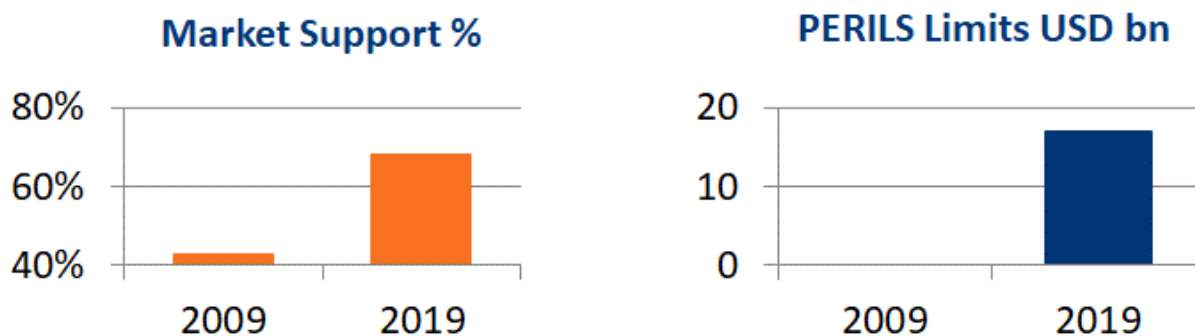


PERILS 10-YEAR ANNIVERSARY MARKS MAJOR SUCCESS OF INDUSTRY INITIATIVE

Data figures demonstrate considerable impact of industry body; Use in risk transfer exceeds initial expectations; PERILS team still sees significant opportunities for growth.

Zurich, 9 September 2019 – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, today celebrates the 10-year anniversary of what has proved a market-advancing industry initiative.

Launched in 2009 as an independent industry body to provide market-wide exposure and event loss data for European windstorm exposures, PERILS has evolved to become a primary source of high quality and up-to-date insurance market data for natural catastrophes across 16 countries and six different perils.



10-Year Key Figures: Over the last decade, the market support for PERILS has grown from approximately 40% to over two thirds of the primary insurance industry in the PERILS covered territories. In the same time period, PERILS exposure and loss data have facilitated a total of USD 17bn of risk capital.

Strong Industry Support

As the company celebrates a decade of service to the re/insurance industry, the scale of the data which supports the PERILS initiative continues to grow. More than 150 national insurance companies currently provide PERILS with natural catastrophe exposure and event loss data. These carriers represent over two thirds of the property insurance premium written in the countries covered by the organisation.

“Our initial aim,” explains Luzi Hitz, CEO, PERILS, “was to secure the support of between 40 and 50 percent of the primary insurance industry in each country. That we are now close to 70 percent across a much broader range of territories demonstrates the ongoing market value of our initial proposition and the continuing demand for what we provide.”

To date the company has produced a total of 44 industry loss footprints based on actual claims data collected from insurers. These footprints represent 15.6 million individual claims and a combined industry loss figure of USD 33.1bn. In addition, PERILS has produced over 100 market exposure portfolios based on collected sums

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insured information. The PERILS portfolios currently represent a total of USD 74.7tn of catastrophe-exposed sums insured spanning 219 million insurance policies.

Triggering Risk Transfer

A further core component of the initial PERILS vision was the facilitation of industry-loss-based risk transfer by providing access to reliable exposure and loss data via an independent reporting agency. To date, over 270 transactions across both industry-loss warranties (58 percent in terms of limits) and insurance-linked securities (42 percent) have been transacted based on PERILS data, equating to more than USD 17bn of risk capital.

“That we have facilitated the placement of USD 17bn in industry loss transactions has by far exceeded our initial expectations,” says Eduard Held, Head of Products, PERILS. “When we launched in 2009, our aim was to generate sufficient data confidence to spark the evolution of the capital market’s interest in European windstorm risk. Ten years later, USD 17bn of limits have been placed across Europe, Australia, Canada and Turkey, which is a fantastic achievement.”

Taking the initiative forward

While the overall scope and scale of the PERILS initiative has far surpassed the initial aspirations of the organisation’s ten industry stakeholders, there is still significant potential for further expansion.

“That vision of providing greater data availability to support improved catastrophe understanding is still as clear today as when we launched in 2009,” believes Mr. Hitz. “Without reliable exposure and loss data the potential margin for error in risk assessment is simply too great and that is why the work we do will remain relevant well into the future.

“There is no reason why PERILS cannot expand to become a truly global data provider if the industry demand for the data we provide is there. We know that there are many more countries that can benefit significantly from the service we provide and are currently working on several fronts to add further territories to the PERILS Exposure and Loss Database. And of course, we are open to discussions with insurers in other geographies.”

“It is also important to acknowledge that the benefits provided by our exposure and loss data are not limited only to larger, more mature insurance markets,” Mr. Held adds. “As the protection gap continues to persist, we are working with countries in emerging territories where enhanced data availability can boost levels of insurability for regions often heavily exposed to natural catastrophes.

“Looking ahead, we continue to see huge opportunities for PERILS to extend its value proposition into new areas, and fully believe that the next ten years will prove as dynamic and stimulating as the previous decade.”

About PERILS

PERILS is an independent Zurich-based organisation providing industry-wide natural catastrophe exposure and event loss data. The PERILS Industry Exposure & Loss Database is available to all interested parties via annual subscription. The database contains industry property sums insured and event loss information on a CRESTA zone

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level and per property line of business. PERILS industry loss estimates provided via the PERILS Industry Loss Index Service can be used as triggers in insurance risk transactions such as industry loss warranty contracts (ILW) or insurance-linked securities (ILS). The service currently covers the following 16 countries: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Sweden, Switzerland, Turkey, and the United Kingdom. The use of PERILS exposure and loss data other than in conjunction with a valid PERILS License and according to its terms, by a Licensee or an Authorized User as defined in the License, is illegal and expressly forbidden.

More information can be found on www.perils.org

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