Quarterly InsurTech Briefing Q3 2020

October 2020

Willis Towers Watson

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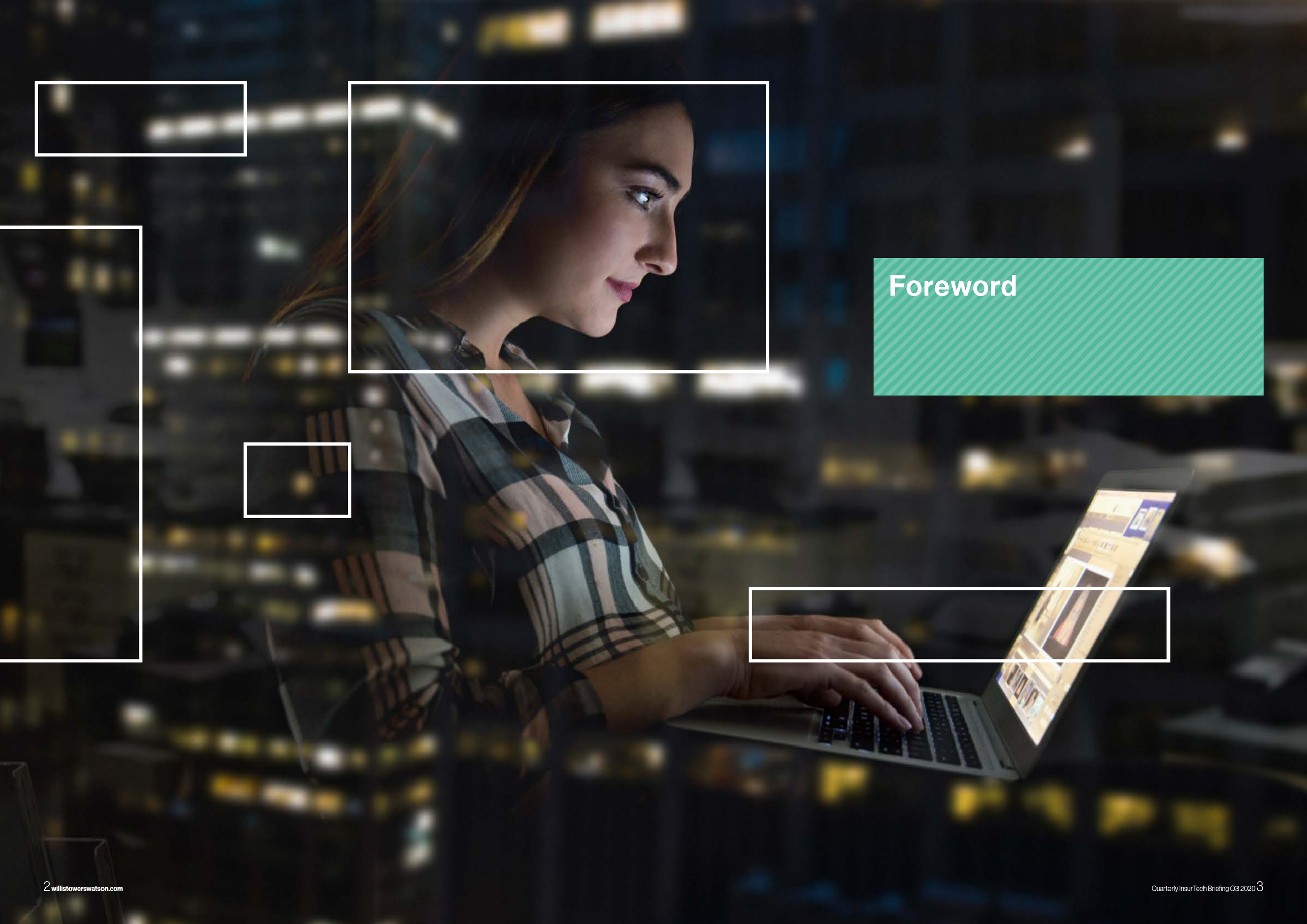
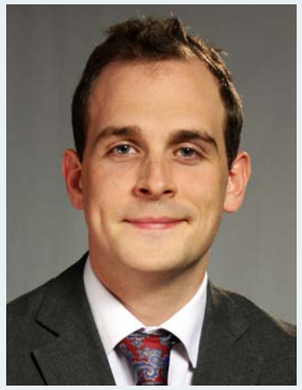
CBINSIGHTS

Contents



Foreword



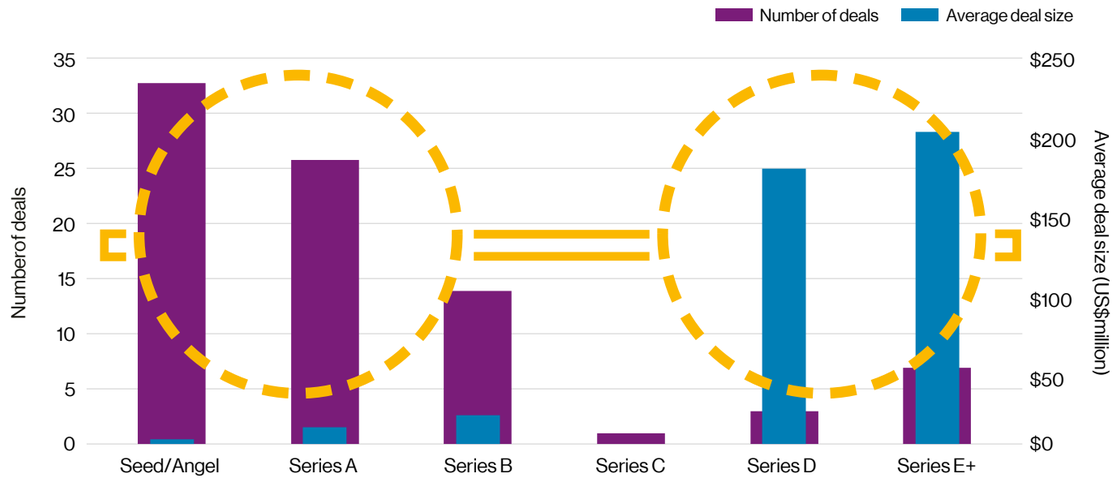
Brave new world

Dr. Andrew Johnston
Global Head of Willis Re InsurTech,
Quarterly Briefing Editor

This quarter we are announcing an unprecedented level of global funding into InsurTech businesses — both in terms of total U.S. dollar amount and transaction volume. With the huge amount of capital being deployed, and the rate at which it is being deployed, one can quite easily see this quarter as clear validation of investors (industry and non-industry) being prepared to put their money where their mouths are as it relates to the pursuit of digital operations — both for pure investment returns and also for securing digital capabilities. What is particularly interesting is that a handful of well-established InsurTechs have raised an enormous amount of capital (for example, Bright Health raised a seismic US$500 million this quarter), and brand new entrants with very limited track records have also been successful in raising capital: 73% of those InsurTechs that raised seed capital this quarter, were raising any form of capital for the very first time. Over half of those InsurTechs that raised Series A capital were similarly raising capital for the very first time.

What is clear is that there is no shortage of capital to support nascent businesses in the less expensive, earlier rounds — and certainly no shortage of capital to support well-established InsurTechs that are demonstrating their ability to deliver and who are in need of later-stage capital to support scale-up/growth mode. What we are also seeing, however, are the clearest examples of a (relative) drying up of Series B and C funding. In its crudest terms, InsurTechs struggled to secure funding in the US$20 million to US$50 million range, relative to the number of InsurTechs looking to raise this amount of money. This is a very natural evolution of any burgeoning space that requires investment: The novelty and promise of a new firm meets the reality of commercial success criteria. With so many fantastic InsurTechs in our midst, investors can be pickier and hold the knowledge that the winners will be relatively few. Similarly, with so much clear reliance on technology, less risky bets are being fiercely sought after. This particular phenomena is a version of the barbell strategy in InsurTech (a reluctance to support the intermediate growth of InsurTechs with additional investment). While we try not to overinterpret any particular quarter and ascribe a theory as to why something might be happening in the short term, this particular issue is something we have been observing for a while; for want of a better description, we are seeing clear evidence of a widening funding gap.

Graph 1: Visualization of the barbell strategy with Q3 2020 InsurTech investment data



As a result of these investment evolutions, relatively well-known but not particularly well-established InsurTechs across the board could be about to face their toughest moment to date. With global markets preparing for one of the largest forecasted recessions in a generation, most insurers and reinsurers will look either to accelerate, conclude or temporarily slow down their ancillary technological endeavors to focus on ensuring that their core business functions are able to operate in this new digital and remote environment. Consequently, (re)insurers' appetite to support well-established InsurTechs will be much greater than that of InsurTechs that still have things to prove. Traditional investors, the principle drivers of the earliest stages of investment, are pushing extremely hard to make sure that they make the most of the digital revolution that our industry is undergoing at scale. This is creating an investment no man's land in between.

The toughest challenge that less well-established InsurTechs will face pertaining to this expected slowdown of investment (and most likely partnership) activity is its duration. While this gap is undoubtedly a natural feature of investing, it is also a symptom of the current COVID-19-induced recession. This impending recession could be with us for a good while. Incumbent technology strategies will be clear: surviving this *brave new world*. The impact of an economic slowdown, coupled with a surge in remote operations, presents less well-established InsurTechs with a cruel irony: Never has the true value of technology been more real and manifest in our industry, and yet the lifeblood of budding InsurTechs that rely on Series B and Series C rounds to scale is, relatively speaking, drying up.

For very well-established InsurTechs, the situation could be quite different. The current climate presents a great opportunity to continue to support the incumbent landscape. Those InsurTechs that originate remote risks can arguably write more business as their traditional competitors catch up. We are seeing a big push toward digitalization, and well-known InsurTechs can play a big role in this process.

Looking to the future, we also expect to observe in-house technological initiatives ramping up as technology and technologists become increasingly pervasive and synonymous with our industry, as (re)insurers grapple with the challenges of remote environments. As such, we will most likely see a growth of organic projects; this could well squeeze certain InsurTechs that have, until now, enjoyed a lack of competition in certain areas. We also anticipate that (re)insurers and end consumers will continue to be increasingly better informed and better experienced with regards to judging successful engagements with technology.

Arguably we are on the brink of a very healthy milestone, and this next step should be celebrated by those InsurTechs that have a clear digital strategy and those that have been successful in building solutions for our industry. If nothing else, there will be greater scrutiny on what is out there and how technology can be leveraged most effectively. For both incumbents and established InsurTechs alike, we expect that the more successful initiatives will be those that can react quickly to the changing environment and those that show a true appreciation for the direction in which our industry is headed.

Q3 data highlights

In Q3 2020, InsurTech companies globally raised a whopping US$2.5 billion across 104 deals. This represents notable increases in both funding and deal count. Compared with the prior quarter, funding and deals increased by 63% and 41%, respectively.

The strong get stronger...

Six mega-rounds drove 69% of total funding. These companies include Bright Health (US$500 million), Ki (US$500 million), Next Insurance (US$250 million), Waterdrop (US$230 million), Hippo (US$150 million) and PolicyBazaar (US$130 million). Overall, the number of mega-round deals grew by 50% compared with Q2 2020.

...but investors still see opportunity in early-stage companies

Q2 2020 was a very difficult quarter for InsurTech broadly as investors pulled back activity. Early-stage companies (Seed/Angel and Series A) were hit especially hard with their share of deals falling to a record low of 42%. This quarter, however, early-stage deal share grew to 57% — a 15 percentage point increase from the prior quarter — returning to pre-COVID-19 levels. The activity was bolstered specifically by property & casualty (P&C) start-ups, which represented over 70% of early-stage deals.

"Never has the true value of technology been more real and manifest in our industry, and yet the lifeblood of budding InsurTechs that rely on Series B and Series C rounds to scale is, relatively speaking, drying up."

It is worth noting that this quarter also saw four Series A rounds in excess of US$20 million: Buckle, Drover, Branch and Sana Benefits. Over half of all InsurTechs that raised a Series A round this quarter were raising any form of capital for the first time. Including those InsurTechs that raised over US$20 million, the average Series A round size was US$10.9 million. Excluding them, the average round size shrinks to US$7.9 million.

As we previously mentioned, the cohort most adversely affected this quarter were those companies looking to cross "the chasm" — Series B and C deals — which saw deal share shrink by almost 9 percentage points. In particular, securing capital between US$20 and US$50 million proved to be extremely difficult for InsurTechs globally.

India overtakes China for the first time since 2017

For the first time since Q4 2017, InsurTech start-ups based in India raised more funding rounds than those based in China. This quarter, six companies from India, including PolicyBazaar and Acko General Insurance raised capital compared with China's five companies. U.S.-based companies continue to capture the most deals representing close to 42% of funding rounds, followed by the U.K. at approximately 9%.

L&H companies represent a disproportionate number of the quarter's largest rounds

Life & health (L&H) InsurTechs' share of deals continues to trail behind that of P&C, however it grew to approximately 30%, up from 27% in Q2 2020. Notably, of the largest deals this quarter, a disproportionate amount of L&H start-ups raised large rounds. Of the six mega-rounds of Q3 2020, 50% went to L&H companies, and L&H start-ups were responsible for 49% of the mega-rounds' funding. Start-ups in this cohort include Bright Health, Waterdrop, PolicyBazaar, BIMA and Eden Health.

Commercial InsurTech builds funding momentum

This quarter, several companies focused on offering or facilitating commercial coverage attracted significant funding. Usual suspect Next Insurance secured a US$250 million Series D as it continues to build out small-to-midsize business coverage. In addition, in the top 25 largest deals, companies including Buckle, Growers Edge and High Definition Vehicle Insurance have all landed funding for their commercial-focused offerings. This particular briefing will focus on commercial insurance in great detail.

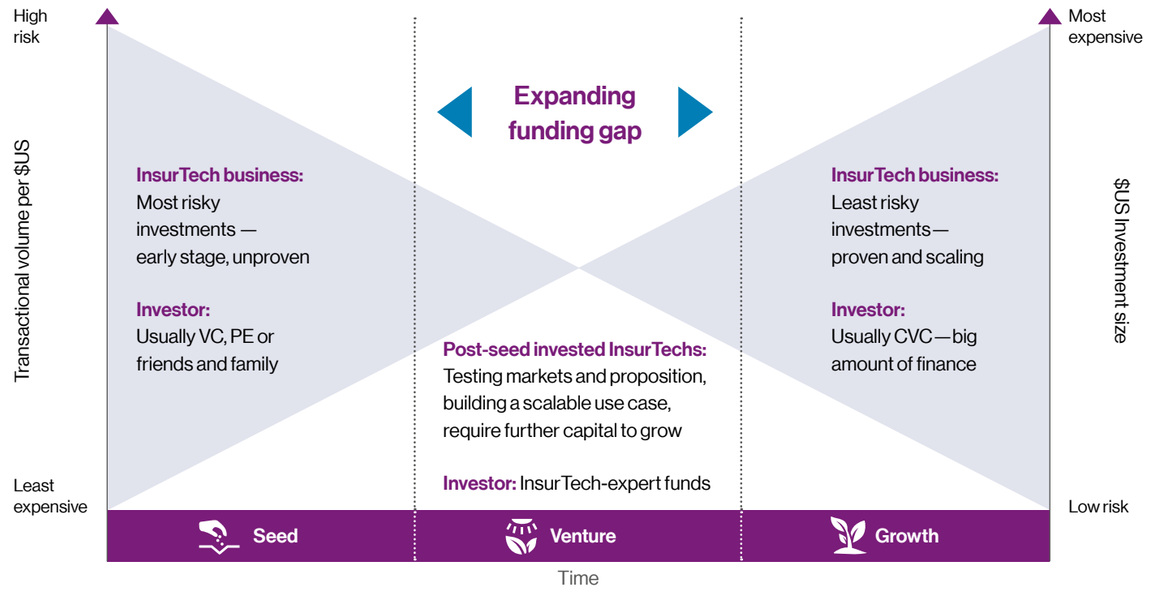
Mind the gap

In addition to observing the increased issues associated with securing Series B and C funding as technological arenas evolve, we are also observing an increased polarization of the types of investors that operate in the earlier rounds, and those in the later rounds — compounding further the issues associated with raising amounts between US$20 million and US$50 million. Investments at the "lower" and "upper" ends are beginning to split between non-industry investors (e.g., venture capital [VC] and private equity [PE] firms) and industry investors (e.g., corporate venture capital firms [CVCs]), respectively. Non-industry investors typically write a lot of smaller checks to hedge their bets, whereas industry investors tend to back fewer investments that typically represent less of an operational risk, as they generally invest in later-stage InsurTechs — and industry investors are prepared to pay to play in these later, more expensive rounds. Graph 2 is a crude interpretation of what is (arguably) happening in the global InsurTech space right now as the barbell strategy of investors, coupled with a continued separation of investor types, becomes manifest. While seed, venture and growth (per the x axis) are better defined by U.S. dollar amount, we can broadly interpret seed as Seed/Series A, venture as Series B and Series C, and lastly growth as Series D plus.

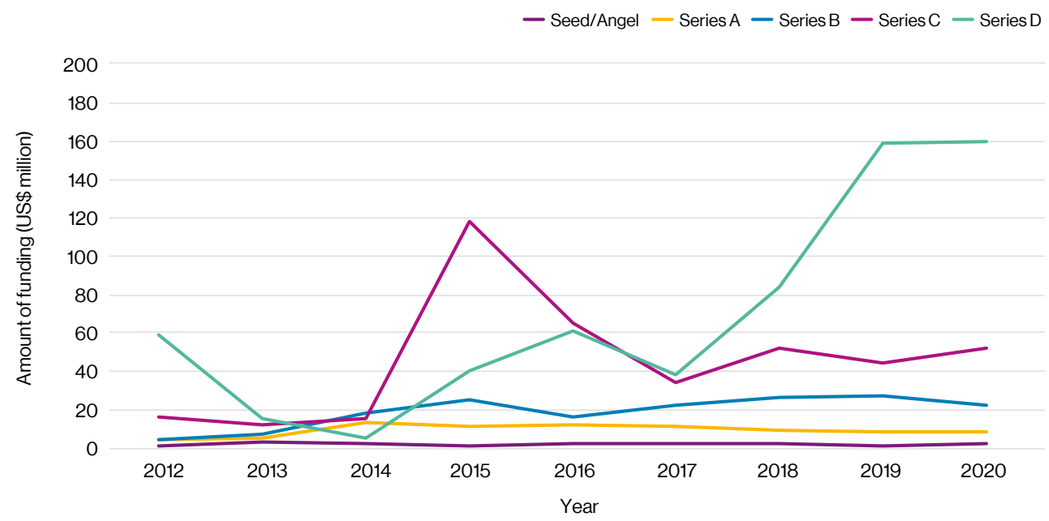
While this particular quarter very strongly supports the theory that crossing the investment chasm from Series B and Series C to Series D (where true growth capital is invested) has become increasingly challenging for InsurTechs, Graph 3 is a clear indication that this phenomena has been growing over time.

If we take 2017 as the proxy for the beginning of mass interest in InsurTech from our industry and work forward to the present day, it is clear that the average round size in Series D (growth phases) has been growing in size relative to the seed and venture phases. One could easily argue that it is natural that growth rounds will increase as InsurTechs become increasingly pervasive and valuable, and they would be right, but the same increased valuations (and round sizes) have not been occurring in seed and venture rounds of funding; in fact, they have stayed relatively static. This supports the theory that those InsurTechs that are seen to be clear winners in our industry will not struggle to raise significant amounts of capital, and the gap of success is widening.

Graph 2 : Expanding funding gap



Graph 3 : Average round size year-on-year



Investor resilience in the gap

Despite an overall forecasting of a gap widening in critical stages of investment, it would be remiss not to acknowledge those InsurTech investors that are remaining bullish about the opportunity to invest into InsurTech at all stages and those that are mastering the combination of LP funds with (re)insurance expertise. Notably, we have observed a number of syndicated InsurTech funds, often managed by third parties, being supported with fresh LP capital from our industry for the opportunity that undoubtedly lies ahead: better priced investment opportunities for those with the capital to invest and the expert eye to gauge a likely winner. These funds have been in existence for a few years and are arguably best placed to take advantage of the gap — true "venture" investors that understand (re)insurance and InsurTech. The fact remains, however, that some 2,000-plus InsurTechs globally could be looking for additional capital in the next 24 months, and despite the size and positioning of some of these InsurTech-specific funds, there may well still be a stark mismatching of demand and supply.

And, watch the gig!

Where we do see opportunities for less-established InsurTechs that are still figuring out their paths in the short-term and this period of fierce uncertainty is to focus on those areas of the economy that are likely to grow substantially in the next couple of years.

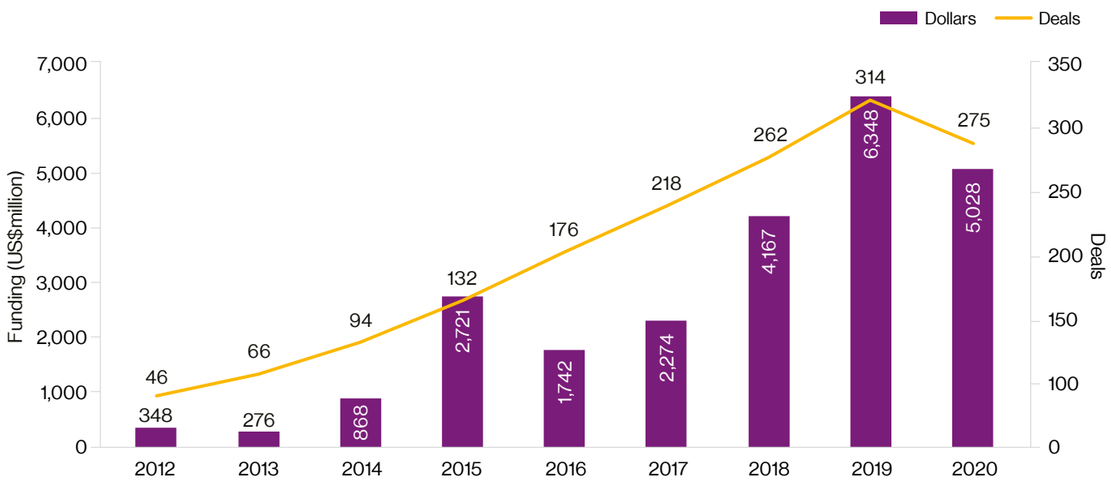
In particular, the global gig economy is set to expand exponentially as many people look to bolster their daily income — in some cases using personal assets for commercial purposes. The rise of the gig economy will undoubtedly create a greater demand for on-demand/episodic/usage-based products that can seamlessly shift between personal and commercial coverage (and price appropriately), as behavior is changing. Enriched blending of demographic and behavioral data targeting a risk vector in flux will be the lifeblood of an InsurTech initiative that can bring products and services to the market to match this demand.

Will it ultimately be big tech firms that technologically revolutionize our industry?

In July of this year, Amazon announced that it would start offering motor/auto insurance products and services in combination with Acko General Insurance. The products and services are offered through Amazon Pay and will cover motorcycles and cars; existing members of Amazon Prime will be entitled to discounts and other benefits. The quote-to-bind process takes less than two minutes and supposedly includes zero paperwork (all policy-related communication is stored on the incumbent Amazon platform).

In the same month, Tesla's Elon Musk called for actuaries to join him in making a "revolutionary" insurance company. According to a press release, Tesla wants to harness the data from its telematics

Graph 4: Annual InsurTech funding trends: Deal and funding volume (US$ million), 2012 – Q3 2020



Despite a difficult start to the year, in particular a tough Q1, 2020 has already recorded the second largest investment amount and deal count. This is still with Q4 to come.

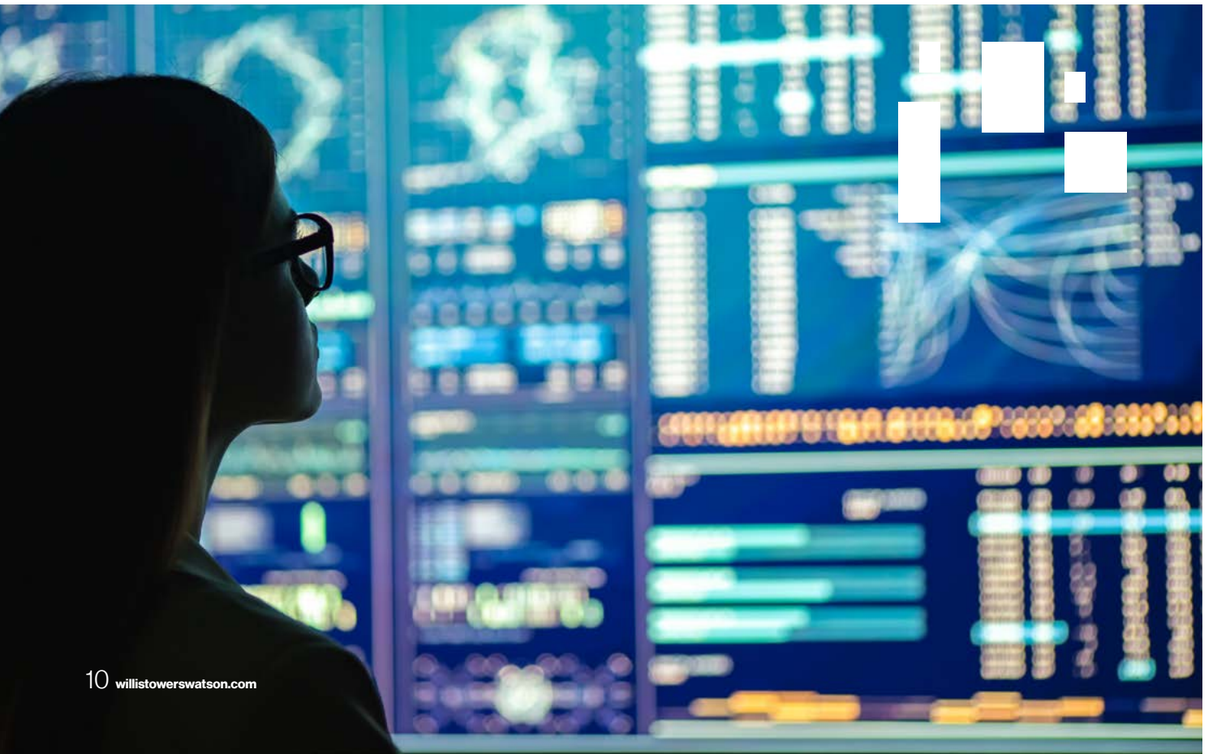
on its cars and drivers to build a new insurance operation that goes beyond California. It would use the car's data and telemetry to assess probabilities of crashing and then offer a live assessment of premium on a monthly basis to the driver/owner of the car. The plan is to have this insurance initiative rolled out nationwide in the U.S. by the end of 2020. Note, this will not be Tesla's first attempt at launching an insurance proposition.

Google has also joined the insurance party through a number of initiatives. One, in conjunction with Brit called Ki, is discussed later in this briefing in the Incumbent Corner section (page 50). Another is through Google's sister company, Verily. Backed by Swiss Re Corporate Solutions, Verily is offering self-funded employers stop-loss coverage through its subsidiary, Coefficient Insurance Co. Verily — itself a subsidiary of Google Alphabet, focusing on life sciences and health care — develops tools and devices to collect, organize and activate health data. Coefficient plans to integrate Verily's suite of health devices and tech-driven interventions for workers and dependents into its product, to be available in 30 U.S. states by the end of this year.

As an industry, have we been naive to believe that contemporary innovation could only come from self-identifying InsurTechs and in-house incumbent technology initiatives? Has this naivety potentially left us exposed to firms that, despite not being (re)insurance experts, as controllers of business in their own domains wielding state-of-the-art technology, are in fact a much bigger threat? Could Amazon, Tesla and Google (or some version thereof) effectively come in and disrupt an entire swathe of our industry? Similarly, could they provide the technological innovation that the industry could benefit from in one fell swoop? It is unclear at this stage, but it is worth reminding ourselves that our industry is seen as a big prize by large firms currently operating outside our industry; access to technology has never been the difficult part in bringing successful innovations to bear fruit. Digitally savvy incumbents and maturing InsurTechs that can successful forge relationships with these large technology/lifestyle firms could be very well positioned to take advantages of the changes our market is experiencing.

