

Silent Witness

Why Visibility is the Key to Reducing Non-Affirmative Cyber Risk

Overview of the Company

A top 10 reinsurance carrier in the Pan-Asian region focused on large and specialty risks.

Business Challenge Faced

Reinsurers currently face challenges in quantifying their total underlying exposure to cyber risk within other business lines— often referred to as silent cyber risk. Specifically, this reinsurer was concerned about their exposure within their marine hull and property insurance books.

Benefits Derived

- Ability to properly price and adjust policies that silently cover cyber events
- Define risk appetite for affirmative cyber risk based on existing silent exposure
- Adjust portfolio mix to mitigate risk accumulations

Business objectives

- Understand and quantify silent cyber exposure in their books and insight into potential maximum loss scenarios
- Use data to make informed decisions for risk adjustments and coverage exclusions
- Define risk appetite for affirmative cyber risk policies

Innovative strategy to achieve the objective

The company chose Kovrr to identify cyber risk within their existing marine hull and property books. They also use the solution to continue to monitor cyber risk they may take on within new policies. The reinsurer was provided with data that reflects their silent cyber risk including insight into their risk accumulation per coverage and policy triggers based on risk scenarios.

Kovrr quantifies potential maximum loss scenarios to enable insurers to manage their risk accumulation in a continuous manner, understand their capital at risk, and diversify their book. The reinsurer is provided with ongoing visibility to their silent risk accumulation, based on evolving risks and changes of the insured's security posture. The solution also takes into account possible triggers based on specific wording and exclusions.

The solution is currently being used for their existing books and for onboarding new customers.

About Kovrr

Kovrr enables insurers to understand, quantify and minimize cyber risk through global data harvesting and sophisticated AI-based risk modeling engines. The solution provides insurance professionals with hundreds of cyber risk factors and dozens of cyber risk scenarios, reflecting frequencies and severity of cyber events that can affect businesses within an insurer's portfolio or companies they wish to insure.

More information is available at www.kovrr.com