



News release

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Opportunity awaits: 12th annual PwC / S&P Bermuda Reinsurance conference to focus on new technologies, new risks as industry faces new market dynamic

Hamilton, Bermuda – Disruption and the huge opportunities it’s creating for re/insurers is expected to dominate discussions at the **12th annual PwC Bermuda/S&P Global Bermuda Reinsurance** on Tuesday.

The island’s premier insurance industry forum takes place this year amid a fast changing market dynamic. After the recent catastrophic events, re/insurers are facing more than \$100 billion of losses and many are predicting that the trend in soft reinsurance pricing is coming to an end. And, owing to the significance and magnitude of the third quarter catastrophes, insurance linked securities are being tested in a way not yet seen by the ILS market

The conference theme, **The Dynamics of Discipline, Diversification & Disruption**, will examine the transformational trends and new threats impacting the industry. Some 200 industry leaders and professionals from Bermuda, the US and Europe are expected to attend.

Panels will look at opportunities to boost innovation and differentiation, ILS/alternative capital and the growing demand for new and innovative risk-transfer solutions, under insurance, emerging threats like climate, and cyber risk, Wall Street perspectives, insurtech – as the new normal for re/insurers, and fit for growth strategies for re/insurers.

Followed by keynote speaker **Jeremy Cox, CEO of the Bermuda Monetary Authority**, the **View from the Top: Reinsurance CEOs** panel this year includes:

Marc Grandisson, President and Chief Operating Officer, Arch Capital Group Ltd;
Michael S. McGavick, Chief Executive Officer, XL Group Ltd.;
Kevin J. O’Donnell, President and Chief Executive Officer, RenaissanceRe Holdings Ltd.

Arthur Wightman, PwC Bermuda and Insurance leader, commented: “The insurance industry is undergoing fundamental transformation as it comes up against the impact of new technologies, regulation, accelerating shifts in consumer demand and mounting competition from InsurTech players. But in the face of so many disruptive challenges, it’s important not to lose sight of the huge opportunities they’re creating for insurers.

“As the most disrupted of any industry, based on PwC’s 20th CEO Survey, the need for re/insurers to be fit enough to stay ahead has never been greater. Only through a strategic focus on cutting bad costs can scarce resources be freed up to invest, allowing re/insurers to grow and compete with new services, products or geographies.”



Mr Wightman continued: “As we explore in our report, **Insurtech: The new normal for (re)insurance**, Insurtech innovations are helping to strengthen reinsurers’ capabilities in areas ranging from the use of drones for post-catastrophe loss assessments to artificial intelligence, robotics, big data and blockchain.

“Reinsurers also are providing technical and financial support for a variety of insurtech startups, many of them aimed at providing the speed and convenience demanded by millennials and other digital natives. We are pleased to welcome representatives from a number of Silicon Valley insurtech startups at Bermuda Reinsurance this year.

“PwC research shows that as many as 86% of insurance CEOs believe that technology will either completely reshape or have a significant impact on their industry over the next five years.”

Matthew Britten, PwC Bermuda Insurance partner, who is moderating the panel **Fit for Growth: Reinsurance CFO Perspectives**, commented: “Re/insurers must have a view of the landscape of tomorrow, a clear strategy and know their differentiating capabilities.

“The margin for error and opportunity to create returns has never been more compressed, so companies need to be agile in response to these forces. In our view, the ability to optimise cost through the utmost discipline, whether business-as-usual or initiative-driven, needs to be as much a core competency in successful reinsurers as risk selection or capital allocation.

“Fit for growth is just one framework or way of thinking which can help make the strategic focus on optimising cost a core part of how a business chooses to play.”

He added: “Reinsurers are coming to see insurtech as a transformational rather than disruptive force and embracing the innovation potential within their businesses. But choosing the right partners and translating new technologies into tangible solutions are the real challenges. Our panel will look at whether insurtechs are really as disruptive as commonly claimed; and how should incumbents react?”

The full line-up of panels and speakers and registration details can be found here:
<https://www.pwc.com/bm>

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