IPO arms race

In the slipstream of Lemonade's IPO in the second quarter of this year, we have observed a handful of InsurTechs looking to follow suit: Duck Creek completed an IPO this quarter as its software-as-a-service (SaaS) model continues to take hold in our industry. There are also clear signs that InsurTechs Hippo, Root, Oscar and Next might similarly look to float publicly in the near term. While it is likely that these kinds of firms would have looked to complete this trajectory at some point in their future anyway, the impending recession like waves that will soon be hitting our shores could be playing a role in speeding this process up. Similarly, if the Lemonade IPO does not provide the expected returns to its new public investors, the fuse on bullish public investment sentiment into InsurTech could be relatively short-lived. Consequently, we expect to see an acceleration to go public this year for some InsurTechs to still take advantage of that time frame.



> "Similarly, if the Lemonade IPO does not provide the expected returns to its new public investors, the fuse on bullish public investment sentiment into InsurTech could be relatively short-lived."

This Quarterly's contents

This quarter as previously mentioned we will be focusing on commercial insurance. In particular, we will be featuring the following InsurTechs:

- GWTInsight, a U.K.-based company targeting property data analytics in the commercial property space
- Next Insurance, a U.S.-based InsurTech unicorn that provides insurance to small businesses
- Anapi, a Singapore-based digital platform that provides insurance solutions for start-ups in Asia
- Foresight, a U.S.-based workers' compensation provider with proprietary risk management software that specializes in the middle market
- Briza, a U.S.-based commercial insurance API that streamlines small commercial quoting, payment collection and policy issuance
- eBaoTech, a China-based digital insurance solutions provider
- Bold Penguin, a U.S.-based company that operates a commercial insurance exchange that connects businesses, agents and carriers to the right quote quickly

In this quarter's The Art of the Possible, we speak to Gen Tsuchikawa, chief investment officer at Sony Innovation Ventures. Gen discusses Sony's investment mandate, the future of work and the impact COVID-19 has and will have on the future of InsurTech and related investments.

In this quarter's Incumbent Corner section, Willis Re's Printhan Sothinathan speaks with the CEO of Ki, Mark Allan, (also Group CFO of Brit) on the company's latest Google powered venture — a fully digital and algorithmically driven Lloyd's of London syndicate.

This quarter's Thought Leadership comes from Willis Towers Watson's Insurance, Consulting and Technology's Richard Clarkson, who discusses the potential for new trading models in the London commercial insurance market and the role of algorithmic follower underwriting.

We also feature in our Technology Spotlight section Willis Towers Watson's latest technology offering, Radar Workbench, an agile technology platform that allows underwriters to work on an individual risk while having useful insight highlighted to them. In a break from tradition, this will feature immediately after the introduction.

In this quarter's Transaction Spotlight, we feature PasarPolis' US$54 million Series B funding round. The round is the largest InsurTech Series B recorded in Southeast Asia (and one of the largest recorded at any investment stage for an InsurTech in Southeast Asia.)

As ever, we thank you for your continued support.

Introduction

The global commercial InsurTech world

This edition of the *Quarterly InsurTech Briefing* focuses on commercial insurance, the third-most bought and sold line of property & casualty (P&C) insurance globally. Specifically, we will be assessing the various ways in which technology and InsurTech are attempting to revolutionize this major line of (re)insurance business, the extent to which they have been successful and the expectations for the future.

Broadly speaking, commercial insurance relates to all products and services that help to ensure a business's success through protection against risks, which can severely impact its (and its employees') ability to function. It is fair to say that robust, well-established economies rely heavily on effective commercial insurance: It keeps businesses going, running and operating. Nothing is built, flies or floats without it.

History of commercial insurance

It could be argued that the first formalized insurance agreements were commercial. The agreements were predominantly coverages for marine and damages at sea. European merchants looked to protect their investments against inclement weather and piracy, and the birth of the insurance community (as we know it today) and the practice of insurance underwriting began. It is said that the first formal marine insurance policy that we would recognize today as such was from the year 1350 A.D. In the 18th and 19th centuries, as nations industrialized and both private and public enterprises grew, as businesses became more complex and risks more diversified, the pressure to make longer-term infrastructural investments placed demand on the commercial insurance industry to respond. This forced commercial insurance to expand beyond marine coverage and start responding to other classes of commercial risk. The insurance industry evolved and began offering additional products and services. The earliest (formalized) non-marine commercial insurance products, as mentioned in our prior briefing, were predominantly focused on the threat of fire — specifically as it related to property damage. It became increasingly important, however, also to provide protection for employees, both for safety and litigious reasons. The U.K. passed the Workmen's Compensation Act in 1897, which mandated that companies have a means to help workers who are injured in an on-the-job accident. In the mid-20th century, commercial auto insurance coverages were also made mandatory for purchase by any business that expected employees to operate commercial vehicles on its behalf in North America and most of Europe.

Despite the increasing diversification and specialization of individual businesses, certain insurers began offering more "generic" commercial insurance products — such as business owners policies (BOPs), which combine general liability insurance and commercial property insurance — as a bundle of goods and services to cater for a number of risks that many smaller businesses (in particular) face. This particular bundled product was aimed at a certain size and complexity of business — typically smaller, with few esoteric issues. In addition to standardized BOP-type bundle products, most smaller businesses also required professional liability insurances to provide them with what is generally referred to as "business insurance," and the market evolved to provide this ancillary bolt-on accordingly.

There came thereafter a demand from larger firms also to be able to buy a basket of insurance goods that would provide "business" coverages — albeit taking into account the difference in size and possibility for greater risk complexity; thus, the commercial package policies (CPPs) were born. CPP, like BOP, purports to provide "business insurances" into one product for larger firms but is generally available for a much wider/broader range of businesses — and generally has much bigger limits. It typically does not cover directors' and officers' (D&O) liability, health and disability, life insurance and workers compensation. Most businesses today now have the option to buy a basket of commercial insurance goods — whether it is a bundle or a variety of individual products together.

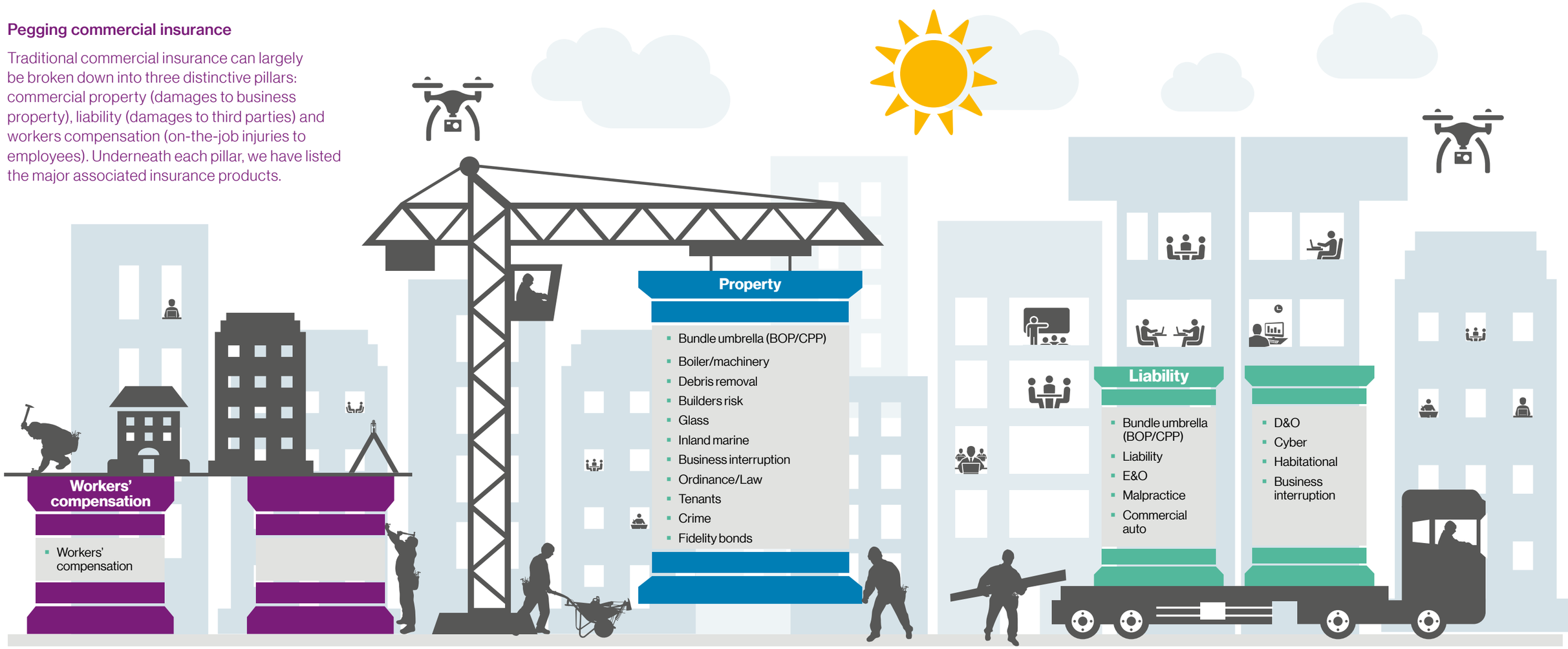
The advancement of the digital age has once again put pressure on our industry to evolve. The rise of the service and digital economies as well as the dawn of the gig economy worker, digital freelancer and remote contractor have forced (re)insurers to rethink their offerings. Recent innovations around products include seamless episodic coverage, pay-as-you-go coverage, and products that cover assets that are used both personally and commercially. It is not just behavioral changes that have driven these evolutions. Business practices and infrastructure have also changed dramatically in the past decade; for example, as more businesses collect and store customer information digitally, cyber liability insurance has become increasingly important. The speed and transparency around which the general public can get data on businesses has also changed significantly in the past few years; public opinion matters. Modern day commercial insurance is not only a way to protect your property and employees but also a critical part of maintaining a good reputation.

Finally, in the past decade or so, smaller businesses have been able to buy insurance online in a way not entirely dissimilar to the ways in which personal lines products have been available for purchase online for the past two decades. A business can enter its office ZIP or postal code and answer a few basic questions and receive quotes for coverages that pertain to its business needs. Larger or highly niche businesses still rely heavily on the expertise of brokers, but it is a very interesting evolution in our industry. It is clear that commercial insurance is no stranger to innovation and change.

The advancement of the digital age has once again put pressure on our industry to evolve. The rise of the service and digital economies as well as the dawn of the gig economy worker, digital freelancer and remote contractor have forced (re)insurers to rethink their offerings. Recent innovations around products include seamless episodic coverage, pay-as-you-go coverage and products that cover assets that are used both personally and commercially.

Pegging commercial insurance

Traditional commercial insurance can largely be broken down into three distinctive pillars: commercial property (damages to business property), liability (damages to third parties) and workers compensation (on-the-job injuries to employees). Underneath each pillar, we have listed the major associated insurance products.



Globally in 2019 the most sold commercial insurance products were:

- Commercial auto
- Cyber liability
- Commercial property
- Workers' compensation
- Business owners policies (BOPs)
- Habitational
- Business interruption

The rest of this introduction will focus on the innovations, technological initiatives and InsurTechs that are looking to add real value to the world of commercial insurance.

Underwriting innovations

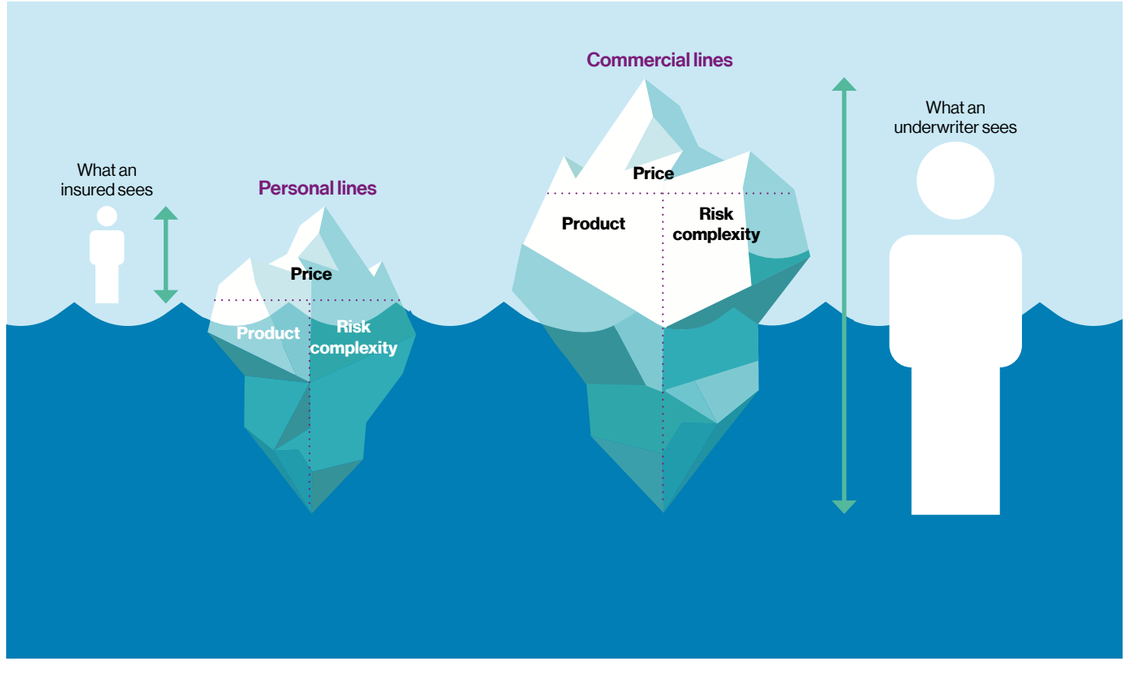
In our previous two briefings, we focused on the main technological proponent of innovation in the two respective lines of business covered: telemetry in auto/motor and the internet of things (IoT) in personal property. For this particular quarter, we are going to review innovations in commercial insurance through the lens of a core functional part of our industry: underwriting. More specifically, we will focus on the impact that data and artificial intelligence (AI) have been having as our industry increasingly embraces technology.

Commercial insurance, from a data collection and risk projection standpoint, is relatively less focused on static structures and objects in situ (and fixed demographic information) and more focused on the dynamics of processes, assets, people and time (when compared with personal lines), judged within the context of supply chains and infrastructural interdependencies. Furthermore, the role of the "human" in the underwriting process of complicated commercial risks is much greater when compared with personal lines. Increasingly in personal lines, we are seeing end to end fully automated processes.

This is much less common in commercial underwriting. The absence of automated selection allows for continued complex judgment and portfolio management by humans. While an increasing amount of small business risks can now be quoted, bound and serviced entirely digitally (as it is commoditized), a significant majority of large commercial insurance businesses still requires the "human touch" when it comes to underwriting. The role of technology is therefore different; its role is to help advise, highlight and flag. Black box decision making and instantaneous pricing are far less effective in commercial insurance than in other lines of business.

Commercial insurance underwriting is not simply an improved blend of behavioral and demographic data but a much more nuanced unraveling of the risk and human support. Generally speaking, pricing in personal lines is complicated, but the product and risk classes are largely understood and highly commoditized. Commercial lines, however, is very different; it is viewed through a temporal lens that is increasingly 4D. This is in part because of the tail lengths embedded in the sold products associated with liability and high severity risks. Commercial lines is also highly tailored, and so readily available public data are not necessarily as applicable to the written risk. Commercial products are altogether far more complex, as are the vast number of products sold. Any InsurTech wanting to get into commercial lines insurance is well advised to understand these key differences.

Figure 1: Price, product and risk complexity in personal and commercial lines from the perspective of an insured and an underwriter



"Commercial insurance underwriting is not simply an improved blend of behavioral and demographic data but a much more nuanced unraveling of the risk and human support."

As Figure 1 lays out, in personal lines, a consumer will see only the price in most cases, as he or she may have little to no knowledge of the true cost of the underlying risk and little expertise and interest in understanding the nuances of coverage clauses, which are largely standardized across providers. In commercial, however, the insured may in fact have a very good understanding of his or her own specific risk and the product requirements but almost certainly not the broader context of the insurer's portfolio or wider market considerations. As such, the final calculation, judgment and presentation of a price to an end consumer is fundamentally different: Supporting technology should be empathetic to the expectations of the insured.

Underwriters, however, will see what is both visible to the insured and below the waterline. In the world of commercial, therefore, the underwriter (or its representative) will work more closely with the would-be insured of large enterprises. Any technology that is going to have a significant positive impact in the commercial world of underwriting needs to understand this key distinction.

For InsurTechs in commercial insurance to really add value to incumbent underwriters, or hope to originate business themselves, they must be able to unpack products and risks and make them transparent. It is not advisable to conceal the complexity of commercial risk in a 'black box' as clients are invariably very aware of the peril they are looking to have covered (i.e., they know their risks well). In some, but not all cases, the vendor of technology should consider the underwriter as their end consumer. Consequently the technology being created should fit the requirements of the underwriter and not necessarily the requirements of the end insured.

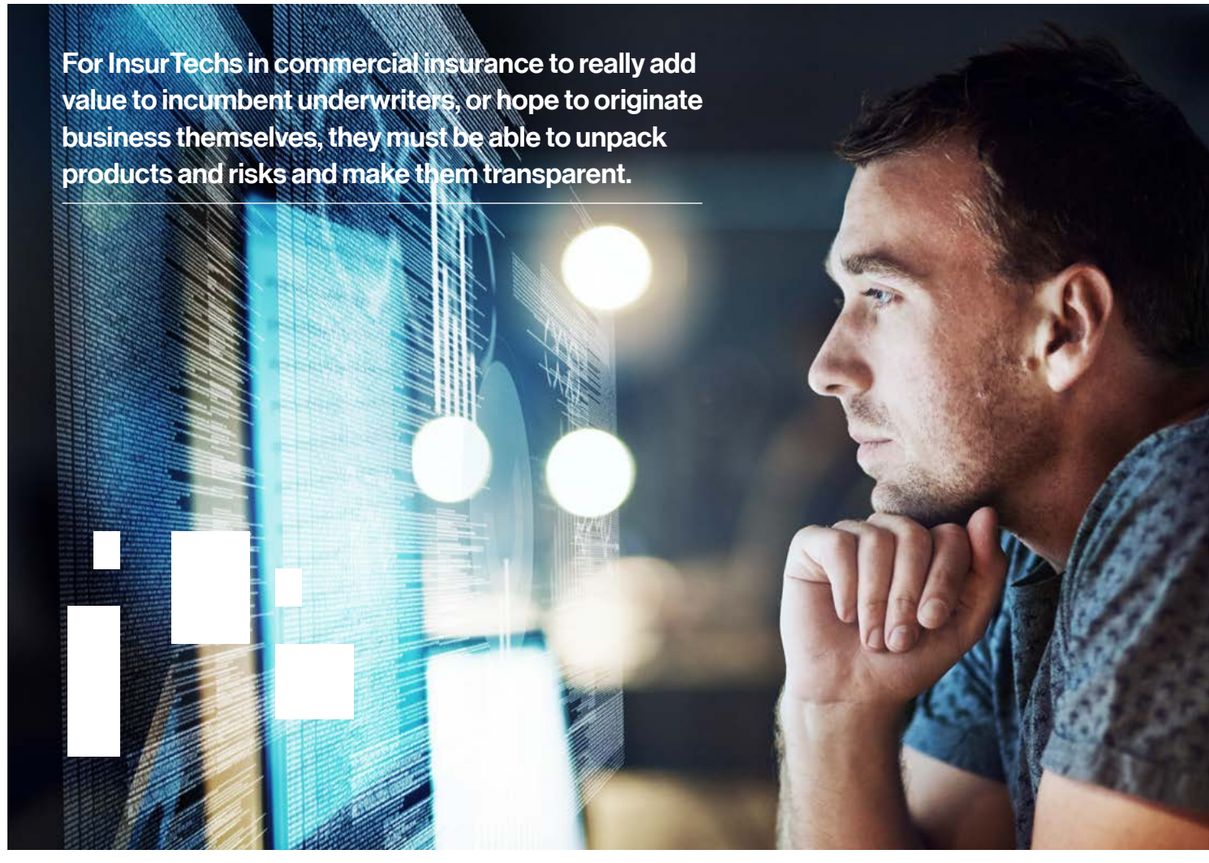
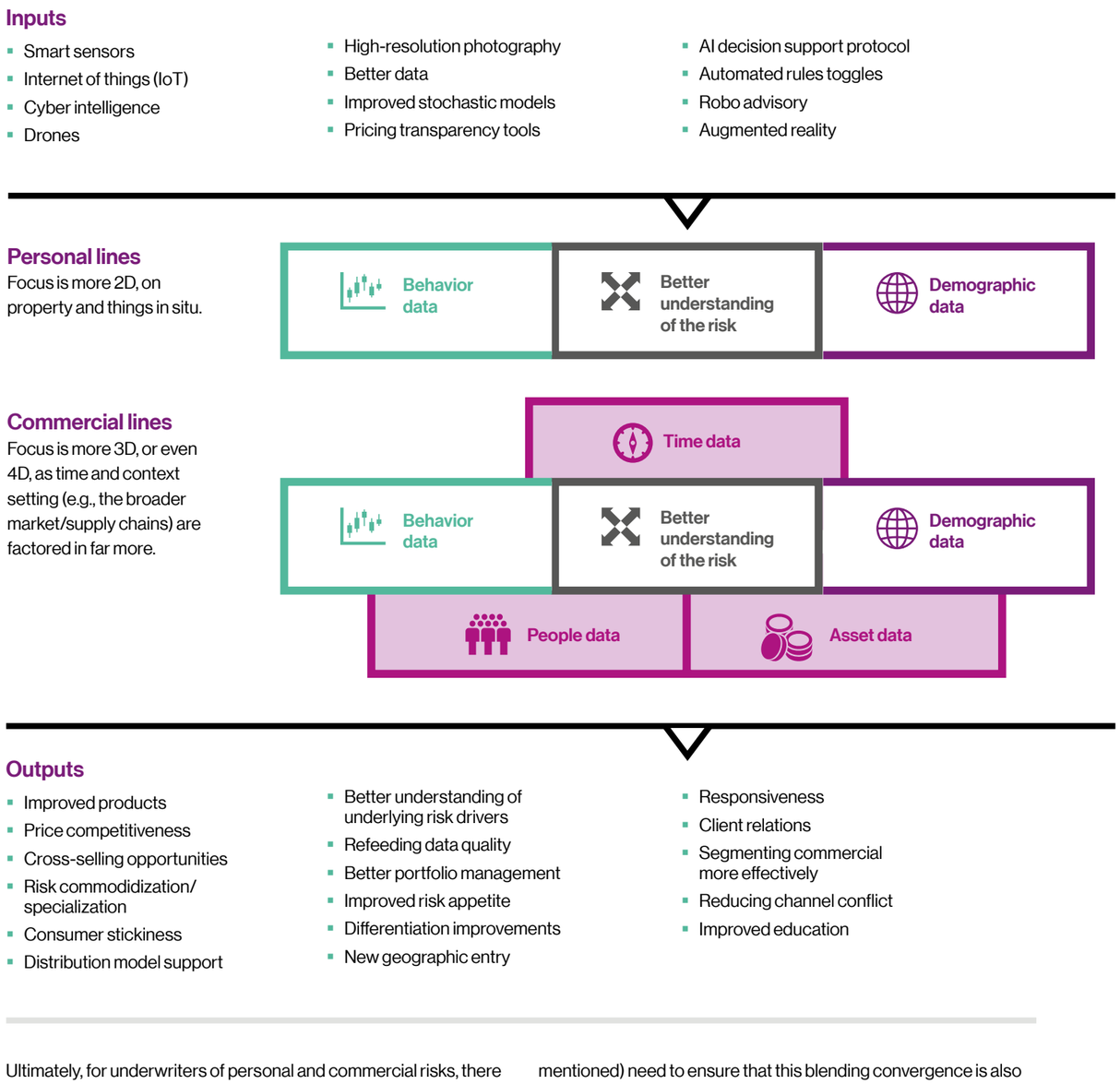


Figure 2: Personal and commercial lines technological inputs and outputs



Ultimately, for underwriters of personal and commercial risks, there are opportunities to be taken from improvements in technology and better access to data. As Figure 2 shows, in our modern age, technology is driving the convergence of behavioral and demographic data into a blend that is leading underwriters to a better understanding of the underlying risk. Whereas personal lines is relatively static, commercial underwriters (as we have mentioned) need to ensure that this blending convergence is also placed within the dynamic context of time, assets and people.

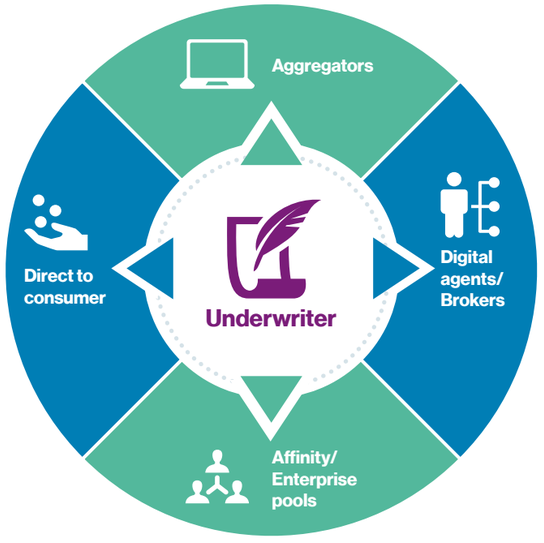
Despite this key difference, both lines of business share commonality when we consider the inputs required to further drive the improvements in underwriting that lead to the desired outputs (bottom of Figure 2) that ultimately support both (re)insurer and (re)insured.

The rise of the digital business

Fundamental changes in behavior have meant that smaller business requirements are increasingly aligning with personal lines insurance. An appropriate use of technology by incumbents and InsurTechs alike is to reconsider going direct to consumer, online omnichannel distribution and increasing user engagement touchpoints. As consumers are becoming smarter and more accustomed to online purchasing, insurers should be responding with transparency and online sales and service support.

For larger, more niche businesses, underwriters now have a fantastic opportunity to better data access, which can allow them to have a much better understanding of risks. Better access to data and better use of online distribution technology can also allow underwriters to have a much improved relationship with agents and brokers who distribute and communicate their products and prices to their end consumer base. Analytics and automated rules can offer underwriters unprecedented access into the mechanics of pricing relative to the underlying risk. Decision making support technology can ultimately help underwriters understand which risks they should and should not write.

Figure 3: The digital evolution of an underwriter's ability to distribute



InsurTech businesses are putting a lot of pressure on the commercial segment to improve its distribution channels. Small business owners now have digital avenues and options that make it easier for them to conduct their own research and compare multiple options and purchase policies. In some cases, this is the result of their experiences with personal lines, so they expect similar capabilities from their commercial lines carrier (sometimes their personal lines and small-business policies are with the same carrier). Owners of small businesses are now more willing to engage directly with their carriers through digital and other channels, such as call centers, aggregator websites and digital brokers.

Changing risk vectors

New risks are being brought to the fore every day, whether the result of the growth of the gig economy or the rise of IoT. This not only places pressure on insurers to respond but also presents an opportunity if insurers can make the most of available data and price these risks accordingly. In general, traditional carriers have shown relatively little interest in writing a slew of new "digital" risks, which leaves InsurTechs with a huge opportunity if they can price these newer risks appropriately. Incumbents have shied away; because of the significant reliance on external data for underwriting, pricing and claims, plus the absence of historical data to develop actuarial models, InsurTechs can see this as an opportunity to go toe to toe with incumbents not only to compete but to excel if their access to data is superior. As an example, cyber is a newer risk class where InsurTechs arguably have an edge, and incumbents have almost zero legacy/historical advantage given that it is a new risk class. Gig economy products are the same.

Along with technology disruptions, customer behaviors are changing (e.g., the emergence of the digital customer). Businesses are entering a new era, and data are being used as a competitive weapon to gather important insights and foresights. Newer data sources — such as sensory data, drone images and videos, augmented reality, social media and smart devices — enable carriers to leverage this information to mitigate loss; improve underwriting, pricing, product and service personalization; and enrich customers' digital experiences. With the enormous amount of data available, customers are looking to carriers to offer innovative services and better pricing.

