



## InsurTech investment by re/insurers rises as new tools are developed to manage cyber risk

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LONDON, Feb. 25, 2019 (GLOBE NEWSWIRE) -- Sixty-three InsurTech deals with a total value of \$1.59 billion were announced world-wide in Q4, 2018, up 24% and 155% respectively over Q4, 2017. The total, including all-stage investments in property/casualty and life & health ventures, is the second-highest ever behind the exceptional second quarter of 2015, according to the new [Quarterly InsurTech Briefing](#) from Willis Towers Watson, the leading global advisory, broking and solutions company (NASDAQ:WLTW).

After rising for several years, the number of strategic InsurTech investments by re/insurers declined by 6% from its peak in the second quarter of 2018, but funding increased significantly. Eleven insurance-sector investors ploughed \$218 million into InsurTechs in Q4, 2018, up 230% from the previous quarter. Currently the global industry maintains 31 strategic partnerships with technology companies, the highest number recorded.

The latest *Briefing* focuses on sophisticated new InsurTech tools to help manage cyber risk. It includes case studies of the InsurTechs Guidewire Cyence Risk Analytics (Cyence), which models the economic impacts of cyber; Corax, which builds analytics tools to support the design and pricing of new cyber insurance products; Paladin Cyber, which creates cyber-risk detection and protection tools; Zeguro, which builds tools to remove cyber threats; and Refirm Labs, which devises methods to vet and validate hardware security.

Dr Andrew Johnston, Global Head of InsurTech at Willis Re, says: "Cyber is a multifaceted, ever-evolving phenomenon. The appropriate response to this is to task our industry with an equally multifaceted approach. Rather than trying to specialise and excel in each tenet required, InsurTechs offer our industry a huge opportunity through strategic commercial partnering to allow incumbent insurance firms the ability to become part of a broader, more resilient jigsaw puzzle."

Mark Synnott, Global Head of Cyber at Willis Re, says: "There's a healthy ecosystem of InsurTechs, insurers, reinsurers, and brokers working to quantify and price individual and portfolio cyber risk under affirmative coverage. More work needs to be done to address silent cyber, since potential accumulation exposure is enormous, but it is under way. For example, we have a module in our PRISM-Re cyber model that assesses exposure to silent cyber and several InsurTechs have developed software that deploys policy-analysis algorithms that help insurers expose and quantify silent cyber coverage. As the cyber threat grows, such tools will become increasingly valuable and commonplace."

View the full report [here](#).

### About Willis Re

One of the world's leading reinsurance brokers, Willis Re is known for its world-class analytics capabilities, which it combines with its reinsurance expertise in a seamless, integrated offering that can help clients increase the value of their businesses. Willis Re serves the risk management and risk transfer needs of a diverse, global client base that includes all of the world's top insurance and reinsurance carriers as well as national catastrophe schemes in many countries around the world. The broker's global team of experts offers services and advice that can help clients make better reinsurance decisions and negotiate optimum terms. For more information, visit [willisre.com](http://willisre.com).

### About Willis Towers Watson

Willis Towers Watson (NASDAQ:WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at [willistowerswatson.com](http://willistowerswatson.com)

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