



Consulting- Actuarial

In-depth Guide

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Within Actuarial, there are two different areas which you could join: Life Actuarial Services and General Insurance. We are looking for graduates who are highly numerate, studying an honours degree or post graduate degree in a numerical or analytical subject (for example Mathematics, Engineering, Physics, Statistics or Data Science). You will need to be motivated to qualify as an Actuary and have a strong interest not just in producing detailed analyses but understanding and communicating the commercial implications of complex topics.

Life Actuarial Services

Life Actuarial Services provides advice to the Life Insurance industry, who in turn provide products which transfer longevity risk (such as annuities), protection products (such as term assurance policies or critical illness cover) and investment related products (such as workplace pensions) Our advice often relies on complex mathematical techniques and covers a wide range of issues including strategic planning, transactions, risk optimisation, process transformation and strategic investment allocation. Joining over 100 other Life Actuarial professionals, you'll develop a broad set of skills as you advise on various practical business issues and work with UK and overseas clients such as life insurance companies, reinsurance companies, venture capital firms, industry regulators, investment banks and retail banks.

We often work in a project management capacity delivering direction and insight from our market experience, or directly alongside the client's actuarial team to assist them in their projects. Here are some examples of past projects:

- We advised a client on the purchase of a life insurance business. We started with a high-level feasibility study to determine if the deal made financial sense. We then performed detailed actuarial modelling to understand the full financial impacts of the transaction and also a detailed review to identify any weaknesses in the business. We reported our findings to the client, which helped to enable the transaction to proceed at the correct valuation for our client.
- We reviewed the capital a company had established to survive adverse conditions. The company had developed different probability distributions for the various risks it faced, for example risks associated with its investments, risks associated with the policies its written and other risks associated with its operations. For each risk, we considered the approach taken and then considered the implications of more than one risk occurring simultaneously. The 'aggregation' required complex mathematics, and clear thinking was needed to ensure that the assumptions were appropriate.



- We developed complex models to help a Life Insurance client understand the impact of external events on its finances and the amount needed to pay policyholders.

General Insurance

General Insurance covers the spectrum of business and personal risks, with types of insurance ranging from standard car and house to more exotic insurances covering satellites, oil rigs or hurricane damage. Changing regulations, new products and developing markets mean that nothing stands still in this challenging and demanding business area. The General Insurance Actuarial team advises general insurance companies, reinsurance companies, Lloyd's syndicates, banks and corporations on a wide range of issues. These include start-ups and close downs of insurance businesses, transactions, risk modelling, capital management liability valuation and catastrophe modelling. Based in London, our team continues to grow each year and has previously worked on assignments such as:

- Building bespoke complex models to support the decision-making of a company looking to establish a new insurance business, considering the likely future scenarios and capital required to support them, as well as risk mitigations in place to protect the business.
- Understanding and validating the interdependencies of different types of extreme risk in a capital model a client had built – and with thousands of moving parts in an extremely technical model, this was no mean feat.
- Acting as the Independent Expert in High Court hearing to enable the restructuring of one of the UK's largest insurance groups.
- Advising a private equity group throughout their acquisition of a large publicly listed Lloyd's insurer, beginning with due diligence to understand the key risks and then looking deeper into some highly uncertain complex exposures to understand the potential risks to the acquirer.

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