Specific use cases of technology in commercial insurance

Artificial intelligence (AI) and machine learning (ML)

- AI can read and extract data from unstructured insurance documents hundreds of times faster than a human.
- Commercial insurers that harness the power of AI to extract, interpret, contextually understand and resolve hundreds of data points in seconds give their underwriting teams access to a lot more data from a variety of sources, enabling them to make better informed decisions and accelerate the underwriting process.
- AI and ML can help create a faster, more accurate automated underwriting process. By being able to scan documents quickly in multiple formats and extract the necessary information for underwriting, automated underwriting with AI takes minutes rather than hours or days.
- The use of AI and ML removes human bias. Advisory support is based strictly on data and numbers with no feelings involved.
- ML algorithms also gather large data sets across every asset class in the database and apply all the knowledge toward every new risk opportunity. This means that over time and as more data are collected, the automated underwriting process gets continually faster. Underwriters are able to make decisions more quickly with more confidence.
- AI and ML provide the ability to identify patterns in portfolios. Identifying these patterns will proactively alert underwriters to poor decision making.

Data extraction through application programming interfaces (APIs) to data sources

- Data APIs can automatically augment submissions with property, company and address data, dramatically reducing the time it takes to assess a risk.
- Data APIs provide quick access to relevant company risk data to speed up and complete submissions, including information about registered companies and the trade in which the company operates.
- Property APIs can instantly connect information such as specific risk type and adjacent building occupancy to each submission, providing the data needed to accurately quote in seconds.

Augmentation through natural language processing (NLP)

- NLP can pull out relevant pieces of information, assign meaning to those words, and intelligently analyze structured and unstructured text.
- AI can train an NLP model to the unique needs of an organization. Successive passes identify new terms, feeding back into the model with each iteration to increase accuracy.
- NLP can recognize insurance-specific named entities, such as limits, premiums, deductibles, types of coverage, exclusions, endorsements, territories of coverage, outstanding conditions, statements of value and loss run reports. Named entities are categorized instantly during data extraction.
- NLP can check errors, mitigating associated risk.
- NLP enables content extraction classification, the ability to read all entities or nouns in a document (such as people, places and numbers) and classify them — for example, as limits, policyholders or premiums.

Specifically for underwriters, the following (inexhaustive) list of factors, when coupled with modern technology, have had the greatest impact on their ability to price emerging and changing commercial risks for both smaller and larger businesses:

If we consider the specifics of technology, where can it have the greatest impact in the here and now for underwriters? Where we see the greatest impact is the use of workflow enhancing artificial intelligence tools that can facilitate decision-support tools for human underwriters while concurrently removing the labor-intensive but low-value-adding tasks, such as looking for generic outliers. This then frees up underwriters to focus on complex risk judgment and relationship development.

InsurTech labeling in commercial insurance

Given the vast complexity, high limits and long tails in a lot of commercial insurance business, most InsurTechs that operate in this particular area of (re)insurance have actually focused on a relatively small part of the overall spectrum of commercial (re)insurance. To properly reflect what we are observing in commercial InsurTech globally, we are going to relabel the traditional core pillars slightly to give a truer indication of the buckets into which most InsurTechs fall. These are:

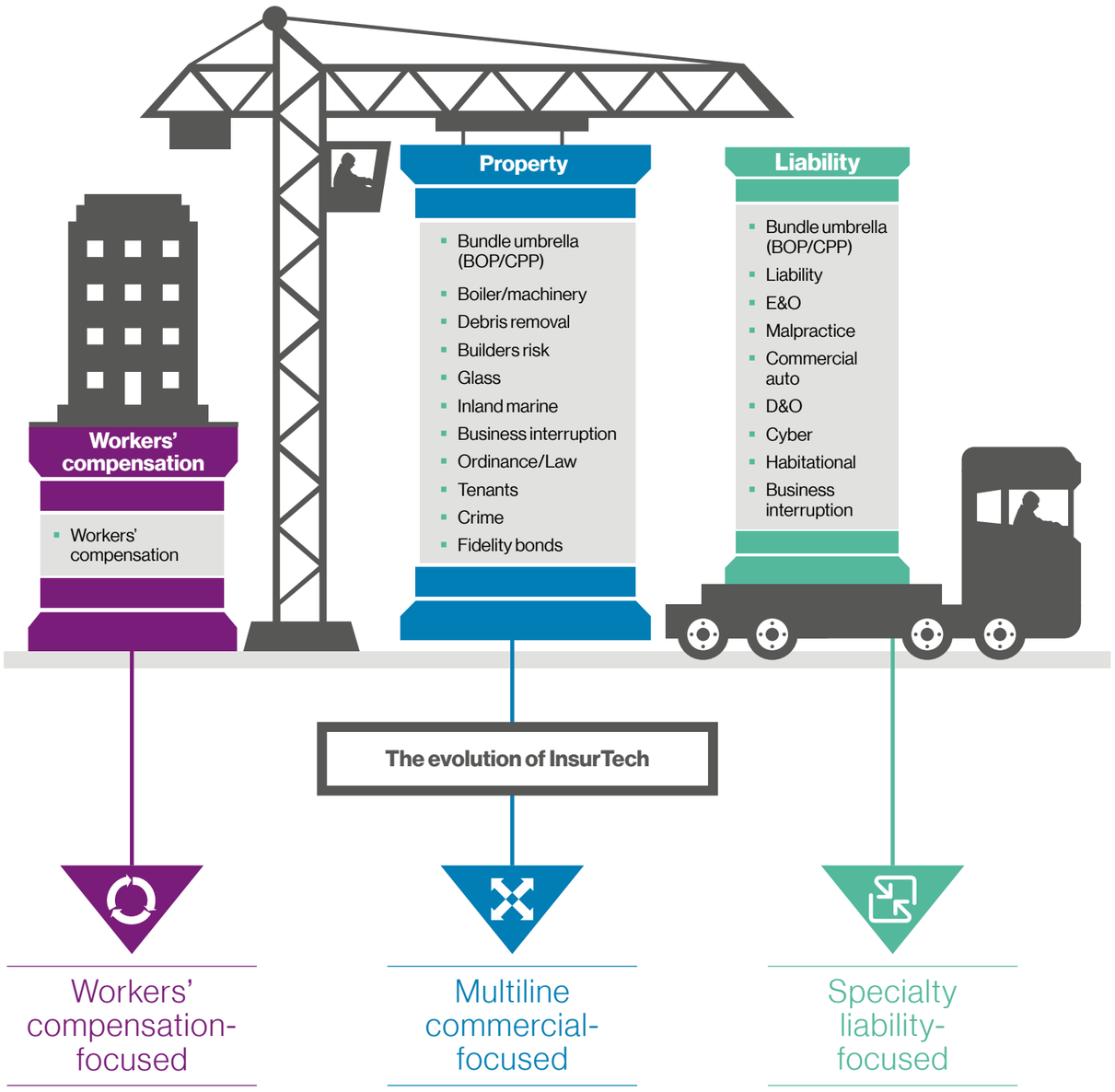
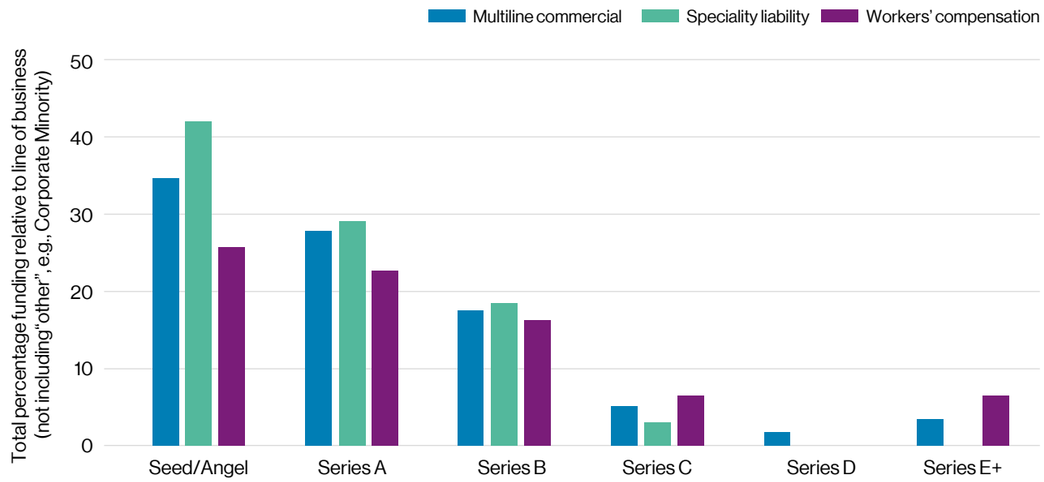
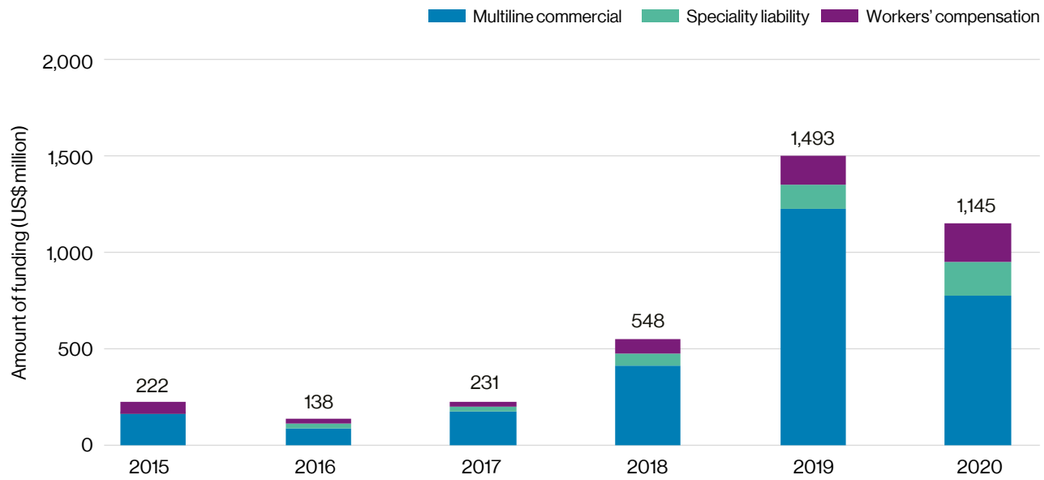


Figure 4 : Percentage funding for commercial InsurTech activity by stage, 2015—2020 YTD



The vast majority of investment activity for commercial InsurTechs occurs in early-stage rounds (Seed/Angel and Series A). 62% of all commercial deals from 2015 have been in the Seed/Angel or Series A rounds. Speciality liability InsurTechs lead Seed/Angel, Series A and Series B, however these companies have then struggled to raise in Series C onwards.

Figure 5: Investment volume in the three major commercial lines focus of InsurTech focus (2015—2020 YTD)



Multi-line commercial InsurTechs have dominated funding volumes. This is largely driven by notable InsurTechs, e.g. Next Insurance and States Title, that have both raised US$100 million plus rounds in both 2019 and 2020. Of the largest 15 deals in U.S. dollar amount recorded in this space, 12 were multiline commercial, 2 were workers' compensation and the remaining 1 was a specialty liability-focused company.

Some noteworthy commercial InsurTech partnerships, deals and funding from Q3 2020:

1. Next Insurance raises US$250 million.

- Next Insurance has raised US$250 million in a Series D round, which takes the company's valuation to over US$2 billion. Next Insurance leverages the latest techniques in AI and machine learning to make data-driven decisions to provide more tailored products, coverage and risk-based accurate pricing using proprietary predictive scoring.

2. Ki Insurance raises US$500 million from Blackstone and Fairfax Financial.

- Ki is the first fully digital and algorithmically driven Lloyd's of London syndicate that aims to reduce the amount of time taken for brokers to place their follow capacity.

3. Munich Re North America will provide reinsurance support to Cowbell.

- Munich Re is one of the several markets that have agreed to back a new capacity agreement for the U.S-based cyber platform, Cowbell.
- Cowbell will use the new capacity to write cyber cover for businesses with revenue of up to US$250million in 33 U.S. states.

4. MS Amlin has partnered with InsurTech Allphins.

- The partnership will see MS Amlin's marine and energy reinsurance division use the Allphins platform to digitalize existing exposure data and access its specialist data sets and analysis tools.

5. Chubb has launched a new digital distribution platform.

- Chubb Studio℠ is a new platform that will streamline the distribution of the company's insurance products through its partners' digital channels around the world. It is expected to benefit Chubb's partners in retail, e-commerce, banking, fintech, airline and telecommunications by adding a digital insurance option to their own product offerings.

6. AXIS Insurance has partnered with AllDigital Specialty.

- Through the partnership the two companies will develop and launch a new insurance platform designed to address the service void in the U.S. small private company management liability market.
- AllDigital utilizes low-touch/no-touch technology that will enable AXIS to operate a fast and efficient digital platform to quote, bind and issue policies in the U.S. small private company management liability market segment.

7. Appulate has partnered with Am Trust.

- Appulate, a digital technology platform for insurance companies, has partnered with AmTrust to offer agents and brokers the ability to rate, quote and bind workers' compensation policies in real time.

8. Cyberwrite and HSB renew their partnership.

- HSB has announced it is renewing its subscription to Cyberwrite's cyber risk financial quantification platform. This will enable HSB to offer tailored cyber insurance policies to business across the U.S.

9. Lloyd's has launched a parametric policy for business interruption.

- The new product, called Parametrix Insurance, provides business interruption policy for small to medium-sized enterprises using a parametric trigger to protect against IT disruption or downtime.

10. AXA XL has launched an insurance product for highly protected construction projects.

- AXA XL's North America Construction insurance business is building tailored insurance programs and services for construction projects that qualify as a "highly protected project" (HPP) because of their implementation of technologies designed to reduce project risk.

11. Hiscox has partnered with Thimble.

- Hiscox has partnered with Thimble, a short-term liability insurance provider for small businesses, to offer coverage available by the hour, day or month. The partnership will allow Hiscox to give businesses flexibility, with customers having control of their policy via Thimbles insurance app.

12. Farmers' Edge and Munich Re form a strategic partnership.

- Farmers Edge, a leader in digital agriculture, announced a strategic partnership with Munich Re to implement large-scale parametric weather insurance solutions

A snapshot of some global InsurTechs operating in the commerical space:

Technology Spotlight

Radar Workbench

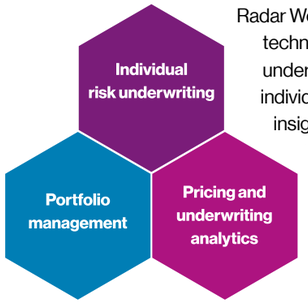
Introducing Radar Workbench, Willis Towers Watson's latest technology offering that revolutionizes the role of underwriter.

Underwriting commercial risks is always challenging, calculating the final cost, understanding the features of the given exposure, calculating the impact of any given wording options, presenting a compelling deal to the broker or client, and then negotiating the outcome. Increasingly, there are data assets, technologies and analytics that can support these complex decisions, but the challenge is often around deployment and ease of use. Willis Towers Watson's Radar Workbench in its underwriting configuration is designed to support those requirements directly.

Challenges and opportunities

The commercial lines insurance environment is often served by fragmented processes driven by legacy systems; it faces operational challenges that make deployment difficult and often interrupt the opportunity to take advantage of meaningful data. Experts within the insurance value chain operate in separate functionally focused environments that make data sharing problematic and leave the business open to inefficiency, error and inconsistency. Consolidating data, undertaking timely and relevant analysis, making accurate decisions at pace and deploying them will be the keys to success.

Where the specific commercial risk is not appropriate for automatic underwriting rules, expert judgement is required. In these cases, the key is to harness a complete suite of data assets and make them available in real time to support expert decisions. Radar Workbench is designed to support experts in making timely, informed and confident decisions. While invaluable at a number of points in the value chain, the first target audience for Radar Workbench is the commercial underwriting community.



Radar Workbench is an agile technology platform that allows underwriters to work on an individual risk while having useful insight pushed toward them. The components of the tool facilitate the development and deployment of underwriting and pricing strategies for both new business and renewals. This supports underwriters, portfolio leadership and pricing/data science teams to collaborate in an appropriately granular and segmented way.

Radar Workbench, when configured for commercial underwriting, delivers real-time, context-sensitive insight to the underwriters. Allowing underwriters, portfolio managers and analysts or data scientists to collaborate on the development and execution of pricing and underwriting strategies.

Individual risk underwriters

Radar Workbench offers a range of support across the underwriting process, including:

- **Prioritization support:** Triaging new and renewal risks to assist with prioritizing tasks and providing the biggest return on time invested
- **Contextual portfolio insights:** Using past portfolio performance to inform current risk underwriting decisions
- **Decision support:** Using propensity modeling, for example, to help predict how likely the underwriter is to secure or renew a given risk, which can help in making key underwriting decisions; providing the underwriter with ongoing insight into its personal performance metrics and company risk appetite to aid in decision making
- **Underwriting decision support:** Improving decision making by providing insight based on internal and external sources of data relevant to the individual risk, including propensity modeling and appetite scoring
- **Pricing transparency:** Using granular-level pricing (transparency of technical price versus commercial price)
- **Data science models:** Intuitively deploying data science models and external data into the underwriting process

Portfolio manager

The Radar portfolio tools facilitate the analysis and management of underwriting performance at a portfolio (rather than at an individual risk) level, providing:

- **A platform for performance analysis:** Segment and analyze the portfolio performance to a granular level using multiple data points
- **Scenario testing:** Test revisions to underwriting and pricing strategies prior to implementation to assist decision making
- **Deploy:** Push highly specific and complex portfolio strategies to individual risk underwriters within Workbench for immediate and simple adoption

Pricing specialists and data scientists

Radar Workbench can be used to ingest, build, manage and deploy pricing, underwriting and operational models/rules. The tool allows analysis to be used to:

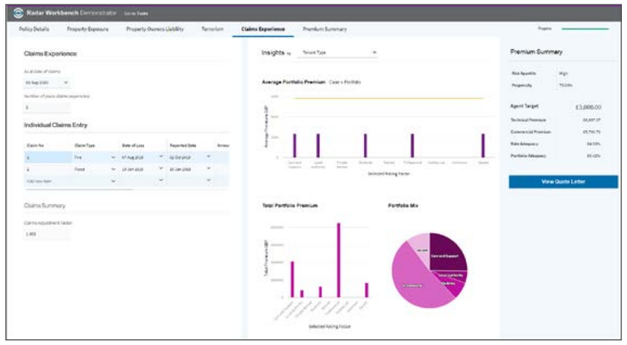
- Build, test and deploy models within a **self-sufficient low-code environment.**
- **Manage alignment across the application.** The user interface (i.e., where the underwriter executes decisions), the underlying pricing and underwriting models, and database are all automatically aligned, so changes need only be made once within the modeling environment.
- **Simplify complex pricing.** Sophisticated, complex pricing algorithms can be produced easily within a no-code environment and pushed out to individual risk underwriters. Radar caters for advanced pricing techniques. It is easy to cater for multivariate rating factors and experience-based pricing.
- Enable the development and deployment of **modular products.**

Dynamic products and pricing

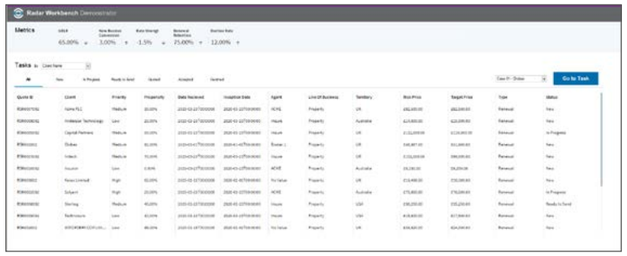
Dynamic pricing, the ability to flex pricing parameters and models in hours rather than weeks, has been a core capability in leading-edge small business insurers for several years. In recent years, we have seen a number of insurers adopt similar capabilities in larger and speciality insurance. Most recently we have been looking at ways to make complex products more dynamic and modular to both facilitate electronic trading of complex risk and help insurers break the hard link between products and legacy platforms. Often described as product simplification, this foundational activity is vital for electronic trading but also improves the insurer's ability to deal with client and broker coverage requests.

Within Radar Workbench, it is possible to configure products in a modular basis allowing a more dynamic approach. Having a range of product components that are linked to their respective rating algorithms, data requirements, underwriting rules and question sets means that creating bespoke products becomes a self-service activity. Products can be focused on traditional line of business; alternatively, they can be aggregated into trade or distribution-based propositions.

Flexible insights dashboard



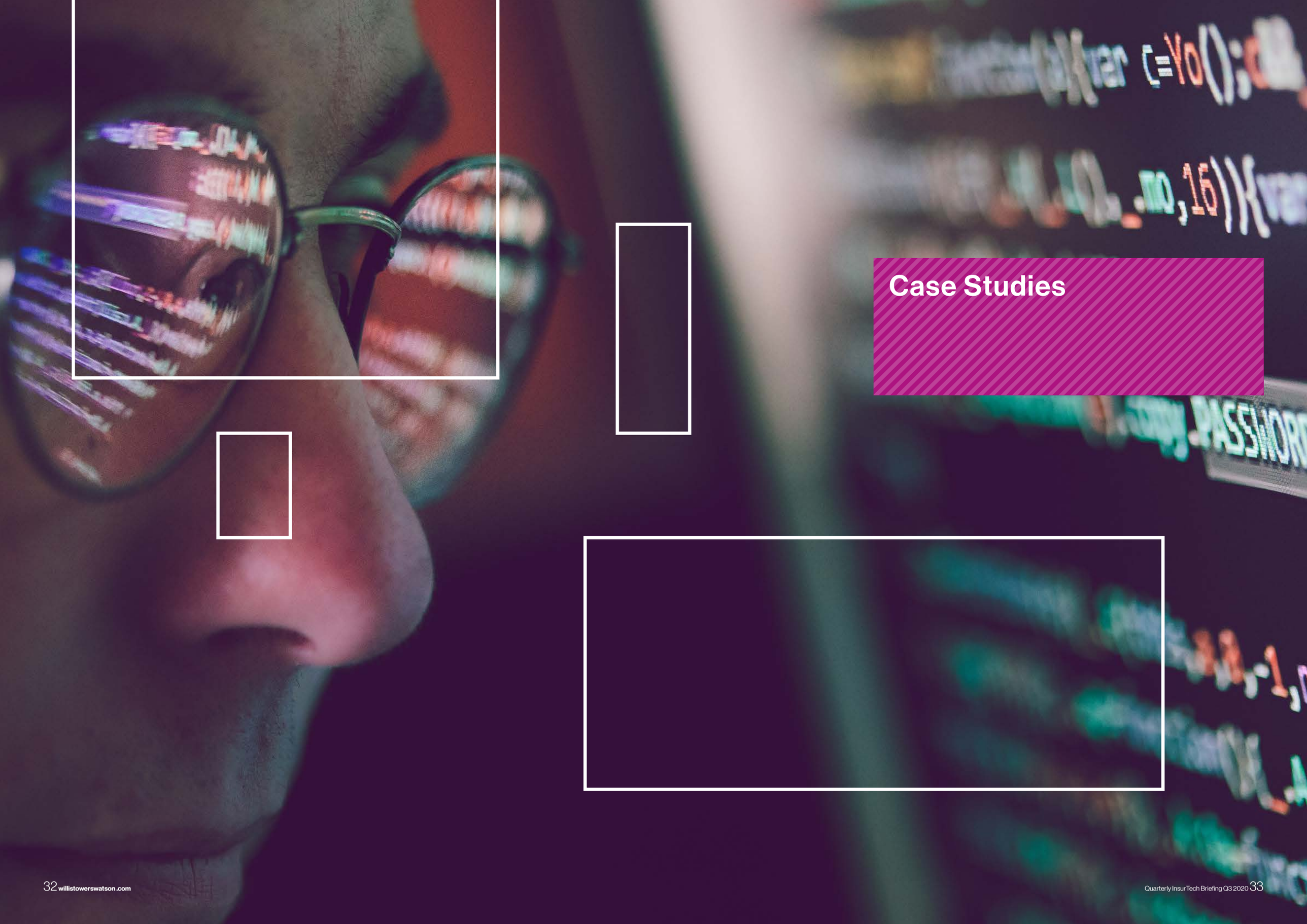
Prioritized task list



An integrated technology environment

One of the critical success factors in supporting underwriters is the ability to integrate with the wider technology environment. Underwriters and analysts need access to a common source of transactional and reference data. Radar Workbench uses a range of standard approaches and API technology to access data either in real time or in batches depending on the tasks being undertaken. Radar Workbench's foundations within the wider Radar Suite mean that data access and analysis are core (and low code). Radar Workbench's capability to integrate with other platforms and policy admin systems (PAS) solutions means that operational efficiency is an out-of-the-box consideration. Lifting data from agency systems, PAS and other functional platforms reduces rekeying and cost.

In short, Radar Workbench sets a new standard for underwriting execution and decision support.



Case Studies

GWTInsight (GWTI) is a U.K.-based InsurTech/PropTech company specializing in creating real-time data-driven insights on how commercial buildings are performing. The company develops and employs patented technologies to deliver a reduction in risk, cost and carbon emissions and to support the development of innovative products and solutions for its clients.

GWTI's story

Established in 2017 GWTInsight has its origins in seeking improved risk management of commercial buildings for insurance companies through the use of IoT and telematics. The solution has been known for some time. A black box in motor vehicles collecting and sending information changed fleet and young driver insurance.

The challenge is much more complex for commercial buildings. Each building is the result of a fragmented construction industry and a multitude of data protocols for building systems. The challenge to capture, classify and standardize data in real time needs a combination of technologies. While IoT, telematics, big data, cloud, wireless technology, sensor technology and, machine learning are now more available, it requires a unique set of knowledge and skill to assemble the solution.

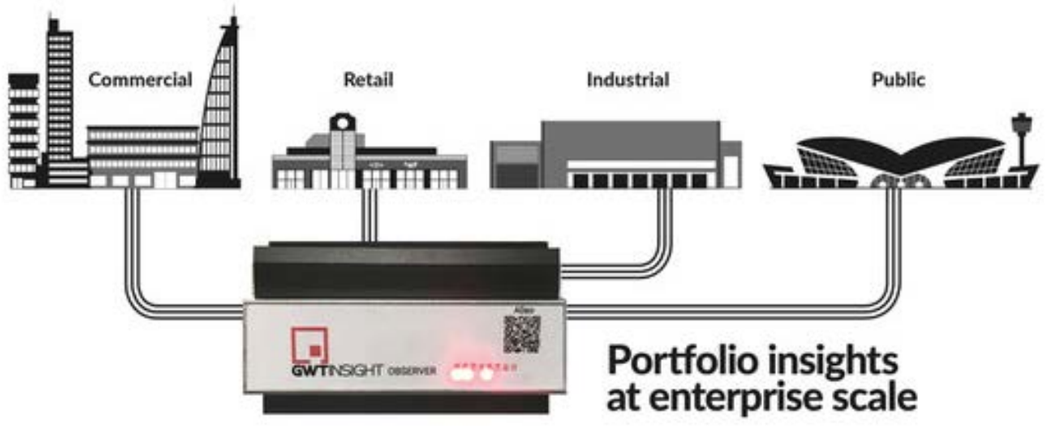
The solution is made up of two products: the *GWTI Observer* and the *GWTI Insight Maker.*

The GWTI solution overview

The *GWTI Observer*, was first introduced in 2018 using patented technology, it listens to and captures data produced by systems, sensors and control equipment in commercial buildings. The Observer provides a highly secure environment capturing and transferring data to the Cloud.

Working with insurance companies and **built environment consultants**, GWTInsight deployed the device across a range of building types. This exposed a number of issues not seen before including low pressure in fire protection systems, rendering them useless, dangerously high moisture content in critical computer rooms caused by heating, cooling and ventilation systems competing with each other, food production safety systems disengaging whilst production continued and energy wasted in non-value adding out of hours operation of systems.

The *GWTI Insight Maker* provides the user interface, a dashboard that converts data to value. The data captured by the Observer is standardised and classified to facilitate consistent and comparable data across buildings and on an ongoing basis. The *GWTI Insight Maker* turns the data in to insights in the form of graphs, dials, charts and plain English. It presents a cockpit for a range of roles within the Insurer and the client company.



