



Willis Re welcomes Lloyd's report on the modelling of catastrophic liability risks

March 14, 2017

LONDON, March 14, 2017 (GLOBE NEWSWIRE) -- The *Stochastic modelling of liability accumulation risk report* published by Lloyd's and Arium marks a valuable milestone in the development of solutions to model and quantify casualty downside risk, according to Willis Re, the reinsurance division of Willis Towers Watson (NASDAQ:WLTW), the global advisory, broking and solutions company.

The report, launched by Lloyd's and Arium on 14 March, examines how exposure to casualty risk can be visualized with the use of historical data and stochastic tools to help understand insurance portfolios' exposure to historic and emerging casualty catastrophes. Historic events are used to understand the business relationships that underlie casualty catastrophes and map them onto an insurer's or a reinsurer's own portfolio, creating some of the building blocks for quantifying potential casualty catastrophe exposure.

Andrew Newman, President, Global Head of Casualty & CEO Alternative Strategies, Willis Re, who collaborated with the panel in the development of the report, **said**: "The objective of quantifying liability risk is consistent with the goals of our clients and industry stakeholders, as current market practice for evaluating risk can be arcane and result in a sub-optimal outcome. Willis Re and Lloyd's are strategically aligned in seeking to further improve methods of risk evaluation and we are pleased to be sharing our data and proprietary intellectual property to help achieve our common goal. A better understanding of liability risk will assist Willis Re, our clients, the industry as a whole and ultimately the consumer."

Neil Bodoff, Executive Vice President, Willis Re added: "We view this stage as another recognition of the importance of measuring casualty catastrophe risk through exposure based models. It is challenging to model casualty risk, given its complexity and evolving dynamics; achieving industry consensus has some way to go. Given these complexities we recommend clients take a multi-faceted, multi-modelled view of risk; we welcome Arium's new offering in the casualty catastrophe model space alongside our existing open-format eNTAIL casualty catastrophe model."

Willis Re was one of several corporate entities which collaborated with Lloyd's in the development of this report.

Download the full 'Stochastic modelling of liability accumulation risk' report [here](#).

ABOUT WILLIS RE

Willis Re combines global expertise with on-the-ground presence and local understanding. Our integrated teams reveal hidden value in the critical intersections between risk, assets and ideas. As the reinsurance advisory arm of Willis Towers Watson, Willis Re can access and negotiate with worldwide markets and boost your business performance by making better reinsurance decisions. Together, we unlock value. Learn more at 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 40,000 employees serving more than 140 countries. 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

ABOUT LLOYD'S

Lloyd's is the world's specialist insurance and reinsurance market. Under our globally trusted name, we act as the market's custodian. Backed by diverse global capital and excellent financial ratings, Lloyd's works with a global network to grow the insured world – building resilience of local communities and strengthening global economic growth. With expertise earned over centuries, Lloyd's is the foundation of the insurance industry and the future of it. Led by expert underwriters and brokers who cover more than 200 territories, the Lloyd's market develops the essential, complex and critical insurance needed to underwrite human progress. For more information, please visit www.lloyds.com

ABOUT ARIUM

Arium specialises in developing risk models primarily for the reinsurance industry. It tackles problems that are data poor and considered complex or unpredictable. Its approach is underpinned by the use of adapted techniques such as networks and dependency modelling. Arium has been developing a liability exposure management tool to help underwriters and management understand and manage casualty accumulation risk. Arium is part of AIR Worldwide, a Verisk Analytics business. For more information, please visit www.arium.co.uk

CONTACT ☐

MEDIA ☐

Annie Roberts: +44 20 3124 7080 | annie.roberts@willistowerswatson.com

INVESTORS ☐

Aida Sukys: +1 703 258 8033 | Aida.Sukys@willistowerswatson.com

WillisTowersWatson 

Willis Towers Watson Public Limited Company