

## NEWS RELEASE

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### **Guy Carpenter and Oliver Wyman Publish Third Annual Insurance Risk Benchmarks Report**

*2013 Report Provides Insurers with Risk Benchmarks in the  
United Kingdom for the First Time*

**NEW YORK, September 10, 2013** – Guy Carpenter & Company, LLC, a leading global risk and reinsurance specialist, and Oliver Wyman, the international management consulting firm, have published the third annual *Insurance Risk Benchmarks*.

With greater regulatory supervision over the enterprise risks of insurance companies looming worldwide, economic capital modeling has become increasingly essential to executives.

This report provides metrics and insights to allow clients to answer a key question: How do you know whether you are quantifying your risks reasonably? To this end, the report shows how risky the industry has been historically, by line of business, by industry segment and across cycles. Launched at the Guy Carpenter ERM Conference in Las Vegas, the 2013 report has been enhanced to provide benchmarks for exposures in the UK market for the first time. Among the range of benchmarks included in the report are payment and reserve cycle patterns by line of business.

“Economic capital models need checks and balances to make sure they have a realistic representation of risk,” said Jessica Leong, Lead Casualty Specialty Actuary, Guy Carpenter & Company. “This is exactly what the risk benchmarks report is designed to do.”

The risk benchmarks are based on proprietary analyses of a database of financial results from thousands of insurance companies over a more than thirty year period. “Understanding the impact of cycles on risks insurers face is critical to the Enterprise Risk Management process and Insurance Risk Benchmarks is an important tool in that effort,” said Rich Lino, Partner, Oliver Wyman Actuarial Consulting, Inc.

BenchmaRQ™, developed by the analytics department of Guy Carpenter and the actuarial practice of Oliver Wyman, is an annual, full economic capital management service. Using the risk benchmarks in this report in conjunction with the BenchmaRQ™ economic capital management tool, an insurance company of any size and risk profile can not only meet regulatory requirements, including ORSA, but also can more accurately assess risks.

The Insurance Risk Benchmarks report is available upon request exclusively to clients of Guy Carpenter and Oliver Wyman.

## **TAGS/KEYWORDS**

Guy Carpenter, Oliver Wyman, insurance risk benchmarks, loss ratio, reserve, economic capital model, BenchmaRQ , Leong, Lino, ERM, UK, ORSA

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Guy Carpenter & Company, LLC is a global leader in providing risk and reinsurance intermediary services. With over 50 offices worldwide, Guy Carpenter creates and executes reinsurance solutions and delivers capital market solutions\* for clients across the globe. The firm’s full breadth of services includes line-of-business expertise in agriculture; aviation; casualty clash; construction and engineering; excess and umbrella; life, accident and health; marine and energy; medical professional liability; political risk and trade credit; professional liability; property; retrocessional reinsurance; surety; terrorism and workers compensation. GC Fac® is Guy Carpenter’s dedicated global facultative reinsurance unit that provides placement strategies, timely market access and centralized management of facultative reinsurance solutions. In addition, GC Analytics®\*\* utilizes industry-leading quantitative skills and modeling tools that optimize the reinsurance decision-making process and help make the firm’s clients more

successful. For more information, visit [www.guycarp.com](http://www.guycarp.com). Follow Guy Carpenter on Twitter [@GuyCarpenter](https://twitter.com/GuyCarpenter).

*Reactions* magazine named Guy Carpenter Best Global Reinsurance Broking Company Overall and Best Reinsurance Broking CEO of the year in 2012. At the *Reactions* London Market Awards, Guy Carpenter was also named Reinsurance Broker of the Year and took home Reinsurance Broking Team of the Year honors for both Property and Aviation. In the past year, Guy Carpenter has also won: Global Best ILS Advisor (GC Securities\*), US Best ILS Advisor (GC Securities\*) and US Best Broker for Casualty Reinsurance from *Intelligent Insurer*, *Insurance Day's* 2012 ILS Transaction of the Year (GC Securities\*), and Reinsurance Broker of the Year for the Asia-Pacific region at the 16<sup>th</sup> Annual Asia Insurance Industry Awards.

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Oliver Wyman is a global leader in management consulting. With offices in 50+ cities across 25 countries, Oliver Wyman combines deep industry knowledge with specialized expertise in strategy, operations, risk management, and organization transformation. The firm's 3,000 professionals help clients optimize their business, improve their operations and risk profile, and accelerate their organizational performance to seize the most attractive opportunities. For more information, visit [www.oliverwyman.com](http://www.oliverwyman.com). Follow Oliver Wyman on Twitter [@OliverWyman](https://twitter.com/OliverWyman).

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[Marsh](#) is a global leader in insurance broking and risk management; [Guy Carpenter](#) is a global leader in providing risk and reinsurance intermediary services; [Mercer](#) is a global leader in talent, health, retirement, and investment consulting; and [Oliver Wyman](#) is a global leader in management consulting. Marsh & McLennan Companies' 54,000 colleagues worldwide provide analysis, advice, and transactional capabilities to clients in more than 100 countries. The Company prides itself on being a responsible corporate citizen and making a positive impact in the communities in which it operates. Visit [www.mmc.com](http://www.mmc.com) for more information.

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