"GWTI provides risk managers, underwriters and claims handlers with the platform to identify commercial property risks in real time, allowing insights and decisions to mitigate or remove risk before they could become loss events. Partnering with leading insurance companies like AXA XL and Zurich Insurance to augment their service propositions, GWTI is leading the way enabling innovative and far-reaching change in the industry."

Iain Wilcox, CEO and co-founder, GWTI

The Insight Maker can be configured to meet the specific areas of focus for different clients. It allows users to define algorithmic-based rules and calculations for multiple dimensions or factors. For example, an insurance company may focus on the areas it considers present greatest risk, in say, the pharmaceutical sector. As data are processed in real time, Insight Maker detects triggers on key thresholds and communicates through the dashboard, via SMS or email.

The challenge and the opportunity

Insurers and their clients want to understand, detect and potentially stop or mitigate loss events in their commercial properties. Unless there is access to a large team of risk engineers, achieving this across large commercial property portfolios with tens or tens of buildings is impossible.

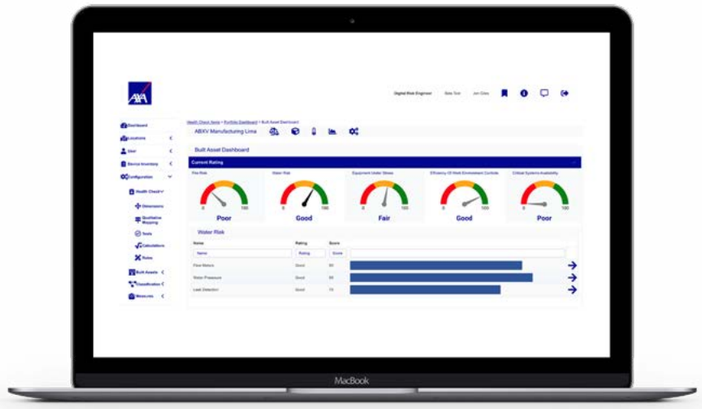
A risk consultant can efficiently visit six to eight locations per year in a portfolio. Selecting the high-priority locations to visit is difficult enough when travel is possible; current COVID-19 restrictions are making this an even more difficult task. Proactive risk management is therefore key in identifying the client sites to visit and help manage risk.

In COVID-19 restricted operations, monitoring the performance and effectiveness of empty or partially occupied locations is now an important requirement as building behavior has changed with less use. Insurance providers need to strike a balance to deliver an integrated risk engineering and insurance service for commercial property, focused on the reduction of risk, cost and carbon emissions.

Business model

GWTInsight works with partners in the insurance industry helping them develop additional service-based propositions to augment their existing insurance and risk engineering propositions. Examples of partners include AXA XL and Zurich Insurance.

GWTI's partners in the insurance sector have started collaborating with **built asset consultancies** and technology providers to build on the value of the data across combined propositions where shared corporate client relationships can be combined and developed.



Case Studies: Next

Founded in 2016, Next Insurance is a technology-led full-stack small business insurance provider working across the entire insurance value chain. This includes writing policies, carrier status, claims handling, servicing, distribution, pricing and underwriting, as well as distribution, developing/pricing/underwriting proprietary products, servicing, and claims handling. Next Insurance also operates as a carrier in 25 states.

About Next Insurance

A member of the InsurTech unicorn club — denoting a company that has a valuation over US$1 billion (which Next Insurance achieved in 2019) — the Silicon Valley-based company aims to be a one-stop shop for small business insurance. Next Insurance currently offers general liability, professional liability, commercial auto and workers' compensation. Additionally, Next Insurance offers tools and equipment, as an add-on to the company's general liability policies, and hired and non-owned auto (HNOA) as an add-on to Commercial Auto policies.

Next Insurance operates in 49 U.S. states and is a licensed carrier in 25 of them.

Small businesses and Next Insurance

Small businesses have historically been an underserved part of the insurance market. The businesses in the market are not homogenous, which means building a robust pricing matrix to underwrite the companies is difficult. Yet it is estimated that the U.S. SME insurance is a US$140 billion industry with no clear leader. Next Insurance has looked to target this market and utilizes artificial intelligence and machine learning to simplify the purchasing process.

Next Insurance funding

To date, Next Insurance has raised US$631 million. The company achieved unicorn status in October 2019 following a US$250 million Series C investment from Munich Re. In September 2020, the company doubled its valuation to over US$2 billion when Next Insurance secured a US$250 million Series D investment led by CapitalG and with participation from Munich Re Group and FinTLV.

With Next Insurance, small business owners can get a quote and buy a policy in 10 minutes or less, at up to a 30% savings compared with traditional policies. Next Insurance provides simple, digital and affordable coverage that is tailored specifically to the self-employed. Insureds can make annual or monthly payments and, have access to U.S.-based licensed insurance advisors, tools and services, such as 24/7 access to certificates of insurance from a mobile device or computer and in-house claims filings where a decision is often made within 48 hours. Importantly, Next Insurance does not charge its customers fees for generating proof of insurance, for paying monthly or for canceling.

Next Insurance leverages the latest techniques in AI and machine learning to make data-driven decisions to provide more tailored products, coverage and risk-based accurate pricing using proprietary predictive scoring. These techniques are also used during the servicing/claims process to provide a faster and more efficient experience, which helps boost overall customer satisfaction. The company now has over 100,000 customers in the U.S. and offers a wide range of insurance coverage to more than 1,300 unique types of business, including accountants, construction workers, general contractors, fitness professionals, cleaners, entertainers, teachers and beauty professionals.

- Live certificate for instant proof of insurance
- Instant quote in less than 5 minutes
- Monthly payments at no extra cost
- Phenomenal service for all customer needs

Case Studies: Anapi

Founded in 2018 in Singapore, Anapi is a digital platform that provides insurance solutions built for start-ups in Asia. The company operates as a corporate agency in Singapore to provide start-ups with the essential insurance coverages as well as custom insurance programs that fit innovative models. Beyond Singapore, Anapi's cloud-based distribution solution is white-labeled for brokers, managing general underwriters (MGAs) and insurers in the region.

The ASEAN start-up ecosystem

ASEAN's digital economy is growing rapidly and is expected to hit US$300 billion by 2025. This is being driven by a growing middle class, young population and massive demand for services. Start-ups are leading the digital revolution and are attracting world-class venture capital firms (VCs) to the region. Anapi is at the forefront of providing essential insurance bundled to protect start-ups and investors in a seamless and digital manner.

Anapi's Venture Program is targeted toward VCs and their portfolio companies to ensure they have the right insurance in place to protect the founders, executive teams and investors. This includes a bundle of directors' and officers', professional indemnity and cyber liability insurance. Portfolio View allows VCs to see insurance coverages across the full portfolio of companies to ensure sufficient protection of their investments.

Partner insurance

An increasing share of start-ups look to add insurance as a way to monetize their platforms. Insurance is also becoming an important prerequisite for the new sharing economy models where insurance becomes embedded within products and services. Anapi collaborates with start-ups to co-design and launch the desired insurance covers with forward-thinking insurers.

Anapi's platform

Anapi provides a seamless way for start-ups to get insurance solutions digitally. This includes straight-through quote-and-bind capabilities complemented by a tool to equip businesses with the power to manage their policies. Anapi's platform digitizes the key insurance policy information, such as coverages, premium and expiry dates, making insurance management more understandable and transparent. The platform had a 1% share of the start-up market at the start of the year and is aiming to triple it by the end of 2020. The platform is also white-labeled by commercial insurance businesses in the region.

Cyber insurance solution

Anapi launched a cyber insurance solution for small to medium-sized enterprise businesses in July. The online purchase of cyber insurance is the first in Southeast Asia and takes less than five minutes to issue. The policy is underwritten by Delta Insurance, a managing general agent operating in Lloyd's. The solution combines a number of essential services, including public relations crisis management, legal services and forensic investigation. The solution has also been bundled into a number of cyber security and cloud providers' own propositions.

Essential services

- Incident response services
- PR crisis management
- Forensic investigation

Value-added coverages

- Business interruption
- Customer and regular notification
- Third-party liability

"Start-up founders are often gambling on potentially making well-meaning mistakes in the pursuit of greatness. Ideally, they need to have safeguards established, should things backfire. More start-up founders are seeing the importance insurance has for the longevity of their companies."

Ruth Haller, Co-Founder and CEO, Anapi

Foresight insures safety-critical businesses with a technology-based workers' compensation program. An InsurTech managing general underwriter specializing in the middle market and based in San Francisco, Foresight wraps its proprietary risk management software into every policy, improving safety engagement and reducing workplace incident frequency by up to 57%. With a digital submission process and in-app claim management and reporting, Foresight is able to provide value for brokers and businesses that are seeking safety and savings through technology.

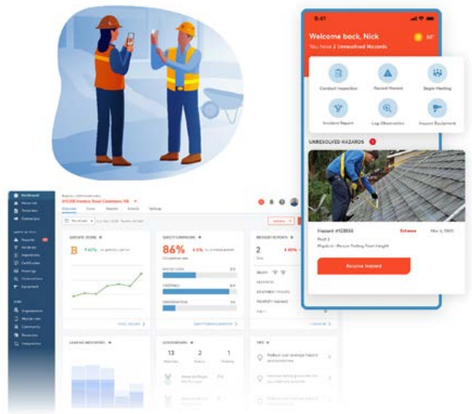
Safety plus workers' compensation

Currently there are very few known initiatives where real-time and effective safety programs and workers' compensation rates correlate. Insureds that develop effective safety plans do not experience an immediate benefit in their premium bills. In fact, it can take up to three years for a claims-free business to see a reduction in its premium. This leaves a costly gap during which employers must invest a significant amount of money into both safety and premiums.

Foresight has adopted a safety-first model to drive client engagement and ultimately wants to develop a plan that keeps people safe and costs down. Modern risk management technology presents a new opportunity to examine this model and improve it.

Foresight has developed its proposition on the confidence that workers' compensation plans that reward safe behavior are the future of effective loss control programs.

Insureds benefit from a free field app (iOS, Android) and cloud dashboard that provides a program overview and analytics.



Real-time risk management technology

Developed over six years and with the help of multimillion-dollar private investment funds, Foresight's proprietary technology streamlines risk management for brokers and insureds. All safety data captured using the software are private to the insured except for the safety score, a machine learning-based metric that measures overall safety engagement against industry best practices and company history. Foresight uses the safety score to credit the insured and lower its premiums faster.

Next steps for Foresight

To date, Foresight has raised US$20.5 million from industrial technology venture capital firms, led by Brick and Mortar Ventures and Builders VC, including a US$15 million Series A round closed in May 2020.

Foresight is now underwriting in Texas, California, Arizona, Arkansas and Nevada and appointing brokers in Oklahoma and Louisiana. Foresight aims to expand into the eastern and mid-Atlantic U.S. later this year and launch a general liability line in early 2021.

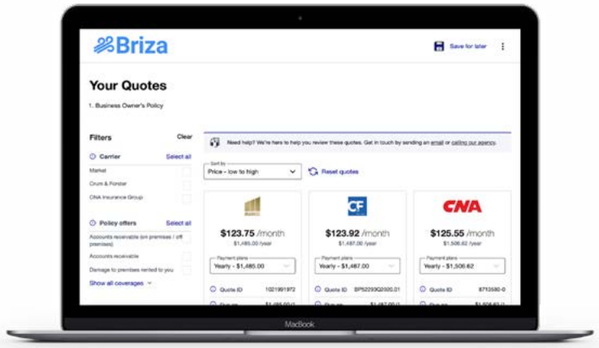
"Foresight technology has been evaluated by leading insurance actuaries and found to reliably reduce incidents, so our rates are competitive in hundreds of class codes spanning the construction, manufacturing, logistics, light industrial and agriculture verticals."

Emilio Figueroa, Chief Insurance Officer, Foresight

Briza is a commercial insurance application programming interface (API) that streamlines small commercial quoting, payment collection and policy issuance. Founded in 2017 by a team with decades of experience on the commercial carrier side, Briza sought to address the deeply underserved small commercial market. The Austin and Toronto-based InsurTech provides software solutions to commercial insurance carriers, retail insurance agencies and small-to-midsize business (SMB) seeking to enable in-platform insurance transactions.

Briza tackles carrier API distribution

Businesses are increasingly demanding insurance transactions that are instant, without lengthy approval times, additional underwriting questions, or cumbersome back and forth. For carriers, however, a huge time and resource investment is required to build out a small commercial API, as well as decisions on how to then distribute the API. Briza handles relationships with commercial retailers, wholesalers and SMB platforms, giving the insurer instant access to multiple distribution channels through a single integration.



Briza for retailers

For many retail insurance agencies, small commercial policies remain unattractive because of the steep time investment required to write them. Briza solves this with the Briza Smart Portal, a white-label, agency-branded, quote-bind-issue engine that allows agents or clients to complete an application, generate quotes, pay online and have the policy issued in minutes. Agencies can launch their own Briza Smart Portal in under an hour.

"These days, consumers expect buying products online to be instant. The fact that small business insurance has been so slow to keep up with this expectation cannot continue. We are excited to help enable the digital evolution of commercial insurance, and transform the industry with our team and partners."

Ben Munro, CEO, Briza

Briza for SMB platforms

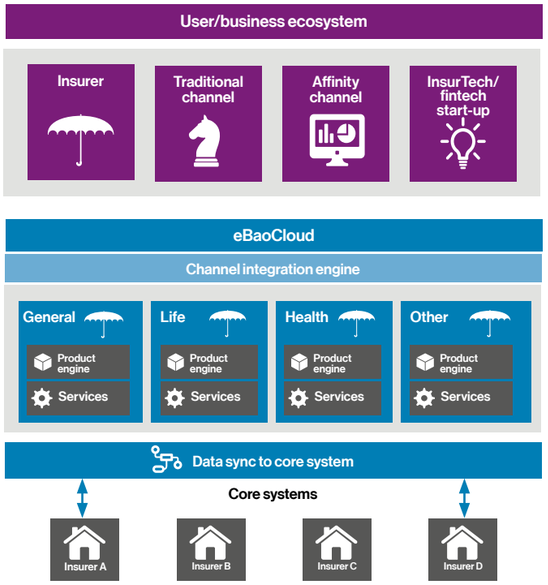
Online SMB platforms are always looking for better ways to help their customers' businesses, build greater loyalty, create value and return revenue. There is rising interest in insurance transactions on small business software platforms, such as payroll, banking and bookkeeping apps. When these platforms try to build their own insurance solutions, they inevitably discover that no single carrier has appetite for all of their customers' needs, and that the work involved in integrating multiple carriers is formidable. Briza enables branded, multi-carrier, in-platform insurance transactions with its commercial insurance API, with the same ease as a platform would add a payment processor API.

Briza's partnerships

Briza launched its API with insurer Hiscox. Since then, its appetite has grown to business owner policies, general liability, professional liability, workers' compensation and cyber liability from industry leaders Liberty Mutual, Berkshire Hathaway Guard, CNA, Markel, EMPLOYERS and Crum & Forster as well as tech-enabled providers such as Coalition.

Founded in 2000, eBaoTech is a leading digital insurance solutions provider that operates across more than 30 countries globally and counts over 200 insurers as customers. The company originally pioneered the use of 3G technology (java-based) and is now leading in 4G technology (cloud-native and microservices architecture). eBaoTech's two main solutions are eBaoCloud and eBao Software.

- **eBaoCloud** is a group of products that deploy 4G technology to cover insurance platform-as-a-service (PaaS)/middleware, ecosystem platform and software-as-a-service for insurers and managing general agents.
- **eBao Software** is a java-based traditional core system suite for general, life and group life insurance companies, as well as the related services around implementation, maintenance and enhancements. Their platforms support the entire life cycle operation of business, including new business, endorsement, claims, reinsurance, finance and compensation.



eBaoCloud

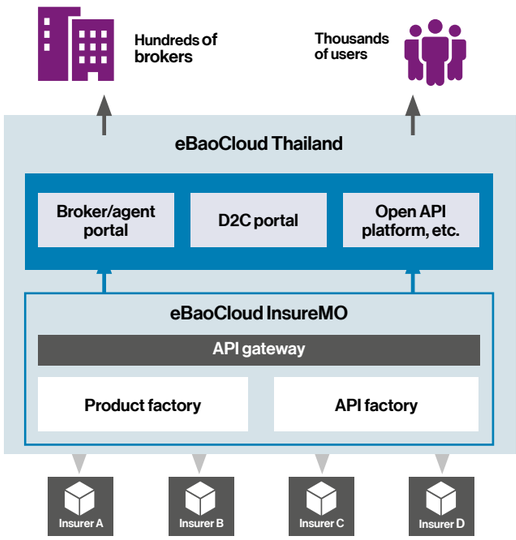
eBaoCloud enables real-time digital insurance and consists of numerous insurance applications powered by InsureMO, as Open API insurance PaaS. It is all developed using cloud-native and microservices architecture. The eBaoCloud platform holds insurance applications developed by eBaoTech and third-party vendors and enables all life cycle policy transactions, including quotation, underwriting, payment and claims of various insurance products.

This platform can seamlessly integrate with external applications and services such as optical character recognition (OCR), voice recognition and payment. InsureMO also supports third parties to develop APIs and register on InsureMO. Currently, over 3,000 products from over 120 insurance companies across more than 10 countries have been configured on eBaoCloud's InsureMO.

eBaoCloud case study: Insurance distribution platform

eBaoCloud's distribution platform in Thailand is an insurance industry hub for all channels and general insurance products in the Thailand market. The online platform generates real-time rating, quotation, payment and issuance processes, and the average turnover time is four minutes.

The platform connects insurance carriers and brokers and significantly improves their transaction efficiency. Currently nine insurers and hundreds of insurance channels, including brokers, banks and travel agencies, are connected to eBaoCloud's distribution platform. All mainstream general insurance products — auto, home, accident, travel, health, liability — and small to medium-size enterprises commercial products are covered, with 30,000 policies transacted every day.



Founded in 2016 in Columbus, Ohio, Bold Penguin rapidly increases quote-to-bind for commercial insurance. The company's software helps accurately match agents, brokers and carriers with small business owners, to make quoting and binding faster, simpler and more profitable via a single, intelligent, rules-based platform.

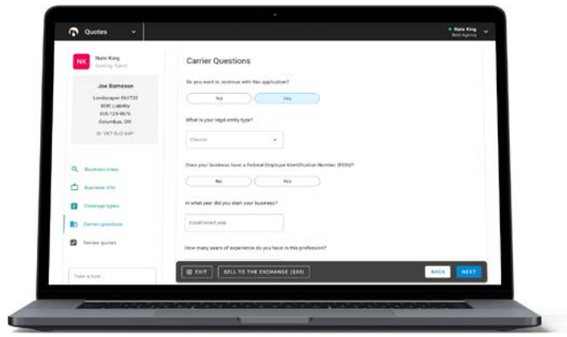
What Bold Penguin does

Bold Penguin's platform is a tailored software solution that interacts with existing systems to power consumer-facing storefronts and producer-facing portals through an API-first approach. It is currently leveraged by agencies, brokerages, carriers and InsurTechs for the purposes of efficiently qualifying, quoting and binding small commercial insurance.

Two of the company's core products are:

- **Bold Penguin exchange platform:** This is the largest commercial insurance exchange and has a two-step approach that ingests applications from a sending partner and delivers a verified and vetted customer on the other side to the receiving party. It connects businesses, agents and carriers to the right quote quickly.
- **Bold Penguin terminal:** This powers the digital storefronts of carriers such as Nationwide and Progressive. It enables carriers and agencies to provide multiple quotes to a small business owner in minutes versus hours or days. It can interact with existing systems to power consumer-facing storefronts and producer-facing portals through an API-first approach.

For the broker, it enables them to triage, quote and bind commercial insurance from a range of participating and digitally integrated carriers, for a faster, more accurate, more transparent and more

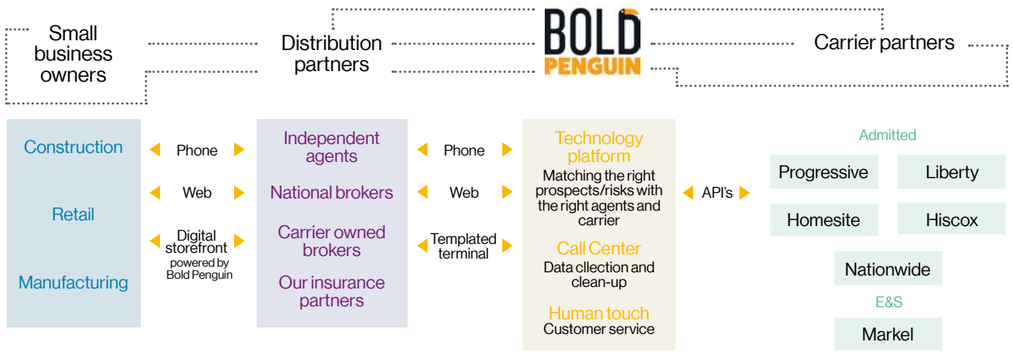


efficient risk assessment process. Information on a small to midsize business is entered through a single application; carriers can be ranked, coverage can be organized, and quotes can be bound or routed in an elegant multicarrier, multiproduct flow.

Bold Penguin funding

Bold Penguin has raised US$50 million across four funding rounds. Its most recent round was a US$32 million Series B round, with participation from Guggenheim Partners, Lightstone Ventures, Lockton and Hudson Structured Capital Management.

Inside Bold Penguin's matching engine



The Art of the Possible:
An Investor's Perspective

Gen Tsuchikawa
Chief Investment Officer,
Sony Innovation Fund

SONY

Gen Tsuchikawa heads up all venture investing activity for Sony globally through its Sony Innovation Fund. He is also CEO and CIO of Innovation Growth Ventures, a joint venture between Daiwa Capital Holdings and Sony that invests in middle-to later-stage companies. Seed and Early-Stage investments are made using Sony's balance sheet.

Gen has spent 15 years at Sony. Prior to his current position, he headed Corporate Development and M&A, Business Development and Investor Relations at Sony Headquarters. Before coming to Sony, he spent 20 years in the finance industry in companies such as Merrill Lynch. He holds a B.A. from Hitotsubashi University in Japan and an M.B.A. from Stanford Graduate School of Business.

Sony Innovation Fund and its investment mandate

1. Tsuchikawa-san, most of our readers will be very familiar with the brand name Sony, but perhaps not as a technology investor. Can you please give us a brief history on the fund and how it came to be?

Sony Innovation Fund (SIF) was established in July 2016 to help Sony get closer to the world's creators and vice versa by broadly investing in innovative start-ups, new ideas and the technologies of tomorrow. We started with US$90 million to invest in Seed and Early-Stage companies that are adjacent to Sony's business units or in new or emerging markets that would foster business creation. We are the start-up community's gateway to Sony — offering technical and business expertise, intellectual property (IP) co-creation, research and development, and access to our global partner network to help companies scale, reach new markets and create global businesses.

Four years since the debut of our first fund, we've made nearly 70 investments across North America, Japan, Europe, Israel and India as well as launched a second investment vehicle in partnership with Daiwa Capital Holdings — Innovation Growth Ventures (IGV). The new US$150 million fund includes investment from outside limited partners (LPs) and has enabled us to broaden our investments to middle- and late-stage start-ups. With the two funds, our team continues to invest in the areas where the world, and Sony, are moving, including artificial intelligence (AI), robotics, medtech, fintech, sports and entertainment, industrial internet of things (IoT) and much more.

2. Why has the Sony Innovation Fund focused on InsurTech as an investment opportunity? When did you start looking at InsurTech to invest?

Sony, well known for its electronics and entertainment businesses, has been in the insurance space in Japan for over 40 years. Initially established in 1979 as a joint venture between Sony and The Prudential Insurance Company of America, Sony's financial services unit has grown to be the third largest business segment covering life insurance (Sony Life Insurance), P&C insurance (Sony Assurance), banking (Sony Bank — the first "challenger bank" in Japan) and nursing care (Sony Lifecare).

In building out the financial services business, we've been able to keep a close eye on what new technologies and business models are disrupting traditional finance models. This made InsurTech, and fintech more broadly, a natural fit for SIF as we can bring real value to start-ups in the space not only in Japan but North America, Europe and around the world.

3. What is your approach to InsurTech investment? Do you focus on particular strands of insurance? Or is the focus more about the technology supporting the insurance proposition?

As the pace of digitalization accelerates across insurance domains, the need for a modern data infrastructure throughout the value chain has significantly grown more important. At SIF, we're particularly interested in start-ups harnessing disruptive technologies to redefine back-end and middleware layers of the insurance stack.

Specifically, we see tremendous potential in redefining "trust" in the insurance ecosystem, including new Know Your Client, identification/authentication, credit scoring schemes or start-ups leveraging new data signals, removing friction from the customer experience journey or bringing more transparency to insurance policies. We're also interested in the optimization, automation (and in some cases disintermediation) of complex insurance workflows along with the "API-ization" of financial services that first made waves in the banking and payments world and is now beginning to reshape insurance.

4. The venture fund itself represents interests from an entire community of investors. Are you looking to make investments into InsurTechs that benefit this community from a strategic partnership/growth perspective, or are you more focused on speculative exit potential?

At SIF, we're always looking for companies that are aligned with existing or future areas of interest for Sony, and many of the InsurTech areas of interest I mentioned above already have potential synergies. At the same time, we strive to look at the growth potential and exit scenarios of the start-ups we back with a stand-alone financial, venture capital (VC) lens.

We have clear goals to generate financial returns for our LPs, particularly with our investments through IGV, and we actively work with our portfolio companies to support them in their growth trajectory. This includes orchestrating connections and potential collaborations not only within Sony but with our LPs and other partners as well.

Finally, our understanding of the physical and engineering aspects of disaster risk and recovery has substantially outpaced our understanding of societal risk. There are huge opportunities for us to increase the resilience of communities and society in the face of natural, technological and human hazards.

5. What parameters do you consider when deciding on whether or not to invest? What do you look for when investing?

We primarily invest in newer horizons for Sony, so our primary decision factors lean toward the continued differentiation and sustained business potential of start-ups rather than an immediate or short-term synergy. For instance, we take a substantial effort to sharpen our deep understanding of the competitive landscape — not just today's direct competitors, but how the company can solidify its moat (or create a new one) in light of rapid competitive shifts from incumbents or other venture-backed players.

While there have always been some unknowns, the economic environment under COVID-19 has placed a greater emphasis on the importance of in-depth analysis of sales pipelines, gauging realistic (yet ambitious) growth plans and the capital requirements, if need be, associated with it. From a fundraising standpoint, the dynamics of the investors' syndicate (i.e., are there new investors or purely insiders?) as well as the overall amount sought (i.e., how much runway will this bring to the company, even in a conservative scenario?) are also taken into account during investment decisions.

6. One of Sony Innovation Fund's key partners is Daiwa Capital Holdings. What makes your partnership unique and powerful within the VC space?

Our partnership with Daiwa Capital Holdings and the creation of IGV represents a distinctive form of venture, where we can fully leverage the expertise, capabilities and highly renowned technological resources of Sony through SIF as well as Daiwa's wealth of financial management expertise.

While SIF primarily invests in Seed or Early-Stage start-ups, IGV has enabled us to broaden our investments to middle- and late-stage start-ups. In addition, the new fund includes investment from outside LPs, such as Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Lease, Bank of Yokohama and several other major Japanese financial institutions, which can provide an even more powerful support platform for start-ups in the InsurTech and fintech space.

"Our primary decision factors lean toward the continued differentiation and sustained business potential of start-ups rather than an immediate or short-term synergy."

Future of work

7. This particular *Quarterly Briefing* is focused on commercial insurance. One consideration in this area of insurance is how technology has and will continue to impact the manner in which we work. Could you comment on how the investments that Sony Innovation Fund has made are driving these new ways of working, and how you see the future of work playing out?

When considering the future of work, there is a natural convergence between the physical world (an office, industrial or remote-work setting) and its digital world (data and decision-making layers for workers, their employers and insurance policies). In particular, we see great potential in start-ups taking an innovative approach to sensing or gathering data from the workplace and building an intelligent stack for companies, insurers or reinsurers to act in a more decisive and quantifiable manner.

