with Aquantec as a project partner have been entirely positive. We have been using the software *Aquantec Ocean* extensively since 2012. It enables us to meet the current ORSA requirements and provides the flexibility to easily adapt to future regulatory challenges for our investment management. PNW complements its range of solutions for the calculation of economic, accounting, and regulatory valuations under Solvency II and for the identification of risks for the investment,” says Dr. Christoph Heidelbach, senior department head of Investment Management



and managing director of PNW Asset Management GmbH.

Dr. Georg Meyer, CEO of Aquantec AG, comments, “*Aquantec Ocean* was built to harness the complexity of financial markets and to empower our customers to meet dynamic challenges in portfolio and risk management. The modern architecture of our software enables customers to quickly execute on their most challenging demands. The usage of *Aquantec Ocean* at PNW for ORSA demonstrates the high benefits of combining regulatory and accounting calculations with traditional economically driven portfolio management.”

#### About **Aquantec AG**

Aquantec AG provides the *Aquantec Ocean* solution for pricing and trading, portfolio and risk management. Based in Munich, Germany, the company consists of a team of software architects, developers, business analysts, and financial mathematicians. Aquantec provides customers with efficient solutions including software and consulting services for complex financial management needs. For more information, visit [www.aquantec.com](http://www.aquantec.com).

#### About **Provinzial NordWest Holding AG**

The Provinzial NordWest insurance group was founded in 2005 and is one of the largest public insurers in Germany. Its business area covers Westphalia, Schleswig-Holstein, Hamburg, and Mecklenburg-Vorpommern.

Property and casualty insurers Westfälische Provinzial Versicherung AG in Münster, Provinzial Nord Brandkasse AG in Kiel, and Hamburger Feuerkasse Versicherungs-AG as well as Provinzial NordWest Lebensversicherung AG, which serves as a common life insurer, operate under the umbrella of Provinzial NordWest Holding AG.

As an asset manager within the Provinzial NordWest group, Provinzial NordWest Asset Management GmbH aligns its investment process closely with the investment philosophy and strategy of the group. More information can be found at [www.provinzial.de](http://www.provinzial.de).