For instance, our portfolio company StrongArm Technologies has developed a solution, combining a lightweight, chest-worn ruggedized wearable and AI platform, to quantify factory and warehouse workers' motions and their surrounding environment. Already being used by the likes of Walmart, Toyota and Geodis, StrongArm centralizes workplace safety data and specifically enables insurers to leverage more quantitative and finer-grained data than the typical actuarial table. More recently, StrongArm has further expanded its platform to provide social distancing monitoring and contact tracing capabilities in response to COVID-19.

Another example is our portfolio company, Delos, which is leveraging years of academic research on indoor wellness and established building certification initiatives for the commercial, hospitality and residential estate spaces to improve human health in the built environment. Delos, in collaboration with the Mayo Clinic, launched the WELL Health-Safety Rating, an evidence-based, third-party verified rating that validates operational policies, maintenance protocols, emergency plans and stakeholder engagement strategies to help organizations operate their workspaces in a post-COVID-19 environment.

8. How do you think the effects of COVID-19 will impact the future of InsurTech and investments into insurance-related technology?

The business opportunity for InsurTech start-ups, along with investment in insurance-related technologies, will only accelerate with COVID-19 and the big push toward digitalization. However, before we double down on certain areas, we need to take a good look at how the industry dynamics are changing, especially how incumbents are positioning themselves in the space. I wouldn't be surprised if some incumbents come out with organic solutions in areas currently occupied by start-ups, in a very aggressive way.

9. Leaning on your own experience, how have things changed compared with five years ago regarding technological innovation? Are people more engaged with technological developments?

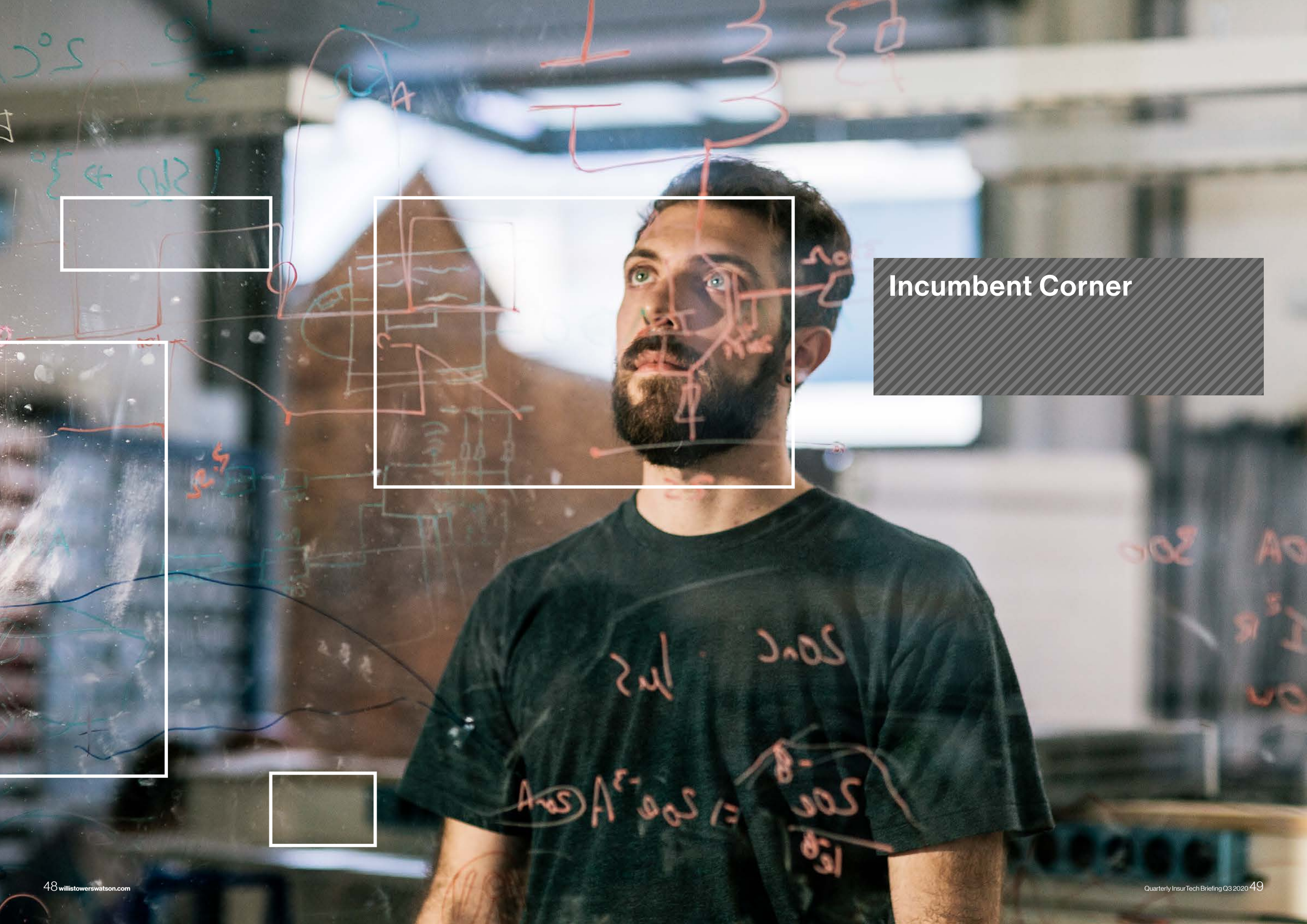
In the past few years, there has been a significant increase in large insurers and reinsurers setting up their own corporate venture groups, which is a clear and positive sign that the industry's engagement with technology-driven change is accelerating. We've seen insurers become increasingly agile in running proofs of concept and articulating learnings toward commercial deployments.

As innovations such as AI, drones and IoT become more prevalent enablers for insurers, they also become less of a "novelty," and start-ups need to be increasingly mindful of the pragmatic integration of their solutions into established workflows. This also creates opportunities for start-ups to craft new types of partnerships with insurers, which is already happening across industries within our portfolio, such as mobility (e.g., Ridecell working with insurers for its shared mobility platform) and industrial (e.g., StrongArm bundling its solution into workers' compensation insurers' offerings) among others.

10. If you were to make any predictions for InsurTech and the future of work, what do you forecast we might see over the next 10 years?

Looking forward, more precise risk quantification can only truly exist with more astute sensing of the physical world, whether in terms of workplace environment or employees' activities. In order to empower these emerging InsurTech use cases, harnessing autonomous capture and edge processing will be important driving forces to ensure the real-time nature of the data while safeguarding the privacy considerations around them. This will create a fertile ground to cross-pollinate innovation between InsurTech and several deeptech domains, such as AI and robotics. As SIF is an active investor across these ecosystems, we look forward to supporting entrepreneurs taking unchartered routes to invent the future(s) of insurance at work.

"Before we double down on certain areas, we need to take a good look at how the industry dynamics are changing, especially how incumbents are positioning themselves in the space. I wouldn't be surprised if some incumbents come out with organic solutions in areas currently occupied by start-ups, in a very aggressive way"



Incumbent Corner

Brit Ki — **a fully digital and algorithmically driven Lloyd's of London syndicate**

Interview with Mark Allan, CEO, Ki and Group CFO, Brit
By Printhan Sothinathan, Chief Strategy Officer at Willis Re Specialty

Ki, the first fully digital and algorithmically driven Lloyd's syndicate, incubated by Brit and Google, which offers low-touch capacity instantly to brokers

Mark Allan
CEO of Ki and Group CFO at Brit

Printhan Sothinathan
Chief Strategy Officer at Willis Re Specialty

1. For our readers who might be unfamiliar with Ki, can you please briefly explain the functionality of the initiative, offer a little insight into its development/historical timeline, and explain what the role of the underlying technology is?

Ki is the first fully digital and algorithmically driven Lloyd's of London syndicate. A follow-only syndicate, Ki offers instant capacity that can be accessed through an easy-to-use online platform, providing unprecedented service to brokers and clients.

Ki has been designed for brokers and their clients. We wanted to take the friction and cost out of placing risk at Lloyd's by allowing brokers access to an instant underwriting decision, anytime, every time, from anywhere.

Ki's broker platform offers real-time capacity to brokers, a true step-change from the current manual and time-consuming process available in the market.

In the background, Ki seamlessly uses a proprietary algorithm to underwrite each risk to make faster decisions while maintaining underwriting standards. Ki is also built on a data-first and greenfield basis, meaning every process has been redesigned to reduce friction and waste.

Ki was incubated by Brit and built in partnership with Google Cloud and University College London. The project was initiated in early 2019 with a significant investment of executive time, dedicated staff and secondments from Brit as well as the partner resource. Ki was approved by Lloyd's in May, and we recently announced the completion of our fundraising of US$500 million from Blackstone and Fairfax. The platform will be finalized in Q4 2020, ready for policies to bind from January 1, 2021.

2. How does Ki actually work?

Our vision is to simplify risk, so Ki provides a market that is accessible instantly, anytime, every time, from anywhere. Ki uses an algorithm to generate the line to be offered on any individual risk based on its evaluation of the data; the detail is proprietary and built using Brit's extensive underwriting knowledge. Ki can be available 24/7, via laptop or mobile device. On demand or on the go, Ki always says yes, providing a line every time.

3. What was the motivation for Brit to launch Ki? What market conditions triggered its creation?

Brit was closely involved in the development of the Future at Lloyd's strategy and fully aligned with the vision John Neal, CEO of Lloyd's, set out. As a result, we realized that a data/digital market was inevitable given progress made with PPL and the structural disadvantages of the current operating model. We recognized that it was time to "digitize or die" and started investigating various approaches.

We decided to set up our own new operation building on the success of Syndicate 2988 over the past few years and take the bold step of creating a digital-first platform. We brought in innovators, entrepreneurs and digital experts to drive the initiative and bring fresh thinking to the organization, while working closely with our experts in Lloyd's and underwriting.

4. Why was it important to explicitly develop technology for the follow market?

Lloyd's is home to some of the world's best technical underwriting capabilities and is arguably unrivaled in its ability to price and insure complex risk. However, much of these skills lie in the "lead" part of the process; enabling follow capacity to more efficiently support this is where we saw the most significant opportunity to do things differently.

While it would be possible to be more efficient with a non-digital solution, the scalability and speed of a digital model are fundamental advantages. Given the direction of travel for the market, we also believe this will be a requirement within five years, so developing these skills now will help Brit succeed in the future.

5. Do you think that the appropriate technology exists to create a sophisticated lead market initiative powered (significantly) by technology?

Ki leverages an algorithmically driven approach to underwriting, evaluating risk in real time to automatically provide a quote to brokers instantly. Algorithmic trading is a relatively new concept for insurance, but it is something that has been applied successfully in financial markets many times before.

Algorithmic trading is a huge opportunity for the insurance market. It allows insurers to automatically analyze risk, offer more personalized products and serve a large number of customers globally, in a matter of milliseconds. The key for this approach to truly add value lies in combining this level of risk understanding from the algorithms with deep underwriting expertise.

However, for lead underwriting, there are many additional layers of complexity and data requirements that go beyond today's capability. In addition, the complex evaluation and innovation of solutions for lead business, often unique to an individual placement, mean there is still significant value in the lead underwriting process. We believe that many of the new technologies we have developed for Ki could be valuable to our lead underwriters at Brit, as part of an enhanced leadership model. This will take some time to develop but is an area in which Brit is progressing in collaboration with Ki.

6. How does Ki support brokers' clients?

Ki immediately gives clients certainty about placing business in Lloyd's, through providing simplicity, security and a sustainable business model.

Simplicity

- Ki's platform is very simple and quick to use, delivering follow capacity seamlessly.
- Ki's line has been determined in advance, so it can be counted on by the broker/client.
- The Ki platform is available 24/7, anytime, anywhere.

Security

- Ki has a significant capital base following our US$500 million capital raise from leading global investors Blackstone and Fairfax, as well as benefitting from the Lloyd's chain of security.
- Ki has no legacy liabilities to worry about and the full support of Lloyd's given its alignment to the Future at Lloyd's strategy.

Sustainability

- Ki's digital business model is efficient and sustainable.
- Ki has growth plans backed up by its capital raise that provide opportunity for significant growth.
- Ki is a first mover on the future of digital trading in the Lloyd's of London market. Built to be the future of the market, it exemplifies a more efficient and future-proofed business model.

7. What has the reception to Ki been in the Lloyd's market? And perhaps beyond the London market? Do you see other syndicates adopting a similar use case of innovative technology?

We have had fantastic engagement from Lloyd's throughout building the business. We fully back the Future at Lloyd's vision and believe that Ki will be further enabled by the various technology, services and processes to come from the program, as the market becomes "fully digital." Hopefully Ki can be an illustrative case study for other market participants to the advantages of embracing advanced technologies and enabling digital trading of risk.

Lloyd's CEO John Neal said: "Ki truly embraces all that is represented in the Future at Lloyd's by bringing data, technology, innovation and artificial intelligence to the fore. It is an exciting first for Lloyd's and we hope others follow."

Brokers have also reacted very positively to the launch of Ki. With the credibility of Brit and Fairfax we have many strong relationships to build on. Current market conditions are quite challenging in many areas, so this innovative new model is a breath of fresh air and a positive development in a difficult period.

We fully expect others to deploy new technologies in the market and wish them every success. Our market has a long history of innovation, and we hope this will be the start of the next reinvention of Lloyd's.

8. Why did Brit choose to partner with two established institutions – UCL and Google Cloud? And more specifically, why Google as opposed to one of its competitors?

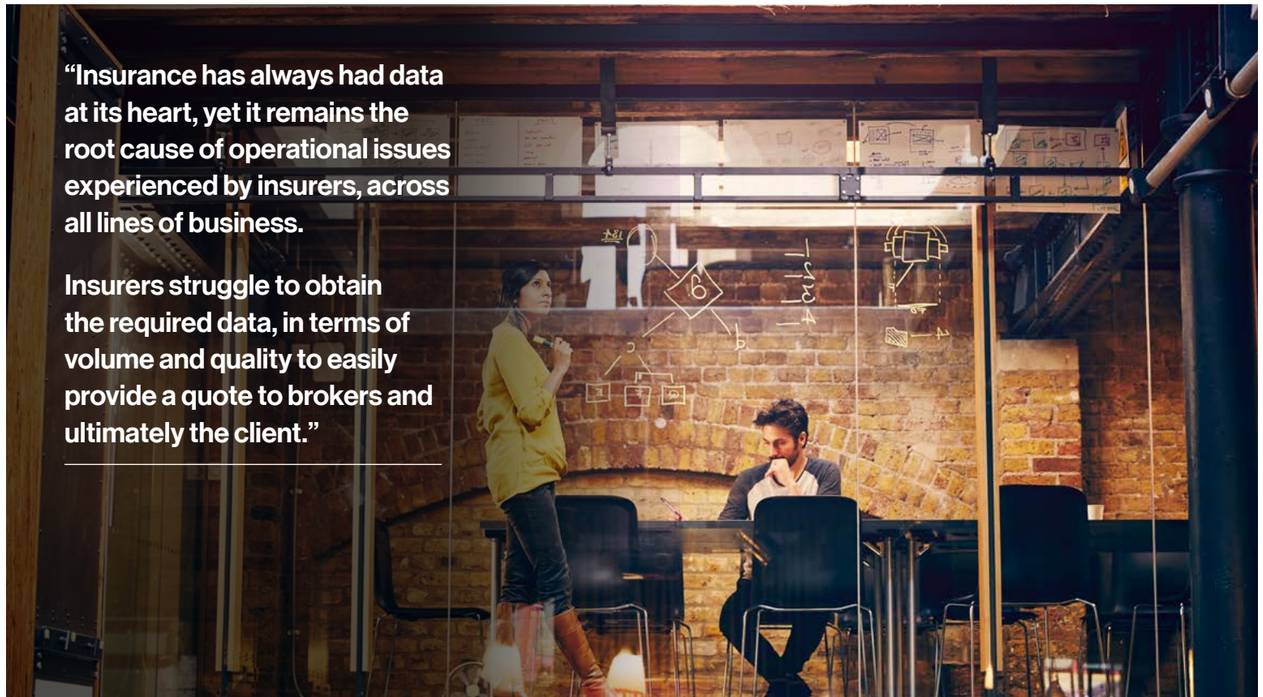
We decided early to focus on developing a best-in-breed proposition. At Brit, we aim to excel in underwriting leadership and the management of our insurance vehicles, including our partnership capital. We appreciate that in other areas there are specialists with vast experience that can complement our market knowledge, so we decided to partner in these areas.

We also wanted to create a business that illustrates the potential of this new approach to the wider market, so we wanted to bring the cutting-edge technologies into the market. Accordingly, we partnered with Google and UCL, which are respectively market leaders in their fields.

Google brings fantastic data and AI capabilities and is widely recognized as the most innovative technology company in the world. It has big ambitions and wants to tackle the world's biggest problems. It was an alignment of interests, culture and vision from the start.

9. Ki is one of the projects to come out of Brit's innovation function. Are there any more exciting innovations in the pipeline?

Ki was a fantastic first incubation by the BritX team. However, there are still a number of other complex problems and inefficiencies that exist within the current business and wider market. Many of these are anchored in data quality and control at the start of the value chain. The Lloyd's innovation program, the Future at Lloyd's, is focusing on how to move from a document-led market to a data-led one. We will be continuing to work with Google and looking closely at this problem. If we can crack the data problem, then all participants — from brokers, Brit, Ki and Lloyd's itself — will gain.



"Insurance has always had data at its heart, yet it remains the root cause of operational issues experienced by insurers, across all lines of business.

Insurers struggle to obtain the required data, in terms of volume and quality to easily provide a quote to brokers and ultimately the client."

10. This particular briefing is focused on technological innovations in the commercial sector. Can you please give us your view on where you see the adoption of technology adding value to the global commercial insurance market as it relates to the core functionalities of (re)insurance?

For us there are three core problems that need to be tackled by any player in the market: 1) a cost base that is too high, 2) duplication of manual tasks, and 3) being document-led. All three of these can be solved through embracing a data-led approach to underwriting.

Insurance has always had data at its heart, yet it remains the root cause of operational issues experienced by insurers, across all lines of business. Insurers struggle to obtain the required data, in terms of volume and quality, to easily provide a quote to brokers and ultimately the client. Data ingestion and verification is even harder in a heavily intermediated commercial insurance market, where data entry is error prone. Being able to independently source and verify data on a particular risk remains the holy grail of commercial insurance, reducing multiple external dependencies as a consequence.

"We fully expect others to deploy new technologies in the market and wish them every success. Our market has a long history of innovation, and we hope this will be the start of the next reinvention of Lloyds."

11. Do you think that 2020 has accelerated or slowed down the likely adoption of technology into our industry?

I believe that we went through about five years' worth of digital transformation in the first five weeks of lockdown. This is clear not only anecdotally but also in the increased usage of digital platforms such as PPL in the Lloyd's market, with usage increasing by around 50% in the month of April.

Lloyd's has been an inherently traditional and manual marketplace historically, due to the nature and complexity of the transaction itself. However, recent months have illustrated that the transaction of specialty risk can be carried out virtually or digitally. Over the past 10 years the inertia has been slowly eroded away, and now that the final and hardest force of human behavior has been overcome, we will see significant embracing of new advanced technologies by all players.

12. And finally, for any budding technology initiative/InsurTech, what advice would you give?

I personally always look to the industries around me for inspiration or advice. We've referenced banking many times, and I've called on prior experience in different sectors many times for inspiration.

However, what you really need is a compelling idea that catches the imagination and genuinely provides a solution to a major problem. Then you just have to keep going and stay true to your vision until it becomes a reality.

Thought Leadership

Richard Clarkson
Head of Willis Towers Watson's London Market Team Insurance Consulting and Technology Business

Technological alchemy paves way for new commercial insurance business models

Conditions are ripe for innovative trading models in the London commercial insurance market, as personified in the growing opportunities for algorithmic follower underwriting at Lloyd's.

One thing we have learned from lockdown during the COVID-19 outbreak is just how far we can take technology that has been around for a long time. Just look at the relative ease with which the industry ramped up secure network connectivity for employees and has moved to remote working this year. And so it is with the opportunities for "algorithmic follow disruptors."

These are the organizations that use technology and analytics to take a share of business offered under the terms and rates of a lead underwriter. As they stake their claim to a bigger slice of the London insurance market in the evolving Lloyd's lead/follow business model, Blueprint One (see feature box), many are looking around realizing just how many of the component parts required for success have actually been around for a while.

Blueprint One

On September 30, 2019, Lloyd's of London launched Blueprint One as part of its Future at Lloyd's project. This is its ambitious strategy to create the world's most advanced insurance marketplace, providing customers with the support and protection they need to grow and prosper.

Blueprint One will support this new way of working by continuing the digitalization of the market, whether through designing a virtual room, enhancing electronic placement, introducing more remotely accessible services or helping data flow through the market using automated processes.

A prime example is the application programming interfaces (APIs) that can enable them to enhance data from an ever-growing array of vendors or third parties and use those same APIs to connect with their distributors. Fold in the use of calculation and decision engines, such as Willis Towers Watson's Radar, inside which algorithms can be developed, and suddenly a lot of the tools needed can be at a company's fingertips.

The drive for speed and flexibility

The broader market implications are that trading will become faster and more responsive — and also open up potential new attractive avenues for alternative capital.

At Willis Towers Watson, we see the rise of the "algorithmic follower" as part of a wider trend toward greater digitalization of commercial insurance, one that is linked to the adoption of calculation engines to pull in more information quickly, to find new intersections in the data quickly and easily, and to use that to drive portfolio strategies.

Notably, exactly the same phenomenon is starting in the delegated authority space as insurers look to "quasi-verticalize" the value chain, making it more dynamic, and where there is a clear shift to portfolio trading. Indeed, it will be interesting to see just how far portfolio decision making of this nature goes — and the extent to which the decision making at the point of writing becomes primarily a matter of validation and course correction.

The key is that plugging calculation engines into APIs — and potentially connecting with brokers, consortia (and line slip arrangements by extension), cover holders and exchanges — makes the trading instantly more dynamic. And with that comes opportunities for outperformance advantages on underwriting profit, return on capital and capital efficiency.

These are also features that should make a compelling proposition to alternative capital for which this sort of dynamic portfolio trading has been normal for a long time.

Impact on trading models

It seems inevitable that, led by development in the Lloyd's and London markets, we can expect the emergence of new trading models.

We expect insurers will begin to develop clearly delineated trading models based on how they choose to distribute, where:

- Followers become operationally skinnier with complex algorithms that are constantly refined, driving their portfolio strategy. They will seek to offer brokers automatic binding: As soon as a leader has been secured that they have previously vetted, then the follow capacity will be automatically agreed to. Brokers will find this attractive because filling up a slip becomes a whole lot easier.
- Leaders will be sought out based on how many of these new followers they can say have nominated them as chosen leaders — creating a virtuous circle with other followers. In the process, they will become more expert in running their portfolios. And followers will compete with each other based on how well they can detect effective portfolio management in leaders.
- This dynamic intensifies as followers start moving from price-taking to price-setting — extending the vertical placement we already see in some markets. Ultimately this will become a race about who has the most sophisticated pricing models and the most effective portfolio management. Leaders and followers will compete for share on the slip but also symbiotically need each other in order to be successful.

In parallel, there will be a similar race to deploy the same techniques into delegated authority markets.

In short, we expect insurers to develop their digital trading and operating models, which will also typically mean reviewing the talent base and roles within the organization.

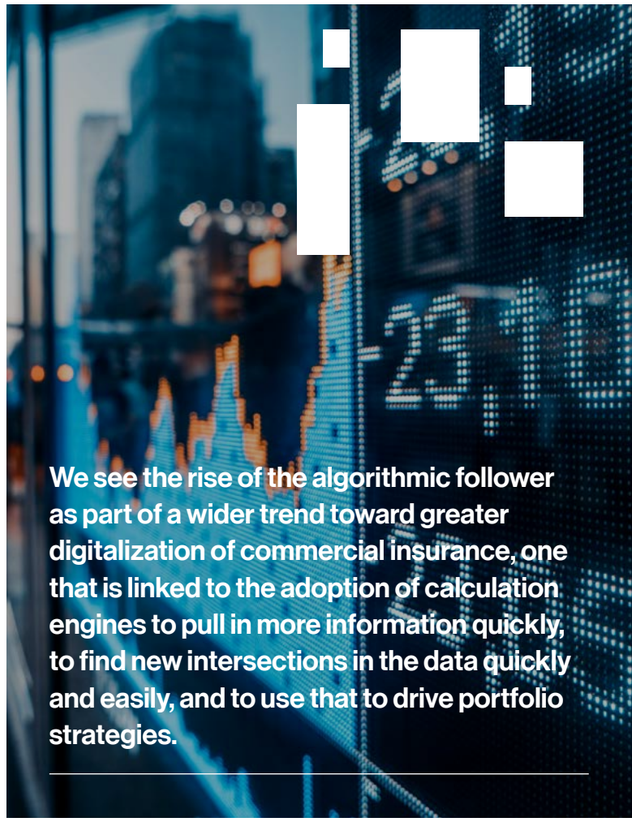
The power of the algorithm

What is making this all happen? It's the trading algorithms that reach to the heart of this revolution. Differentiation will ultimately reside in the algorithms and the extent to which they require human intervention to deploy them effectively.

Mysterious and mathematical as they sound, these algorithms are (more simply put) a series of calculations pulling in data from various sources and applied through a series of models, be they for applications such as pricing; assessing risk appetite compatibility, counterparty track record, tail risk, capital requirements and risk accumulation; or gauging position in the business cycle. The data sources are already many and varied and growing all the time — an important point, because the quality and depth of data is normally the key determinant in how well models perform.

That's why we regularly consult to help firms build data footprints for low claims or otherwise heterogenous classes. There is plenty to bring in — not to mention often a lot more valuable internal data already existing, but hidden away or inaccessible, than companies imagine.

Perhaps the broader challenge is how to become a learning organization — to constantly test and optimize these data sets and refine algorithms. The technologies are largely there for those willing to take those steps, and there appears to be an emerging and eager band of "follower" commercial underwriters ready to exploit them.



We see the rise of the algorithmic follower as part of a wider trend toward greater digitalization of commercial insurance, one that is linked to the adoption of calculation engines to pull in more information quickly, to find new intersections in the data quickly and easily, and to use that to drive portfolio strategies.

Transaction Spotlight

PasarPolis

In August 2020, Indonesian-based B2B2C insurance provider PasarPolis completed a US$54 million Series B funding round. The round is the largest InsurTech Series B recorded in Southeast Asia (and one of the largest recorded at any investment stage for an InsurTech in Southeast Asia.)

The Series B round

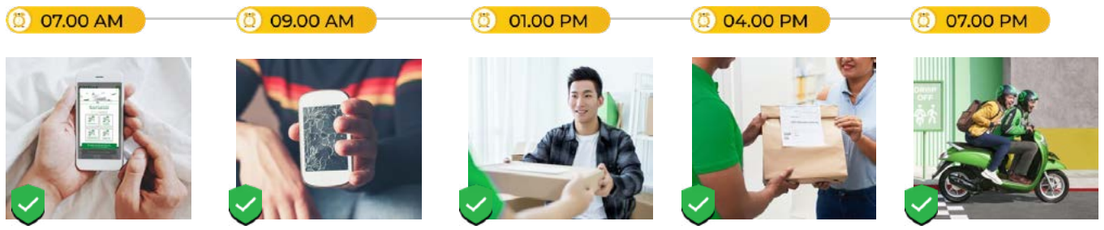
The round included participation from LeapFrog Investments, SBI Investment, AlphaJWC, Intudo Ventures, Go-Ventures and Xiaomi and will be used to support the company's growth plan. This includes advancing its artificial intelligence (AI) technology to segment risks in real time, leveraging big data to build tailor-made insurance products for the digital ecosystem and expanding penetration in operating countries.

About PasarPolis

Initially launched in 2015 as an insurance aggregator, PasarPolis has evolved to be a leading provider of unique and affordable insurance products that are designed specifically for each of its ecosystem partners under a B2B2C model. Through PasarPolis' platform, partners have access to a highly scalable AI-powered platform that facilitates easy onboarding, flexible product creation and a claim portal. Insurance penetration in the Association of Southeast Asian Nations remains low at approximately 3.6%, and PasarPolis is looking to tackle that.

Example partnerships and products include motorcycle loss insurance for Gojek drivers, flight delay insurance for Citilink, marketplace and digital goods insurance for Tokopedia, insurance for small to medium-sized enterprises (SME) that covers damaged products and missing items, and policies that protect e-commerce customers. The products are either white-labeled and distributed through PasarPolis' network of 25 partners or offered through PasarPolis' app.

In 2019, PasarPolis issued more than 650 million episodic policies to ride-hailing drivers, delivery couriers, online SME merchants and the general public who previously had limited access to appropriate insurance policies. In June 2020, the company served 4 million new customers. PasarPolis now boasts more than 30 insurance partners across Indonesia, Thailand and Vietnam, which enables the company to continue to develop innovative and tailor-made products for different consumers.



Book a flight ticket
protected by PasarPolis' Flight Delay and Cancellation Insurance

Phone damaged but fully insured
with PasarPolis' Crack Screen Insurance

Purchase a new phone from e-commerce
protected by PasarPolis' Shipping Return and Original Guarantee Insurance and purchase PasarPolis' Complete Mobile Protection

Enjoying afternoon snack ordered online
Without worrying thanks to PasarPolis On Time Guarantee

Travel home from work
protected by PasarPolis' Go-Passenger Insurance

25 Strategic partners

10,000 agents

70 million policies/month

30 insurance partners

83 active products

1st instant claim in Indonesia with 80% done at 18 seconds

PasarPolis' agent network: PasarPolis Mitra

In May 2020, PasarPolis soft launched PasarPolis "Mitra," a PasarPolis agent partner. PasarPolis Mitra is an onboarding platform for agents and the company's first venture into the offline-to-online business in Indonesia. The platform enables any agents to scale their insurance business digitally by becoming a PasarPolis Mitra.

Within four months, the platform has secured over 10,000 agents in Indonesia, Vietnam and Thailand from various backgrounds, including Gojek drivers, those working from home, professional insurance agents and those affected by COVID-19. Mitra users can earn additional income through PasarPolis Mitra with just a smartphone.

"PasarPolis has become the bridge for the uninsured towards insurance protection, and we will continue this mission in Indonesia, Thailand and Vietnam. As we move forward into a more digital world, the presence of InsurTech has become an essential aspect of the industry. The COVID-19 pandemic has increased awareness and demand of insurance, but consumers' online purchasing lifestyle has resulted in InsurTech becoming indispensable. In the future, not only will we create the right insurance products for today's more digital-savvy consumers, but we will build an industry-leading insurance brand that will endure for generations: an organization built on technology, enabling faster, more efficient operations."

Cleosent Randing, CEO and Founder, PasarPolis

The Data Center

Global InsurTech funding in Q3 2020 records an immense rebound from the prior quarter — the largest number of deals and the highest amount of funding since data recording into InsurTech began.

In Q3 2020, InsurTech companies raised US$2.5 billion across 104 deals — a respective 63% and 41% increase from Q2 2020.

Six mega-rounds were responsible for 69% of total funding. These companies were Bright Health (US$500 million), Ki (US$500 million), Next Insurance (US$250 million), Waterdrop (US$230 million), Hippo (US$150 million) and PolicyBazaar (US$130 million). Overall, the number of mega-round deals grew by 50% compared with Q2 2020.

Q3 2020 overview

- For the first time since Q4 2017, start-ups based in India raised more funding rounds than those based in China. This quarter, six companies from India — including PolicyBazaar and Acko General Insurance — raised capital compared with China's five. U.S.-based companies continue to capture the most deals representing 42% of funding rounds, followed by the U.K. at 9%.
- In Q3 2020, deals were completed in 26 countries, overtaking the record of 25 from Q2 2020. Of these 26 deals, Argentina recorded its first deal since Q4 2017 with a corporate minority stake by Thinkseg in Comparaencasa, and Denmark recorded its first investment since Q3 2016 with a corporate minority investment by Tryg in Undo.
- This quarter early-stage deal share grew to 57% — a 15-percentage-point increase from the prior quarter — returning to pre-COVID-19 levels. The activity was bolstered specifically by property & casualty (P&C) start-ups, which represented 71% of early-stage deals. The cohort most adversely affected this quarter were those companies looking to cross "the chasm" — Series B and C deals — which saw deal share shrink by almost nine percentage points. Series D and E+ had a five-percentage-point increase in Q3 2020 from Q2 2020.

L&H's represent a disproportionate number of the quarter's largest rounds.

- L&H's share of deals continues to trail behind that of P&C, though it grew to 29%, up from 27% in Q2 2020. P&C deals continue to comprise the majority of the funding, but L&H represents 41% this quarter — up by nine percentage points from Q2 2020 and up three percentage points from Q3 2019.
- Of the six mega-rounds of Q3 2020, 50% went to L&H companies, and L&H start-ups were responsible for 49% of the mega-rounds' funding. Compared with Q2 2020, this is a 25-percentage-point increase in the number of deals and a 17-percentage-point increase in the amount of investment.
- Seventy-four percent of L&H funding was focused at the late stage, up 29 percentage points from Q2 2020. Sixty-six percent of P&C funding was at the late stage; 10% of L&H funding was at the early stage, and 16% of P&C investment was at the early stage.

B2B start-ups sustain their growth and establish their dominance.

- B2B start-ups secured 47% of the deals the quarter, while distribution-focused start-ups received 43% of deals. While a small difference, this reflects a shift in investment focus first witnessed in Q1 2020. Since 2016 and prior to Q1 2020, there was only one quarter were B2B start-ups were the focus of more deals (Q2 2018). Since 2016, direct insurers have only been responsible for more than 10% of the deal total three times. Direct insurers' deal count average is 6% of deals.
- Insurers in Q3 2020, however, were responsible for 40% of funding — supported by three insurer mega-rounds. Distribution-focused start-ups were responsible for 49% of investment — again due to three mega-rounds — and B2B start-ups were responsible for 11% of investment.
- For P&C investments in Q3 2020, 49% of deals were to B2B-focused companies, 10% went to insurers, and 41% went to distribution-focused companies. Compared with Q2 2020, this marks a three-percentage-point increase in B2B deals, a five percentage-point drop in distribution-focused deals and a two-percentage-point increase in the number of deals to insurers.
- For L&H deals in Q3 2020, 43% of deals were to B2B-focused companies, 10% went to insurers and 47% went to distribution-focused companies. From Q2 2020, this marks a two-percentage-point drop in B2B funding and a five-percentage-point drop in deals to insurers. It marks a seven-percentage-point increase in deals to distribution-focused companies.

Q3 2020 recorded 10 deals over US$40 million, a 9% decrease from Q2 2020

- 50% of the US$40 million-plus deals were recorded in the U.S and 20% were recorded in India. The remaining deals were evenly spread across the U.K., China and Indonesia. The 10 deals accounted for 77% of the quarter's total funding.

The two largest deals of the quarter were both US$500 million investments.

- A US$500 million investment was a private equity stake by Blackstone in to Ki. Ki offers the first fully digital and algorithmically driven syndicate. It will underwrite using an algorithm-driven approach and offer instant follow capacity through its proprietary digital platform.
- The other US$500 million investment was a Series E round in Bright Health, a company that offers affordable, benefit-driven Individual and Family as well as Medicare Advantage health insurance plans. The round had participation from Bessemer Venture Partners, Blackstone, Greenspring Associates, New Enterprise Associates, T. Rowe Price and Tiger Global Management. Bright Health has now raised US$1.575 billion.

The subsequent largest investment rounds were:

- A US$250 million Series D investment in Next Insurance, a provider of small and midsize business insurance. The round had participation from capitalG, FinTLV and Munich Re Ventures. The company has now raised US$631 million.
- A US$230 million Series D investment in Waterdrop (also known as Shuidi Huzhu), an insurance platform that plans to solve the problem of high medical fees faced by most patients. The round had participation from DianLiang Capitals, IDG Capital, Meituan Dianping, Swiss Reinsurance Company and Tencent Holdings. Waterdrop has now raised US$480 million.

Strategic tech investments by (re)insurers increase slightly from Q2 2020 by 12%.

- Strategic tech investments have not rebounded to Q3 2019 levels (the highest recorded), but they are slowly recovering and have increased every quarter since dropping in Q4 2019 by 44%.
- U.S.-based technology dominated this quarter, receiving 72% of investments. This is a 26-percentage-point increase from Q2 2020.
- Canada, China, France, Germany, Hong Kong, India, Singapore and Sweden all recorded one strategic tech investment by (re) insurers.

Q3 2020 saw 32 (re)insurer partnerships, down two from last quarter's record high.

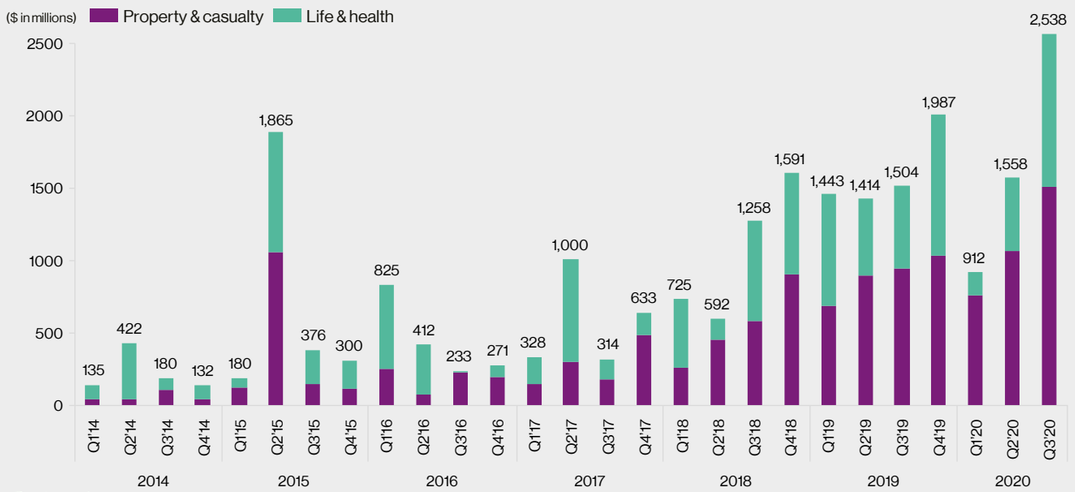
Select partnerships included:

- Hiscox has partnered with Thimble, a short-term liability insurance provider for small businesses, to offer coverage available by the hour, day or month. The partnership will allow Hiscox to give businesses flexibility, with customers having control of their policy via Thimble's insurance app.
- Verily, Alphabet Inc's life sciences division, has partnered with Swiss Re to launch a unit to provide stop-loss insurance, a financial product purchased by employers to cover unexpected and large employee health care costs.
- Farmers Edge, a leader in digital agriculture, announced a strategic partnership with Munich Re to implement large-scale parametric weather insurance solutions.

The Data Center

InsurTech by the numbers

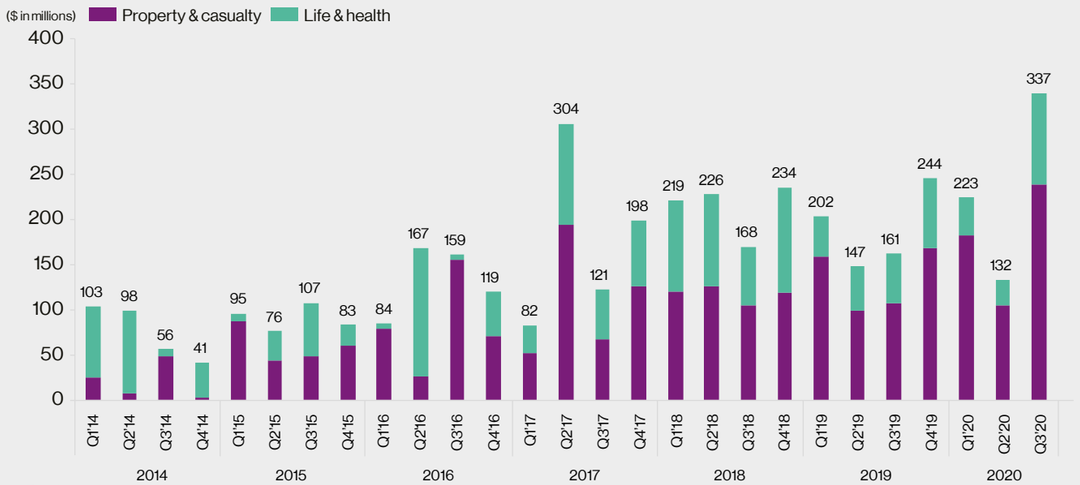
Quarterly InsurTech funding volume – all stages



Deal count

P&C	10	7	16	8	17	13	16	21	44	18	33	29	26	37	29	45	44	46	40	41	58	49	52	40	72	54	74
L&H	9	15	14	15	11	19	15	20	16	17	6	13	17	32	21	11	24	27	17	23	29	20	31	35	24	20	30

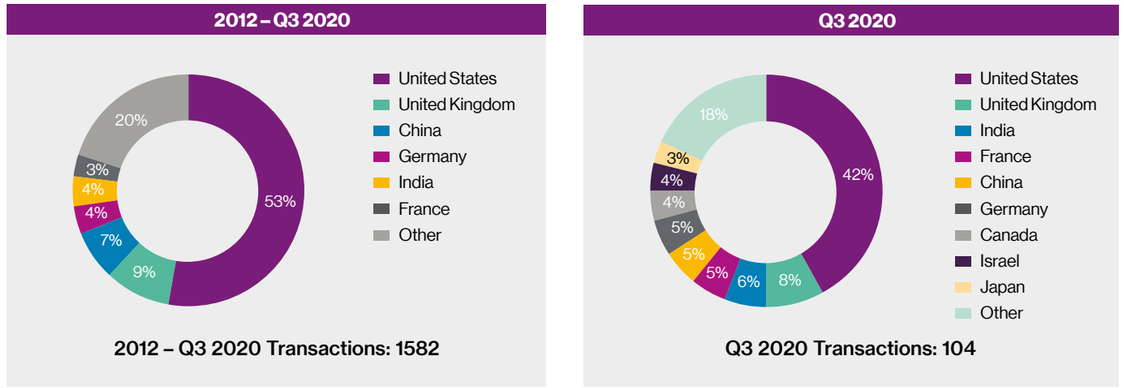
Quarterly InsurTech funding volume – early stage



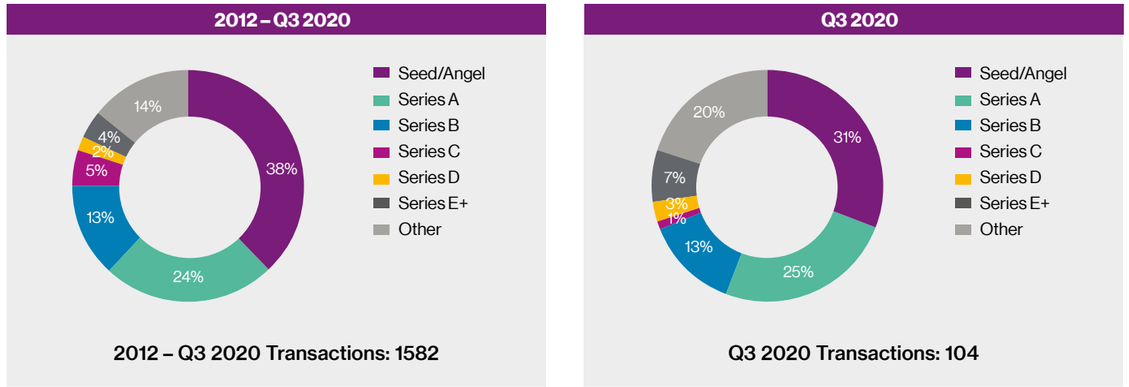
Deal count

P&C	5	3	10	6	13	7	9	16	35	9	25	21	18	25	21	25	32	30	22	25	36	27	35	20	35	25	42
L&H	6	8	11	8	5	9	11	16	6	10	3	10	11	20	13	7	15	21	11	15	20	12	19	16	14	6	17

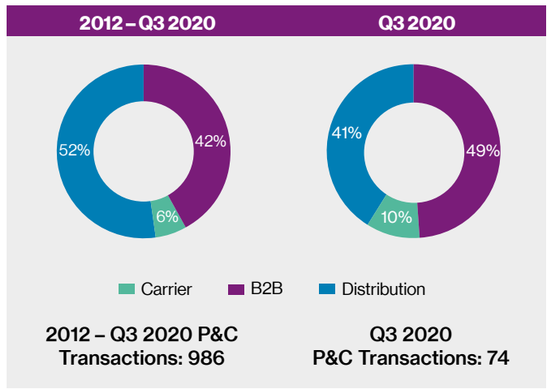
Quarterly InsurTech transactions by target country



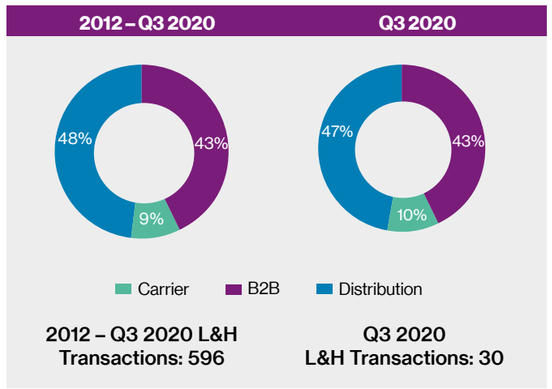
Quarterly InsurTech transactions by investment stage



P&C InsurTech transactions by subsector



L&H InsurTech transactions by subsector



Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
7/1/2020	Just Auto Insurance	5.7	7.15	▪ CrossCut Ventures ▪ ManchesterStory Group ▪ Paycheck Protection Program ▪ Plug and Play Ventures ▪ Robert Smith ▪ Undisclosed Investors	▪ Just Auto Insurance provides pre-paid, pay-per-mile car insurance.
7/1/2020	Layr	5	5	▪ Flyover Capital ▪ Lloyd's ▪ Lloyd's Lab ▪ Maschmeyer Group Ventures ▪ Sandbox Insurtech Ventures	▪ Layr enables companies to get the layer of protection they need to succeed and pay for it monthly with a credit card. Layr's online insurance management portal automates many of the tasks traditionally handled by an agent like generating certificates of insurance, initiating claims and more.
7/1/2020	Canopy	2.5	9.34	▪ Catherine Hardiman ▪ Charles Burgess ▪ Christopher Raymond McKee ▪ Direct Line Group ▪ Experian Ventures ▪ FinTech Innovation Lab ▪ Nesta Open Up Challenge ▪ Nick Martin ▪ Round Hill Capital ▪ Vin Murria ▪ Vision Blue Solutions ▪ West Hill Capital	▪ Canopy offers a product that allows renters to boost credit scores, all by paying rent on time to their landlord. The platform enables users to automatically add rent payments to credit history.
7/1/2020	Koala	1.8	1.8	▪ InsurTech Gateway ▪ Playfair Capital ▪ Techstars ▪ Techstars Ventures	▪ Koala is a French InsurTech reinventing travel insurance. The company's data-driven products proactively alert travelers to any disruption and pay out instantly.
7/1/2020	Felix	0.8	0.92	▪ Oman Technology Fund ▪ Techstars	▪ Felix is an insurance e-commerce and automation platform for insurance brokers. Felix allows brokers to sell motor insurance by automating processes and leveraging the internet for sales and distribution.
7/1/2020	Undo	5.3	9.4	▪ Tryg	▪ Undo has developed an app, which will let you get a custom-made insurance in just a few minutes.
7/1/2020	MonEmprunt	1.12	2.83	▪ Bpifrance ▪ Go Capital ▪ Le Swave ▪ Sogescot ▪ Undisclosed Investors	▪ MonEmprunt.com is a platform for comparison of real estate rates and brokerage for loans and real estate insurance.
7/3/2020	Inspektlabs	0.6	0.6	▪ Barclays Accelerator ▪ Better Capital ▪ Kunal Bahl ▪ Rohit Bansal ▪ Titan Capital ▪ Undisclosed Angel Investors	▪ Inspektlabs uses inspection-as-a-service software to automate photo or video-based inspection of any asset using artificial intelligence. It primarily serves insurance, banking and e-commerce companies. Its software enables companies to preform damage detection, damage assessment, asset valuation, claim assessment and fraud detection.
7/3/2020	Finplanet	0.47	0.47	▪ Seven Financial Service	▪ Finplanet develops and operates fints, a comprehensive financial robo-advisor service that provides fair and neutral advice to consumers for insurance and asset management.
7/7/2020	Concirrus	6	41.13	▪ AlbionVC ▪ CommerzVentures ▪ Eos Venture Partners ▪ Imperial Innovations ▪ IQ Capital Partners ▪ Touchstone Innovations	▪ Concirrus is a London-based InsurTech company that aims to transform businesses by using technology to collect, manage and organize information from a range of products and machines connected via the internet. Its secure and scalable cloud platform enables users to connect any data source or device, draw any data type and issue commands as required.
7/7/2020	kWh Analytics	5.77	12.01	▪ Anthemis ▪ ENGIE ▪ Paycheck Protection Program ▪ Powerhouse ▪ Undisclosed Investors	▪ kWh Analytics specializes in solar risk management. By leveraging performance database of solar assets in the United States (20% of the U.S. asset class) and the strength of the global insurance markets, kWh Analytics' customers are able to minimize risk and increase equity returns of their solar portfolios.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
7/7/2020	MakuSafe	3.94	10.78	▪ Angel Capital Association ▪ BrokerTech Ventures ▪ Colin Hurd ▪ EMC Insurance Group ▪ Global Insurance Accelerator ▪ Next Level Ventures ▪ Paycheck Protection Program ▪ Undisclosed Investors	▪ MakuSafe provides workforce wearables for hazard management and business intelligence. Its wearable devices track employee behavior to eliminate unnecessary risks and to provide greater insight into productivity.
7/7/2020	Foxquilt	2.58	3.5	▪ Extreme Venture Partners ▪ Undisclosed Investors	▪ Foxquilt is a financial technology company focused on using big data and machine learning to empower social groups to save on home, small business and auto insurance.
7/8/2020	Growers Edge Financial	40	48.68	▪ Bunge Ventures ▪ Cox Enterprises ▪ Finistere Ventures ▪ GuideOne Insurance ▪ Paycheck Protection Program ▪ S2G Ventures ▪ Skyline Global Partners	▪ Growers Edge uses data science, as well as public and private data sets, and deep learning algorithms to design warranty-backed crop management plans for ag retailers and technology providers.
7/9/2020	Verikai	6	7.33	▪ Aioi Nissay Dowa Insurance ▪ ManchesterStory Group ▪ Paycheck Protection Program ▪ Plug and Play Accelerator ▪ Plug and Play Ventures ▪ ValueStream Ventures ▪ Venture Center FinTech Accelerator	▪ Verikai is a consumer insights platform built for insurance and financial services.
7/15/2020	Homee	4.57	34.87	▪ Activate Capital ▪ Bialla Venture Partners ▪ Deepwork Capital ▪ Element Partners ▪ Engage Venture ▪ Ferguson Ventures ▪ Florida Funders ▪ Forte Ventures ▪ Home Depot ▪ Liberty Mutual Strategic Ventures ▪ Paycheck Protection Program ▪ State Farm Ventures ▪ The Hartford	▪ Homee is an on-demand property maintenance service that provides customers with instant access to electricians, plumbers, HVAC technicians and handymen from a mobile app.
7/16/2020	Drover	25.75	36.25	▪ Autotech Ventures ▪ BMW Innovation Lab ▪ BP Ventures ▪ Channel 4 Ventures ▪ Cherry Ventures ▪ Driving the Future of Mobility Startup Challenge ▪ Force Over Mass Capital ▪ Forward Partners ▪ Partech Partners ▪ Rider Global ▪ RTP Global ▪ Target Global ▪ Version One Ventures	▪ Drover is the developer of a mobility-as-a-service platform, giving users access to a car with a single monthly subscription (that includes the vehicle itself, insurance, road tax, maintenance and breakdown cover).

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
7/21/2020	Hippo	150	359	▪ Bond ▪ Christopher Hill ▪ Comcast Ventures ▪ Dragoneer Investment Group ▪ Felicis Ventures ▪ Fifth Wall Ventures ▪ FinTLV ▪ GGV Capital ▪ Hillhouse Capital Management ▪ Horizons Ventures ▪ ICONIQ Capital ▪ Innovius Capital ▪ Jacob Gibson ▪ Josh Stench ▪ Lennar ▪ Lennar Ventures ▪ Louis Beryl ▪ Mark Lefanowicz ▪ Matt Humphrey ▪ Michael Ovitz ▪ Moderne Ventures ▪ Munich Re Ventures ▪ Pete Flint ▪ Pipeline Capital Partners ▪ Plug and Play Ventures ▪ Propel Venture Partners ▪ Ramtin Naimi ▪ Ribbit Capital ▪ RPM Ventures ▪ Sinai Ventures ▪ Soo Boon Koh ▪ Standard Industries ▪ Warren Hogarth ▪ Zeev Ventures	▪ Hippo offers intuitive and proactive home insurance by using data, such as municipal building records, and technology, such as satellite imagery and smart home devices, to streamline the quoting and onboarding experience, for such products as protection for possessions like appliances, consumer electronics and home offices.
7/22/2020	Branch	24	24	▪ American Family Ventures ▪ Elefund ▪ Foundation Capital ▪ Greycroft ▪ Hudson Structured Capital Management ▪ Revolution Rise Of The Rest Seed Fund ▪ SCOR Global P&C ▪ SignalFire ▪ Stone Point Capital	▪ Branch provides bundled home and auto insurance. With only two questions, Branch can provide a bindable price to a client looking to bundle within seconds.
7/22/2020	Claim Genius	5.5	7.8	▪ Financial Link ▪ Siri InfoSolutions ▪ Undisclosed Investors	▪ Claim Genius provides insurance carriers, auto salvage firms and recyclers with an integrated AI damage estimation platform. Using Claim Genius's patent-pending image analysis and predictive analytics tools, carriers can now provide instant damage estimates and rapid processing of claims based on uploaded accident photos from its mobile app.
7/28/2020	Coverfy	0.59	6.08	▪ Albert Armengol ▪ Bloomium ▪ Centro para el Desarrollo Tecnologico Industrial ▪ Francois Derbaix ▪ Jesus Monleon ▪ K Fund ▪ Marek Fodor ▪ Oscar Fuente ▪ Pablo Szefner ▪ Sabadell Venture Capital ▪ Seaya Ventures ▪ SeedRocket ▪ Yago Arbeloa	▪ Coverfy offers a mobile application that helps users manage their insurance policies. It allows users to stay informed about their coverages, compare prices with other companies, change insurance and even report a claim.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
7/29/2020	Jupiter Intelligence	–	34.53	▪ Data Collective ▪ Elemental Excelerator ▪ Energize Ventures ▪ Gordon and Betty Moore Foundation ▪ Ignition Partners ▪ Liberty Mutual Strategic Ventures ▪ MS&AD Ventures ▪ Nephila Capital ▪ QBE Ventures ▪ SYSTEMIQ ▪ Undisclosed Angel Investors	▪ Jupiter Intelligence provides data and analytics services to better predict and manage risks from weather and temperature changes, sea-level rise and storm intensification caused by severe weather and medium- to long-term climate change. The company's first two products, FloodScore and HeatScore are focused on climate-related risk assessment and management.
7/29/2020	One Concern	–	87.45	▪ American Family Ventures ▪ David Petraeus ▪ Geodesic Capital ▪ New Enterprise Associates ▪ Pear ▪ Ron Conway ▪ Sompo Holdings ▪ Sozo Ventures ▪ Undisclosed Investors	▪ One Concern is a resilience-as-a-service solution that brings disaster science together with machine learning for better decision making. With operations in the US and Japan, the company quantifies resilience from catastrophic perils, empowering leaders to measure, mitigate and monetize risk so disasters aren't so disastrous.
7/30/2020	ARCA	1.2	1.2	▪ Grupo Pena Verde ▪ LEAP Global Partners ▪ Magma Partners	▪ ARCA is an online service that allows users to search for and compare auto insurance quotes.
7/31/2020	WeGroup	3.55	230	▪ Business Angels Network Flanders ▪ imec.istart ▪ imec.xpand ▪ KBC Bank ▪ PMV ▪ Poland Prize ▪ Seeder Fund ▪ Spreds ▪ Truffle Capital ▪ Undisclosed Investors ▪ VLAIO	▪ WeGroup is a Belgian InsurTech start-up that helps insurance providers all over the world to better connect with their digital customers.
8/1/2020	Vesttoo	–	–	▪ Axon Partners Group ▪ Guy Ben-Artzi ▪ REDDS Capital ▪ Undisclosed Angel Investors ▪ Yariv Gilat	▪ Vesttoo is a risk-hedging and alternative reinsurance platform for the Longevity Risk Market. Vesttoo focuses on one of the industry's most acute issues, working closely with insurers, reinsurers and pension providers to manage their longevity risk using the capital markets, providing the capital and risk management they need while reducing risk to policyholders.
8/3/2020	Buckle	31	31	▪ Eos Venture Partners ▪ Hudson Structured Capital Management	▪ Buckle provides rideshare and auto insurance policies.
8/3/2020	Synchronosure	2.6	2.6	▪ Undisclosed Investors	▪ Synchronosure is a state-of-the-art, digital underwriting, and professional services business, intentionally built to leverage the convergence of technology and insurance through applications of proprietary artificial intelligence and predictive analytics capabilities, combined with recognized expertise in insurance and reinsurance industries.
8/10/2020	Open	2.24	2.24	▪ AirTree Ventures ▪ Hollard Investments	▪ Open is a financial services company building the most powerful platform for insurance today.
8/11/2020	The Demex Group	4.2	4.2	▪ Anthemis ▪ IA Capital Group	▪ The Demex Group leverages experience across tech, risk management, capital markets, commodities, insurance, climate science, financial management and energy to develop technology and customized financial solutions for localized challenges.
8/12/2020	High Definition Vehicle Insurance	16	16	▪ 8VC ▪ Autotech Ventures ▪ Munich Re Ventures ▪ Qualcomm Ventures	▪ HDVI brings high-quality telematics and an integrated suite of software and support to fleets included within the cost of a competitive insurance policy.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
8/13/2020	Kin Insurance	35	99.19	▪ 500 Accelerator ▪ 500 Startups ▪ AllegisNL ▪ Alpha Edison ▪ August Capital ▪ Avanta Ventures ▪ Chicago Ventures ▪ Commerce Ventures ▪ Elmspring Accelerator ▪ Flourish Ventures ▪ Hudson Structured Capital Management ▪ M25 ▪ Portag3 Ventures ▪ QED Investors ▪ Undisclosed Angel Investors ▪ University of Chicago	▪ Kin Insurance creates homeowners insurance for digital natives, providing a way to buy homeowners insurance in minutes on a phone without talking to somebody. Kin uses the internet to automatically gather all necessary data before asking the user for confirmation, saving the user time and hassle.
8/13/2020	Bambi Dynamic	6	6	▪ MS&AD Ventures ▪ Phoenix Insurance Company	▪ Bambi Dynamic operates an end-to-end insurance data-driven platform for the transportation sector. The platform offers underwriting, pricing, policy admin, operations, initiation of claim processes and more.
8/13/2020	Comparaencasa	–	–	▪ Thinkseg	▪ Comparaencasa.com is an online auto insurance brokerage platform. Additionally, it offers intermediation of personal loans and credit cards.
8/18/2020	Claimsforce	8.35	8.35	▪ Fly Ventures ▪ La Famiglia ▪ Notion Capital ▪ Point Nine Capital	▪ Claimsforce is a SaaS-based technology platform that uses AI and machine learning to provide insurers and third-party administrators with an end-to-end claim management platform that is more time-efficient, price accurate and customer-focused than legacy claims systems.
8/19/2020	ELEMENT Insurance	11.94	38.14	▪ Berlin Dental Association Pension Fund ▪ Engel & Volkers Capital ▪ FinLeap ▪ Global Brain Corporation ▪ MS&AD Ventures ▪ Mundi Ventures ▪ SBI Investment ▪ SBI Life Insurance ▪ SIGNAL IDUNA Gruppe ▪ Sony Financial Ventures	▪ ELEMENT is a B2B2X tech company with a license of the German Federal Financial Supervisory Authority (BaFin). It is a fully digital risk carrier offering private property and casualty insurance that enables a large portfolio of retail protection products through various partners.
8/19/2020	Ignatica	–	–	▪ SOSV	▪ Ignatica empowers multinational, regional and digital insurers to define their future success with speed, agility and intelligence. By removing the product launch and policy administration burdens, Ignatica enables clients to create more niche and cost-effective products, to shift their resources to acquiring new customers and, most importantly, to make sure all their customers are satisfied.
8/20/2020	CredoLab	7	9.22	▪ Enterprise Singapore ▪ Fintonia Group ▪ Forum Capital ▪ GBGroup ▪ Monetary Authority of Singapore ▪ Ping An Cloud Accelerator ▪ Reliance Modal Ventura ▪ Walden International	▪ CredoLab provides a real-time customized credit scoring SaaS solution for the underwriting of unsecured loans and insurance policies, based on anonymous mobile behavioral data.
8/21/2020	Zensurance	–	1.02	▪ Ferst Capital Partners ▪ Next Big Fintech Idea ▪ Plug and Play Accelerator ▪ Portag3 Ventures ▪ The Travelers Companies	▪ Zensurance is a curated insurance package provider for start-ups and small businesses. The entire process can be managed through an online platform.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
8/24/2020	IDI Direct Insurance	29.41	29.41	▪ Battery Ventures ▪ Undisclosed Investors	▪ Direct IDI Holdings LTD (IDI Direct Insurance) is the leading direct-to-consumer insurance carrier in Israel. Through its subsidiaries, the Company offers a variety of personal and business insurance policies, including automobile, home, life and personal accident / disability. IDI eschews the traditional insurance agent and offers its policies directly to the consumer via its website and call center, which translates into lower cost and better customer service.
8/25/2020	Inspectify	0.13	0.13	▪ Y Combinator	▪ Inspectify helps homeowners leverage the data of their home inspection report to quickly complete the tedious tasks of homeownership from getting home insurance to completing annual maintenance.
8/27/2020	Aerobotics	2.5	12.7	▪ #ocreateSA ▪ 4Di Capital ▪ AgFunder ▪ AngelList ▪ FMO ▪ Google for Startups Accelerator ▪ Naspers ▪ Nedbank Capital ▪ Paper Plane Ventures ▪ Savannah Fund ▪ Startupbootcamp InsurTech ▪ VivaTech ▪ XL Africa	▪ Aerobotics is a data analytics company, making use of aerial imagery and machine learning algorithms to solve specific problems in multiple industries, namely agriculture, agri-insurance and mining.
8/27/2020	IB	–	0.94	▪ Lifetime Ventures ▪ MIRAISE ▪ Mitsubishi UFJ Capital ▪ Monex Ventures ▪ Plug and Play Japan ▪ STRIVE ▪ Undisclosed Investors	▪ IB develops and operates Insurance Book, an insurance comparison shopping mobile app.
8/28/2020	Yuanbao Technology	–	–	▪ Baika Venture Capital ▪ Hillhouse Capital Management ▪ KunYuan Asset ▪ Raymond ▪ Tianjin Qingyan Lushi Investment Management ▪ TusStar ▪ Zhongguancun Development Group	▪ Yuanbao Technology provides internet security products and solutions for insurance companies.
9/1/2020	One Concern	15	87.45	▪ American Family Ventures ▪ David Petraeus ▪ Geodesic Capital ▪ New Enterprise Associates ▪ Pear ▪ Ron Conway ▪ Sompo Holdings ▪ Sozo Ventures ▪ Undisclosed Investors	▪ One Concern is a Resilience-as-a-Service solution that brings disaster science together with machine learning for better decision making. With operations in the US and Japan, the company quantifies resilience from catastrophic perils, empowering leaders to measure, mitigate, and monetize risk so disasters aren't so disastrous.
9/2/2020	PasarPolis	54	54	▪ Alpha JWC Ventures ▪ BEENEXT ▪ East Ventures ▪ Go-Ventures ▪ Gojek ▪ Intudo Ventures ▪ LeapFrog Investments ▪ SBI Investment ▪ Tokopedia ▪ Traveloka ▪ Xiaomi Ventures	▪ PasarPolis is a comparison shopping site for insurance products.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
9/2/2020	ProNavigator	4.29	6.66	▪ BDC Capital ▪ BrokerTech Ventures ▪ CIBC Innovation Banking ▪ GreenSky Capital ▪ Innovation Grade Ventures ▪ Inovia Capital ▪ Luge Capital ▪ MaRS Investment Accelerator Fund ▪ Undisclosed Angel Investors	▪ ProNavigator has built an AI-powered chatbot specifically for the insurance industry. ProNavigator's product helps insurance companies and insurance brokers capture, qualify and connect with leads in real time.
9/3/2020	Go Insurance	7.41	27.79	▪ Khosla Ventures ▪ Paycheck Protection Program ▪ Undisclosed Investors	▪ Go Insurance is an insurance company that provides insurance services. The company also develops a mobile app for insurance services.
9/3/2020	Urban Jungle	2.33	10.02	▪ Eka Ventures ▪ Rob Devey ▪ Simon Rogerson ▪ Undisclosed Investors	▪ Urban Jungle is a tech-first insurance broker, helping young people get access to cheaper and better-suited home insurance.
9/3/2020	Cachet	1.3	1.3	▪ Barclays Accelerator ▪ Undisclosed Investors	▪ Cachet provides a trustee data layer between gig economy platforms and financial service providers. It aggregates data across platforms to assist insurance companies in pricing and personalizing coverage.
9/3/2020	Attestiv	–	2.1	▪ Borderless Capital ▪ Castle Island Ventures ▪ Mentors Fund ▪ Plug and Play Accelerator ▪ Plug and Play Ventures ▪ Undisclosed Investors	▪ Attestiv validates the authenticity of photos and videos from the point of capture to any time thereafter with inline validation.
9/3/2020	wefox Group	–	274.31	▪ AngelList ▪ CreditEase Fintech Investment Fund ▪ Davidson Technology Growth Debt ▪ G Squared ▪ Goldman Sachs ▪ Harbert European Growth Capital ▪ Horizons Ventures ▪ IDInvest Partners ▪ Lena Meyer-Landrut ▪ Merian Chrysalis Investment Company ▪ Mubadala Ventures ▪ Mundi Lab ▪ OMERS Ventures ▪ Salesforce Ventures ▪ Samsung Catalyst ▪ Samuel Skoblo ▪ SBI Investment ▪ Seedcamp ▪ Sound Ventures ▪ Speedinvest ▪ Target Global ▪ Undisclosed Investors ▪ Victory Park Capital	▪ wefox Group enables customers, insurance brokers and insurance providers to transact and manage insurance products digitally.
9/7/2020	GetSafe	–	27.96	▪ Acton Capital Partners ▪ Apollo Capital ▪ btov Partners ▪ Capnamic Ventures ▪ CommerzVentures ▪ Earlybird Venture Capital ▪ German Accelerator Tech ▪ Global Founders Capital ▪ HW Capital ▪ Iris Capital ▪ Marcus Wolsdorf ▪ Partech Partners ▪ Robert Haselsteiner ▪ Rocket Internet ▪ Saarbruecker21 ▪ Swiss Reinsurance Company	▪ Getsafe is an InsurTech start-up from Heidelberg using technology and AI to help people identify, organize and protect what they care most about in life. With a few clicks, customers can learn about, buy and manage insurance on their smartphone.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
9/8/2020	Sum & Substance	6	6.7	▪ Flint Capital ▪ Ilia Perekopsky ▪ MetaQuotes Software ▪ United Capital Partners	▪ Sum & Substance is a digital fraud incidents' management company that helps businesses reduce fraud and increase revenue while providing services. The company utilizes technology to detect fraudulent images and scanned documents to save its clients portions of their budgets. S&S' products are leveraged by a wide range of clients; from insurance companies and governmental authorities to forensics experts all over the world.
9/9/2020	Rhino	8	37.47	▪ Emergent Ventures ▪ ff Venture Capital ▪ FJ Labs ▪ Kairos Ventures ▪ Lakehouse Ventures ▪ Lakestar ▪ Paycheck Protection Program ▪ Picus Capital ▪ Red Dog Capital ▪ Undisclosed Investors	▪ Rhino is a real estate technology company replacing security deposits with a smarter alternative that is better for both renters and landlords. Renters pay a small monthly fee instead of a large security deposit while landlords receive more security.
9/9/2020	Tremor Technologies	4	16.25	▪ Anthemis ▪ Lloyd's Lab ▪ Markel Ventures ▪ Nephila Capital ▪ Paycheck Protection Program ▪ Undisclosed Investors ▪ W.R. Berkley	▪ Tremor Technologies offers a reinsurance trading platform to enable programmatic reinsurance transactions using Smart Exchange technology and a secure, private blockchain.
9/10/2020	Descartes Underwriting	18.5	20.78	▪ BlackFin Capital Partners ▪ Cathay Innovation ▪ ESA BIC Nord France ▪ Le Swave ▪ Serena Capital	▪ Descartes Underwriting jointly works with brokers and (re)insurers to come up with P&C insurance solutions across a variety of sectors and geographies.
9/10/2020	Metro Engines	4.73	13.74	▪ AirTrip ▪ BEENOS ▪ Beenos Partners ▪ JR East Start UP ▪ Kiyohiro Sugashita ▪ MORI TRUST ▪ NEC Capital Solutions ▪ Samty ▪ SBI Investment ▪ TAP ▪ Toppan Printing ▪ Undisclosed Investors ▪ Vector ▪ Venture Labo	▪ Metro Engines offers revenue management tools for hotels and housing rentals. The company offers dynamic pricing tools by collecting data on the booking behaviors of hotel guests, and provides AI-powered analysis and optimized room pricing based on real-time data. By repeatedly verifying whether or not the suggested pricing is appropriate, it can help hotels improve work efficiency and customer experience as well as reduce cost.
9/10/2020	West Hill Global	3.26	7.26	▪ Eos Venture Partners ▪ Undisclosed Investors	▪ West Hill Global provides outcome-based solutions for the insurance industry. Its software solves problems with the property claim process.
9/11/2020	Extend	40.02	57.1	▪ Erik Torenberg ▪ GreatPoint Ventures ▪ Jason Robins ▪ Lightbank ▪ Meritech Capital Partners ▪ Michael Marks ▪ Paycheck Protection Program ▪ Pritzker Group Venture Capital ▪ Rick Smith ▪ Shah Capital Partners	▪ Extend provides an easy way for any merchant to offer extended warranties — generating revenue, increasing purchase conversion and dramatically improving the customer experience.
9/11/2020	Jiniu	5.12	7.25	▪ Eminence Ventures ▪ Sequoia Capital China	▪ Jiniu is an intelligent insurance agency that provides digital operation systems, supply chains, distribution networks and more.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
9/15/2020	Acko General Insurance	60	203	▪ Accel ▪ Amazon ▪ Ascent Capital ▪ Ashish Dhawan ▪ Atul Nishar ▪ Binny Bansal ▪ Catamaran Ventures ▪ Hemendra Kothari ▪ Intact Ventures ▪ Kris Gopalakrishnan ▪ Munich Re Ventures ▪ Rajeev Gupta ▪ RPS Ventures ▪ SAIF Partners India ▪ Subba Rao Telidevara ▪ Techpro Ventures ▪ Venk Krishnan	▪ Acko General Insurance is a digital insurance company that provides a variety of insurance policies ranging from car insurance to two-wheeler insurance (scooters, motorcycles) to mobile phone insurance to Ola Insurance. Ola Insurance is passenger insurance for Ola's ride-hailing service and covers items like minor accidents involving riders as well as insurance against missing flights due to traffic delays. The insurance claim system is built into the Ola app, per Acko, to simplify the process for users.
9/15/2020	Postex	–	–	▪ Farhan Abbas Sheikh	▪ Postex provides an online cloud platform for customer communication. The company mainly serves housing corporations and insurers.
9/17/2020	Ki	500	500	▪ Blackstone	▪ Ki insurance offers a first fully digital and algorithmically driven syndicate. It will underwrite using an algorithm-driven approach and offer instant follow capacity through its proprietary digital platform.
9/21/2020	Leocare	2.59	2.59	▪ Bpifrance ▪ Didier Valet ▪ Hugues Le Bret ▪ Jacques Verlingue ▪ platform58 ▪ Undisclosed Angel Investors	▪ Leocare provides automobile and housing insurance with "tailor-made" experience and that is 100% mobile, on demand and without commitment.
9/22/2020	CloudMargin	15	25	▪ Citi Ventures ▪ Deutsche Bank ▪ Deutsche Boerse ▪ IHS Markit ▪ Illuminate Financial Management ▪ LVC	▪ CloudMargin is a cloud-based collateral management workflow tool. The firm's software-as-a-service model helps financial institutions including exchanges, brokerage firms, banks, asset management firms and insurance companies meet regulatory deadlines and reduce costs associated with collateral requirements that are growing. CloudMargin enables clients to experience rapid implementation and access to robust and secure collateral management workflow software.
9/22/2020	EasySend	11	16.09	▪ F10 FinTech Incubator & Accelerator ▪ Global Insurance Accelerator ▪ Hanaco Venture Capital ▪ Intel Capital ▪ Menora Mivtachim Insurance ▪ Microsoft 365x Israel ▪ Oracle Startup Cloud Accelerator ▪ Pitch in the Dark ▪ Plug and Play Accelerator ▪ SAP.iO Foundry Tel Aviv ▪ Vertex Ventures Israel	▪ EasySend is a no-code SaaS platform builder that enables banking and insurance enterprises to quickly convert paper forms into compliant digital processes with deep analytics and digitize the complete customer journey, including account signup, client onboarding, customer support and claim processing all through a simple drag-and-drop interface.
9/23/2020	Next Insurance	250	631	▪ American Express Ventures ▪ capitalG ▪ FinTLV ▪ Group 11 ▪ Markel ▪ Munich RE ▪ Munich Re Ventures ▪ Nationwide Ventures ▪ Redpoint Ventures ▪ Ribbit Capital ▪ TLV Partners ▪ Zeev Ventures	▪ Next Insurance is transforming small business insurance with simple, affordable coverage, tailored to the needs of each class of business. Next Insurance offers policies that are easy to buy with instant online access to services such as live certificates of insurance, additional insured and more with no extra fees. Revolutionizing traditional insurance processes, Next Insurance is utilizing advanced technology to offer small businesses insurance policies tailored to their specific needs.
9/23/2020	AUTHADA	–	–	▪ FinLab ▪ main incubator ▪ Tinexta	▪ AUTHADA is a German cybersecurity company that offers online identification solutions for financial service providers, insurers and telecommunication providers.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – P&C

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
9/25/2020	Pypestream	5	52.55	▪ Burch Creative Capital ▪ Jim Ellsworth ▪ Jonah Goodhart ▪ Mike LaJoie ▪ Mike Walrath ▪ Paycheck Protection Program ▪ Plug and Play Accelerator ▪ Richard Smullen ▪ Rick Braddock ▪ Rick Sirvaitis ▪ The Chatterjee Group ▪ Tim Calveley ▪ Trevor Harris ▪ Undisclosed Investors ▪ W.R. Berkley	▪ Pypestream is a conversational AI built for scale. The firm aims to elevate the customer experience with a full-stack platform, military-grade security and a patented B2C messaging carrier purpose-built to handle any volume.
9/28/2020	Kettle	3.8	3.8	▪ Undisclosed Investors	▪ Kettle is an InsurTech MGA that uses Swarm Neural Networks to better underwrite climate change affected risks.
9/28/2020	Riskbook	2.2	2.2	▪ Episode 1 Ventures ▪ MMC Ventures ▪ Plug and Play Accelerator ▪ Seedcamp	▪ Riskbook is a hyperconnected two-sided reinsurance marketplace, radically improving the placing experience for brokers and underwriters.
9/29/2020	Insurwave	6.42	6.42	▪ Undisclosed Investors	▪ Insurwave is a SaaS platform that connects insurance buyers, brokers and sellers to transform the way specialty insurance and reinsurance is transacted. Insurwave uses cloud and cryptography technologies to reduce the distance between corporate risk and insurance capital.
9/30/2020	Alude	3.3	3.45	▪ Hugo Barra ▪ Maya Capital ▪ Ribbit Capital ▪ Undisclosed Angel Investors ▪ Y Combinator	▪ Alude provides a platform for real estate agents to automate their work and provide a better service to their clients. The system automates the process of background checks, document collection, insurance purchasing and online signing.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – L&H

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
7/6/2020	PolicyBazaar	130	558.78	▪ ABG Capital ▪ Chiratae Ventures ▪ Info Edge ▪ Intel Capital ▪ Inventus Capital Partners ▪ MakeSense Technologies ▪ PremjiInvest ▪ Ribbit Capital ▪ SoftBank Group ▪ Steadview Capital ▪ Tencent Holdings ▪ Tiger Global Management ▪ True North ▪ Undisclosed Investors ▪ Wellington Management	▪ PolicyBazaar helps users compare financial products like life and general insurance, loans and credit cards. To enable easy and sensible comparison, the company has partnered with financial institutions disbursing loans and selling insurance in India. PolicyBazaar helps get free insurance quotes and users can compare plans based on multiple features.
7/7/2020	Nayya	2.7	2.8	▪ Cameron Ventures ▪ Entrepreneurs Roundtable Accelerator ▪ Guardian Strategic Ventures ▪ Social Leverage ▪ Soma Capital ▪ Undisclosed Angel Investors	▪ Nayya helps employers find the right health insurance coverage plan for their employees, using data to increase transparency and provide cost-saving insights and information around the doctor network nearby.
7/14/2020	PlumHQ	0.93	0.93	▪ Abhijit Gupta ▪ Alvin Tse ▪ Gemba Capital ▪ Incubate Fund India ▪ Nitin Jayakrishnan ▪ Ram Sahasranam ▪ Sudheendra Chilappagari ▪ Tracxn Labs	▪ PlumHQ through its online platform provides employers and employees with customizable health insurance plans, pricing and health care experience.
4/20/2020	Yolo	3.54	10.43	▪ Banca di Piacenza ▪ Barcamper Ventures ▪ Be Think, Solve, Execute ▪ CRIF ▪ Gattai Minolo Agostinelli & Partners ▪ Intesa Sanpaolo ▪ Mansutti ▪ Miro Ventures ▪ Net Insurance ▪ Neva Finventures ▪ Primomiglio SGR	▪ Yolo has built a platform that enables consumers to activate micro insurance products in real time and pay-per-use.
7/21/2020	Angle Health	4	4	▪ Blumberg Capital ▪ Correlation Ventures ▪ Liquid 2 Ventures ▪ TSVC ▪ Undisclosed Investors ▪ Y Combinator	▪ Angle Health provides health insurance plans and benefits.
7/21/2020	Sift Medical Data	0.75	6.1	▪ Jeff DeAngelis ▪ Paycheck Protection Program ▪ Rock River Capital Partners ▪ StartUp Health ▪ Undisclosed Investors ▪ Wind River Financial ▪ Winnebago Capital Partners	▪ Sift Medical Data is a health care analytics platform that holistically leverages data sources, both structured and unstructured, to reduce claim denials, increase patient collection rates and capture insights.
7/23/2020	Sidecar Health	20	38	▪ Anne Wojciciki ▪ Cathay Innovation ▪ Comcast Ventures ▪ GreatPoint Ventures ▪ Kauffman Fellows ▪ Morpheus Ventures	▪ Sidecar Health provides personalized and affordable health insurance for members. Members can see any provider, costs are transparent and plans are cheaper than comparable ACA plans.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – L&H

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
7/28/2020	Aixuan Technology	–	2.9	▪ bioVENTURE ▪ China Fellow Partners ▪ FreesFund ▪ Ligang Capital ▪ Morningside Venture Capital ▪ Wisdom Sports	▪ Aixuan Technology is a third-party technology platform that provides big data algorithm, actuarial model, prediction model and more in the application of finance and insurance.
7/28/2020	G-HCARE	–	–	▪ Bertelsmann Asia Investments ▪ Undisclosed Venture Investors ▪ UNITY VENTURES	▪ G-HCARE is a brand of Pingfuyan Healthtech that provides B2B health insurance data and management platforms for insurance companies.
7/29/2020	Covr Financial Technologies	7.5	24.5	▪ Aflac Corporate Ventures ▪ Allianz Life Ventures ▪ Commerce Ventures ▪ Connecticut Innovations ▪ Connectivity Ventures Fund ▪ Contour Venture Partners ▪ Fairview Capital Partners ▪ Nyca Partners ▪ Paycheck Protection Program ▪ Undisclosed Investors ▪ VentureClash	▪ Covr Financial Technologies is a digital life insurance company that aims to make it easier to research, quote and purchase life insurance.
8/1/2020	Balooon Assurance	2.08	2.08	▪ Undisclosed Investors	▪ Baloon Assurance is an insurance company intended for the African continent that allows people to subscribe to car and health insurance using a smartphone.
8/10/2020	Sift Medical Data	2.8	6.1	▪ Jeff DeAngelis ▪ Paycheck Protection Program ▪ Rock River Capital Partners ▪ StartUp Health ▪ Undisclosed Investors ▪ Wind River Financial ▪ Winnebago Capital Partners	▪ Sift Medical Data is a health care analytics platform that holistically leverages data sources, both structured and unstructured, to reduce claim denials, increase patient collection rates and capture insights.
8/10/2020	Brella	1.5	7	▪ Digitalis Ventures ▪ Founder Collective ▪ Operator Partners ▪ RGAx ▪ Ron Bouganim ▪ SymphonyAI Group ▪ Two Sigma Ventures ▪ Undisclosed Investors	▪ Brella (fka Clara or Clara Insurance) is a supplemental health insurance company. It aims to complement a user's health insurance and pays cash if they are diagnosed with any of 13,000+ covered conditions.
8/12/2020	Eden Health	25	39	▪ 645 Ventures ▪ Aspect Ventures ▪ Brand Foundry Ventures ▪ Company ▪ Convene ▪ Flare Capital Partners ▪ Greycroft ▪ Max Ventures ▪ Piper Sandler ▪ PJC ▪ Stone Point Capital	▪ Eden Health is a health care start-up combining private primary care, telemedicine and personalized insurance navigation in a mobile app.
8/20/2020	Waterdrop	230	480.25	▪ BlueRun Ventures ▪ Boyu Capital ▪ China Capital Investment Group ▪ Chuxin Capital Partners ▪ Cosun Venture Capital ▪ DianLiang Capitals ▪ Gaorong Capital ▪ IDG Capital ▪ Meituan Dianping ▪ Sinovation Ventures ▪ Swiss Reinsurance Company ▪ Tencent Holdings ▪ Yuri Milner ▪ ZhenFund	▪ Waterdrop, also Shuidi Huzhu, is an insurance platform that plans to solve the problem of high medical fees faced by most patients, especially those with a critical illness. When a user is diagnosed with a serious disease like cancer, the platform will crowdfund the medical fees from all of its users.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – L&H

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
8/21/2020	BeneFix	3.85	10.21	▪ Ben Franklin Technology Partners of Central & Northern PA ▪ Leading Edge Ventures ▪ Mid-Atlantic Venture Funds ▪ MidCap Advisors ▪ Paycheck Protection Program ▪ Undisclosed Investors	▪ BeneFix is a managed marketplace that automates and optimizes marketing, sales, onboarding, enrollment, ben-admin and servicing.
8/26/2020	Ledger Investing	15.8	20.92	▪ 500 Startups ▪ Accel ▪ AllegisNL ▪ AmWINS ▪ Garrett Koehn ▪ MassMutual Ventures ▪ SignalFire ▪ Y Combinator	▪ Ledger Investing provides an exciting opportunity for asset managers, pension funds, hedge funds, family offices and other institutions interested in earning a great return through insurance investing.
8/26/2020	Breathe Life	4.93	12.17	▪ Cameron Ventures ▪ Clocktower Technology Ventures ▪ Desjardins ▪ Diagram Ventures ▪ Global Insurance Accelerator ▪ Government of Canada ▪ Investissement Quebec ▪ National Bank of Canada ▪ NAventures ▪ Real Ventures	▪ Breathe Life protects families transforming the way personal insurance is bought and sold today. The API-driven Breathe Life Enterprise Commerce Platform uses advanced analytics and AI to unify customer data into a single view of the customer and dispatch leads to the right channel with the right insurance product at the right time. Using the Breathe Life platform, carriers can sell more policies through advisors, direct or anywhere in between.
8/27/2020	Sobrado	–	–	▪ AXA ▪ Mobiliar ▪ Swiss Life ▪ Vaudoise Assurances	▪ Sobrado is an insurance platform for brokers and insurers. Brokers can create and send tenders with just a few clicks and start invitations to tender directly from their CRM. They can use the AVB database and the condition comparison as a technical supplement to the offer comparison. There are no restrictions on the choice of providers.
9/3/2020	Justpoint	1	1	▪ Amino Capital ▪ Harry Langenberg ▪ Vivek Garipalli ▪ Whoa Ventures	▪ Justpoint uses artificial intelligence for faster analysis of individual medical malpractice claims.
9/4/2020	Human API	–	17.39	▪ Andreessen Horowitz ▪ AngelPad ▪ BlueRun Ventures ▪ Guardian Life Insurance Company of America ▪ Innovation Endeavors ▪ Paycheck Protection Program ▪ SciFi VC ▪ Scor Life & Health Ventures ▪ Silicon Badia ▪ Undisclosed Investors	▪ Human API is a consumer-centric health data network. Human API offers providers an infrastructure they can use to create a health platform that enables a group of patients to share data with their caregivers.
9/7/2020	BIMA	30	144.2	▪ Allianz X ▪ Axiata Digital Innovation Fund ▪ CreditEase Fintech Investment Fund ▪ Gordian Capital ▪ Kinnevik ▪ LeapFrog Investments ▪ Millicom International Cellular	▪ BIMA provides mobile-delivered insurance to mobile operators and insurance companies. The company also provides product development expertise, a dedicated distribution force, efficient customer service with rapid claims payment and a mobile insurance platform.
9/9/2020	Sana Benefits	20.8	27.44	▪ Gigafund ▪ Greenlight Capital Re ▪ Mark VC ▪ Paycheck Protection Program ▪ Trust Ventures ▪ Undisclosed Investors	▪ Sana Benefits' software as a service (SaaS) platform provides small-to-medium sized businesses access to benefit plans for their employees.

Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – L&H

Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
9/9/2020	Decent	10	18	▪ Abe Othman ▪ Abstract Ventures ▪ Adam Lieb ▪ Adam Marchick ▪ Agile Angel ▪ AirAngels ▪ Alex Popa ▪ Andy Rabbin ▪ Andy Sack ▪ Asset Management Ventures ▪ Avin Bansal ▪ Bubba Muraka ▪ Core Innovation Capital ▪ CRCM Ventures ▪ David Raskino ▪ Digital Currency Group ▪ Fenwick & West ▪ Forrest Wittenmeier ▪ Foundation Capital ▪ Future Positive Capital ▪ Grant Guttero ▪ Guy Marion ▪ Healthy Ventures ▪ Hugo Angelmar ▪ Ibrahim Ajami ▪ Jason Franklin ▪ John Horton ▪ Josh Jeffries ▪ Luis Robles ▪ Lux Capital ▪ Maverick Ventures ▪ Menlo Ventures ▪ Meridian Street Capital ▪ Mouro Capital ▪ Neil Devani ▪ Precursor Ventures ▪ QED Investors ▪ Ravi Grover ▪ Ride Ventures ▪ Sequoia Capital ▪ Serge Kassardjian ▪ Sure Ventures ▪ Trent Gegax ▪ Unpopular Ventures ▪ Vulcan Capital ▪ Work Life Ventures ▪ Yoko Okano	▪ Decent offers affordable health insurance for self-employed people. The company has launched in Texas and partnered with major organizations including HCA and Costco.
9/10/2020	i3systems India	1.5	2.5	▪ Behram Vakil ▪ FinTech Hive Accelerator ▪ Jerxis Vandrevala ▪ Unitus Ventures	▪ i3systems is an Indian AI start-up specializing in medico-financial data science, helping insurers enhance customer experience and reduce costs.
9/14/2020	Medpay	0.06	0.06	▪ Entrepreneur First	▪ Medpay is an AI-powered platform connecting primary health care network to insurers for cashless claims in real time.

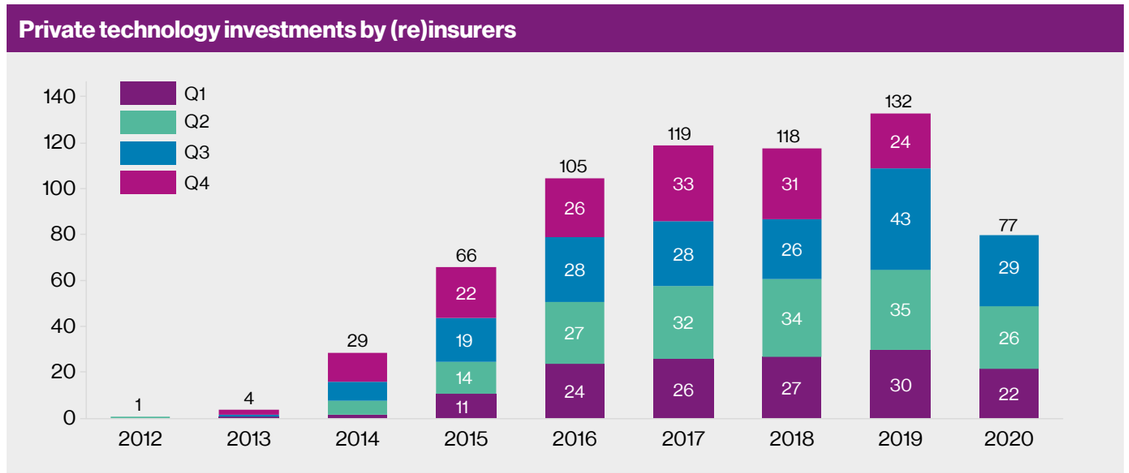
Note: Blue font denotes current round investors.

Q3 2020 InsurTech transactions – L&H

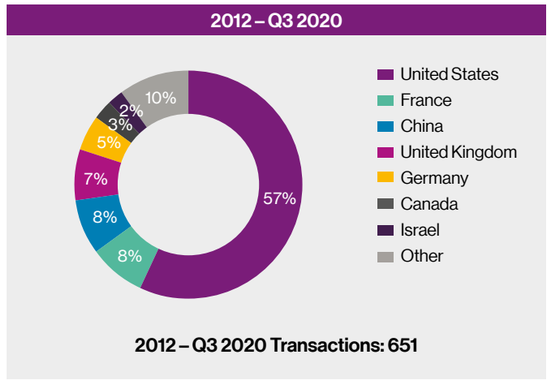
Date	Company	Funding (US$M) Round	Funding (US$M) Total	Investor(s)	Description
9/18/2020	Prenetics	15	67.65	▪ 500 Startups ▪ Alibaba Entrepreneurs Fund ▪ Apis Partners ▪ Beyond Ventures ▪ Capital Union Investments Hong Kong ▪ Coent Venture Partners ▪ eGarden Ventures ▪ Entrepreneurs Fund ▪ Joel Neoh ▪ mFund ▪ Ping An Ventures ▪ SXE Ventures ▪ Venturra Capital ▪ Yuantai Investment Partners	▪ Prenetics is a genetic testing/digital health company in Southeast Asia. With a simple saliva sample, individuals can discover how their genes affect their diet, drug response, disease and cancer risk.
9/22/2020	Bright Health	500	1575	▪ Bessemer Venture Partners ▪ Blackstone ▪ Cross Creek ▪ Declaration Partners ▪ Flare Capital Partners ▪ GE Ventures ▪ Greenspring Associates ▪ Greycroft ▪ Meritech Capital Partners ▪ New Enterprise Associates ▪ Redpoint Ventures ▪ T. Rowe Price ▪ Tiger Global Management ▪ Town Hall Ventures	▪ Bright Health offers affordable, benefit-driven Individual & Family and Medicare Advantage health insurance plans. Through exclusive partnerships with health systems; affordable health insurance plans; and a simple, friendly approach to technology, the company seeks to improve the way people and physicians achieve better health together.
9/25/2020	Sobrado	–	–	▪ Allianz - Switzerland ▪ AXA ▪ Mobiliar ▪ Swiss Life ▪ Vaudoise Assurances	▪ Sobrado is an insurance platform for brokers and insurers. Brokers can create and send tenders with just a few clicks and start invitations to tender directly from their CRM. They can use the AVB database and the condition comparison as a technical supplement to the offer comparison. There are no restrictions on the choice of providers.
9/28/2020	Noyo	12	12	▪ Core Innovation Capital ▪ Costanoa Ventures ▪ Fika Ventures ▪ Garuda Ventures ▪ Homebrew ▪ Precursor Ventures ▪ Spark Capital ▪ Undisclosed Investors ▪ Webb Investment Network	▪ Noyo transforms connections between benefit software and insurance carriers. Noyo offers an API platform for improving the speed and accuracy of health insurance data exchanges.

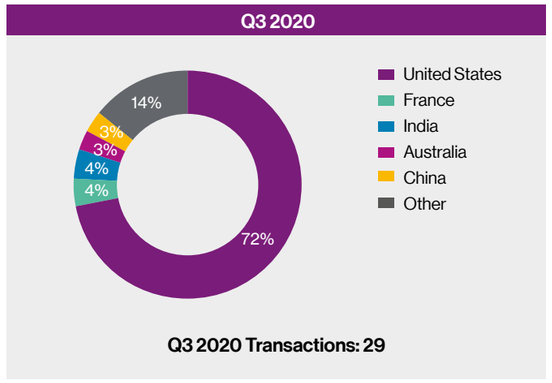
Note: Blue font denotes current round investors.

Private technology investments by (re)insurers

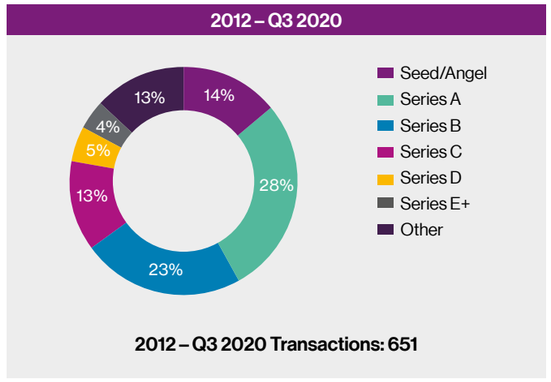


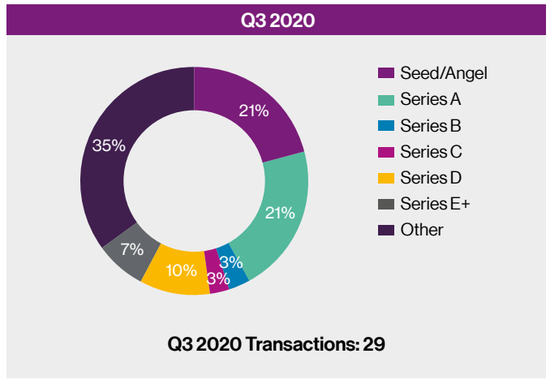
Private technology investments by (re)insurers by target country





Private technology investments by (re)insurers by investment stage





Private technology investments by (re)insurers

Date	Company	Funding (US$M) Round	Funding (US$M) Total	(Re)insurer investor(s)	Description
7/3/2020	Unlatch	4.54	5.84	▪ AXA Venture Partners	▪ Unlatch allows property developers and real estate brokers to digitize and standardize their off-plan real estate sales process.
7/7/2020	Manatee	1.5	1.52	▪ American Family Ventures	▪ Manatee empowers providers, children and families by integrating mental health therapy into daily life. The company's app sets, tracks and reminds about treatment goals, providing continuous support for children in therapy.
7/9/2020	Taulia	60	226.95	▪ Ping An Ventures	▪ Taulia provides a SaaS platform and network for supplier financing, e-invoicing and supplier portals.
7/21/2020	Mountain	1.6	1.72	▪ Northwestern Mutual Future Ventures	▪ Mountain provides primary care for a fixed monthly price. The members get a primary care doctor, unlimited virtual visits, a health navigator and free prescription discounts.
7/22/2020	Branch	24	24	▪ American Family Ventures ▪ Scor Global P&C	▪ Branch provides bundled home and auto insurance. With only two questions, Branch can provide a bindable price to a client looking to bundle within seconds.
7/24/2020	Wyze	5	35	▪ American Family Ventures	▪ Wyze develops smart home products. Its first product is a smart home camera that stays connected and offers 1080p full HD, night vision and two-way audio.
7/29/2020	Dialogue	24.5	67.23	▪ Sun Life Financial	▪ Dialogue is a virtual platform offering a range of integrated health care services for employers to give employees the opportunity to access on-demand to primary care, mental health therapy and professional coaching.
7/29/2020	Jupiter Intelligence	–	34.53	▪ Liberty Mutual Strategic Ventures ▪ MS&AD Ventures	▪ Jupiter provides data and analytics services to better predict and manage risks from weather and temperature changes, sea-level rise and storm intensification caused by severe weather and medium- to long-term climate change. The company's first two products, FloodScore and HeatScore are focused on climate-related risk assessment and management.
7/29/2020	Solstice	–	9.17	▪ American Family Ventures	▪ Solstice is a company that aims to expand access to clean energy by providing community-shared solar power to Americans who cannot install a system on their rooftop.
7/29/2020	BlocPower	–	0.13	▪ American Family Ventures	▪ BlocPower connects investors to energy-efficient projects in financially underserved communities through its online platform, Smart Cities.
7/29/2020	BookNook	–	3.87	▪ American Family Ventures	▪ BookNook is an Oakland, California-based education technology company whose goal is to ensure every child has access to a world-class reading teacher. It offers a platform for K-8 students to accelerate their reading skills in English and Spanish.
7/29/2020	Paladin	–	9.52	▪ American Family Ventures	▪ Paladin creates an easy way for lawyers to find cases they're passionate about and to capture impact data for the benefit of all. Paladin sends lawyers regular emails with pro bono opportunities matched specifically to their skills; tracks information about pro bono cases; and helps build community relationships between nonprofits, companies, firms and law schools.
7/29/2020	StormSensor	–	8.88	▪ American Family Ventures	▪ StormSensor sells wireless sensors and accompanying software to municipalities, government agencies and industrial facilities that want to track and prevent stormwater pollution or flooding. It's meant to replace manual stormwater quality reporting with a fully digital solution that uses predictive algorithms.
7/29/2020	X2AI	–	–	▪ American Family Ventures	▪ X2AI offers affordable, quality mental health care using psychological artificial intelligence. The company's Tess is a psychological AI that administers highly personalized psychotherapy, psycho-education and health-related reminders, on-demand, when and where the mental health professional isn't.
8/6/2020	Mindoula Health	27.3	31.05	▪ AXA Venture Partners	▪ Mindoula is a population health management company that scales the human connection through technology to address mind, body and life challenges. Mindoula identifies, engages and serves populations that might otherwise be overlooked or left behind, and delivers tech-enabled, team-based, 24/7 support across the continuum of care.
8/10/2020	Brella	1.5	7	▪ RGAx	▪ Brella (fka Clara or Clara Insurance) is a supplemental health insurance company. It aims to complement a user's health insurance and pays cash if the user is diagnosed with any of 13,000+ covered conditions.
8/12/2020	High Definition Vehicle Insurance	16	16	▪ Munich Re Ventures	▪ HDVI brings high-quality telematics and an integrated suite of software and support to fleets included within the cost of a competitive insurance policy.

Private technology investments by (re)insurers

Date	Company	Funding (US$M) Round	Funding (US$M) Total	(Re)insurer investor(s)	Description
8/14/2020	Neat Capital	3.08	13.32	▪ American Family Ventures	▪ Neat Capital created a process and technology that allows it to eliminate many of inefficiencies so common in home lending. The company's fintech approach allows it to work with clients facing special situations such as the need for jumbo loans, or in working with borrowers that are self-employed, own businesses or invest in real estate.
8/14/2020	Yield Protocol	1.45	1.45	▪ Liberty Mutual Strategic Ventures	▪ Yield Protocol develops a decentralized lending protocol to bring fixed-term, fixed-rate lending to decentralized finance.
8/14/2020	Dayforward	20.01	20.01	▪ Munich Re Ventures	▪ Dayforward is a financial services software firm in stealth.
8/19/2020	Neat	4	20.03	▪ MassMutual Ventures	▪ Neat is an AI-powered mobile personal financial assistant for millennials. The Neat Business dashboard gives users an overview of the state of all finances and features mechanisms for receiving payments, payroll and expense management.
8/19/2020	See-Mode Technologies	7	8	▪ MassMutual Ventures	▪ See-Mode Technologies is a medical imaging start-up that provides stroke prediction and treatment planning.
8/20/2020	Waterdrop	230	480.25	▪ Swiss Reinsurance Company	▪ Waterdrop, also Shuidi Huzhu, is an insurance platform that plans to solve the problem of high medical fees faced by most patients, especially those with a critical illness. When a user is diagnosed with a serious disease like cancer, the platform will crowdfund the medical fees from all of its users.
8/26/2020	Ledger Investing	15.8	20.92	▪ MassMutual Ventures	▪ Ledger Investing provides an exciting opportunity for asset managers, pension funds, hedge funds, family offices and other institutions interested in earning a great return through insurance investing.
9/2/2020	Biofourmis	100	141.85	▪ MassMutual Ventures	▪ Biofourmis discovers, develops and delivers clinically validated software-based therapeutics to provide better outcomes for patients, advanced tools for clinicians to deliver personalized care, technology for pharmaceutical companies to demonstrate value and cost-effective solutions for payers. Biofourmis has built Biovitals, a personalized AI-powered health analytics platform that predicts clinical exacerbation in advance of a critical event, which is the backbone of its digital therapeutics product pipeline across multiple therapeutic areas, including heart failure, oncology, acute coronary syndrome, COPD and chronic pain.
9/7/2020	BIMA	30	144.2	▪ AllianzX	▪ BIMA provides mobile-delivered insurance to mobile operators and insurance companies. The company also provides product development expertise, a dedicated distribution force, efficient customer service with rapid claims payment and a mobile insurance platform.
9/7/2020	GetSafe	–	27.96	▪ Swiss Reinsurance Company	▪ Getsafe is an InsurTech start-up from Heidelberg using technology and AI to help people identify, organize and protect what they care most about in life. With a few clicks, customers can learn about, buy and manage insurance on their smartphones.
9/15/2020	Acko General Insurance	60	203	▪ Munich Re Ventures	▪ Acko General Insurance is a digital insurance company that provides a variety of insurance policies ranging from car insurance to two-wheeler insurance (scooters, motorcycles) to mobile phone insurance to Ola Insurance. Ola Insurance is passenger insurance for Ola's ride-hailing service and covers items like minor accidents involving riders as well as insurance against missing flights due to traffic delays. The insurance claim system is built into the Ola app, per Acko, to simplify the process for users.
9/23/2020	Next Insurance	250	631	▪ Munich Re Ventures	▪ Next Insurance is a small business insurance company.

Q3 2020 strategic (re)insurer partnerships

Date	Company	(Re)insurer investor(s)	Description
7/14/2020	Thimble	▪ Hiscox	▪ Hiscox has partnered with Thimble, a short-term liability insurance provider for small businesses, to offer coverage available by the hour, day or month. The partnership will allow Hiscox to give businesses flexibility, with customers having control of their policy via Thimble's insurance app. The app allows them to modify their coverage based on a project's needs, add additional insureds or pause coverage as necessary.
7/14/2020	Socotra	▪ MS Amlin Underwriting	▪ MS Amlin has partnered with insurance platform provider Socotra to provide the core backend system for MS Amlin's new digital SME insurance initiative. The new SME insurance platform will initially launch in Belgium, the Netherlands, U.K., and France with product offerings that include fleet, commercial liability, property and commercial package offerings.
7/16/2020	Generali Indonesia	▪ Munich Re Automation Solutions	▪ Munich Re Automation Solutions, an InsurTech subsidiary of Munich Re, has partenered with life insurer Generali Indonesia to help boost the Generali's underwriting process and streamline the risk assessment process.
7/21/2020	Flyreel	▪ QBE North America	▪ QBE North America has announced a strategic partnership with Flyreel, an AI platform for property insurance, to help customers manage risk and prevent loss through an AI-assisted tool.
7/22/2020	Nexsys	▪ Lemonade	▪ Nexsys Technologies has partnered with Lemonade to streamline the process of homeowners' insurance verification.
8/4/2020	Carpe Data	▪ The Hartford	▪ The Hartford has partnered with Carpe Data, a provider of emerging and alternative data, to add new sources of data to The Hartford's market-leading small commercial platform. The platform will help reduce small business application processing time.
8/4/2020	Shift Technology	▪ iA Auto and Home Insurance	▪ Shift Technology, a provider of AI-native fraud detection and claim automation solutions, has partnered with iA Auto and Home Insurance (iAAH). The carrier has selected Shift Technology to support its fraud detection initiatives for P&C lines of business. The insurer will deploy Force, Shift's fraud detection solution, to uncover suspicious behaviors and potentially fraudulent claims related to policyholder losses.
8/6/2020	Samsara	▪ Nationwide	▪ Nationwide has partnered with Samsara to offer video telematics to its E&S customers with 11 or more commercial trucks. Samsara provides inward- and outward-facing dash cams that provide drivers with in-cab feedback on their driving.
8/10/2020	Rental Beast	▪ Liberty Mutual	▪ Rental Beast, a SaaS platform for rentals, has partnered with Liberty Mutual. The partnership will see the insurer offer Rental Beast's renters free, no-obligation rental insurance quotes. Through the partnership, renters could qualify for renters insurance for as little as US$5 per month.
8/13/2020	Procore	▪ AXA XL	▪ AXA XL's North America Construction sub-segment has added Procore, a provider of project management software, to its integrated digital platform designed to help clients manage risks on their jobsites and across their organisations.
8/14/2020	PetsBest	▪ Progressive	▪ Insurance provider Progressive has partnered with PetsBest to offer employer clients in the voluntary benefits marketplace.
8/17/2020	Thimble	▪ Lloyd's Lab	▪ Lloyd's Lab has selected Thimble to develop Pandemic Business Interruption Insurance for SMBs. The InsurTech start-up, known for its instant, scalable insurance policies, will build a new type of coverage to protect small businesses from COVID-19 and future process.
8/25/2020	Flyreel	▪ Mercury Insurance	▪ Mercury Insurance is to offer its New York and New Jersey homeowner policyholders DIY inspection services using an advanced artificial intelligence (AI) assistant. Created by Flyreel, the app guides homeowners through a self-inspection of their property and gives them the option for a contactless experience, helping policyholders maintain their physical distance from those outside of the household during the COVID-19 pandemics.
8/25/2020	Verily	▪ Swiss Re	▪ Verily, Alphabet Inc's life sciences division, has partnered with Swiss Re to launch a unit to provide stop-loss insurance, a financial product purchased by employers to cover unexpected and large employee health care costs.
8/31/2020	AllDigital Specialty	▪ AXIS Insurance	▪ AXIS Insurance and AllDigital Specialty will launch an insurance platform designed for the U.S. small private company management liability market. AXIS will utilize AllDigital's technology to quote, bind and issue policies in the U.S.

Q3 2020 strategic (re)insurer partnerships

Date	Company	(Re)insurer investor(s)	Description
8/31/2020	Vitality	▪ John Hancock	▪ Amazon and John Hancock have announced a strategic collaboration to provide engaging tools and resources to help John Hancock life insurance customers improve their individual health.
8/31/2020	One Concern	▪ Sompo Holdings	▪ One Concern has announced a strategic partnership with SOMPO Holdings, aimed at bringing AI-enabled resilience solutions and disaster-risk reduction technologies to Japan.
9/1/2020	Google	▪ ICICI Prudential Life	▪ ICICI Prudential Life Insurance has launched an AI-powered voice chatbot, LiGo, on Google Assistant. This will enable the policyholders to have queries addressed by using voice commands such as Ok Google, I want to speak to ICICI Prudential Life LiGo.
9/11/2020	Allphins	▪ MS Amlin Underwriting	▪ MS Amlin has entered into a service agreement with InsurTech data analytics platform Allphins to support its exposure management capabilities. The agreement will see MS Amlin's marine and energy reinsurance division use the Allphins platform to digitalize existing exposure data and access its specialist data sets and analysis tools.
9/11/2020	SafeButler	▪ Liberty Mutual	▪ Liberty Mutual has partnered with insurance comparison site SafeButler to provide instant access to comprehensive renters insurance plans. Liberty Mutual's API has been integrated into SafeButler's website and will instantly return a guaranteed renters insurance quote that will remain valid for 30 days.
9/15/2020	Farmers Edge	▪ Munich Re	▪ Farmers Edge, a leader in digital agriculture, announced a strategic partnership with Munich Re to implement large-scale parametric weather insurance solutions.
9/15/2020	Policygenius	▪ Lincoln Financial Group	▪ Policygenius, an online insurance marketplace, is offering an innovative life insurance product from Lincoln Financial Group, Lincoln TermAccel. Lincoln TermAccel offers life insurance protection for 10-, 15-, 20- or 30-year terms with coverage amounts from US$100,000 to US$1 million, so consumers have the flexibility of multiple options.
9/15/2020	Pineapple	▪ Travelers	▪ Travelers has announced that it has enhanced the ability to purchase its online personal insurance product, Traverse, with a mobile app utilizing image recognition technology. The Traverse app was developed in partnership with Pineapple, a South African InsurTech.
9/17/2020	RiskGenius	▪ Guy Carpenter	▪ Guy Carpenter has partnered with RiskGenius to help evaluate potential silent cyber exposure. The partnership will provide clients with a means of assessing their silent cyber exposure at scale, while generating risk insights designed to support a greater understanding of silent cyber at an industry level.
9/17/2020	LeaseLock	▪ QBE North America	▪ LeaseLock and QBE North America have announced a strategic partnership that combines LeaseLock's Zero Deposit product with QBE's insurance solutions.
9/21/2020	Neurotrack	▪ Hannover Re	▪ Neurotrack has announced a partnership with Hannover Re US to offer Neurotrack's clinically validated cognitive health program to the life insurance market for use by its policyholders.
9/23/2020	Cyberwrite	▪ HSB Insurance	▪ Cyberwrite, a cyber risk analytics firm, and HSB have announced that HSB is renewing its subscription to Cyberwrite's cyber risk financial quantification platform to offer tailored cyber insurance policies to businesses across the U.S.
9/25/2020	Vertafore	▪ AmTrust Financial	▪ AmTrust Financial has joined Vertafore's Commercial Submissions platform, a platform that has been designed to transform commercial insurance. Vertafore is undertaking a task to improve market connectivity across the insurance distribution channel.
9/28/2020	Noyo	▪ Humana, Ameritas	▪ Noyo has announced new partnerships with insurance carriers Humana and Ameritas. The partnerships are aimed at improving the overall consumer experience by enabling seamless and secure data connections to enroll members faster and eliminate coverage-impacting errors.
9/29/2020	Pula	▪ African Risk Capacity Group	▪ The African Risk Capacity Limited (ARC Ltd), the commercial subsidiary of African Risk Capacity Group, has announced a partnership agreement with Pula to deliver agriculture index insurance products to protect African farmers from climatic risks.
9/29/2020	Shift Technology	▪ Tokio Marine Indonesia	▪ Shift Technology, a provider of AI-native fraud detection and claim automation solutions for the global insurance industry, announced that Tokio Marine Indonesia has deployed Shift Technology's Force fraud detection solution.
9/29/2020	HONK Technologies	▪ Wawanesa Insurance	▪ HONK Technologies, the platform connecting drivers, towing professionals and insurers, has announced that it will begin managing one of Wawanesa Insurance's roadside assistance program.

Additional information

The *Quarterly InsurTech Briefing* is a collaboration between Willis Re, Willis Towers Watson's Insurance Consulting and Technology and CB Insights. Production is led by the following the individuals. For more information, or to discuss the results of this report, please direct inquiries to InsurTech@willistowerswatson.com.

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