NOT IF, BUT HOW

Munich RE

Advance virtuaLAB
Munich Re's Top Talent Programme 2021

Ideate2gether – this is the key theme of Advance virtuaLAB, a spin-off of our well-known Advance programme.

On an invitation-only basis, insurance industry managers and Munich Re experts co-create solutions for some of the most pressing challenges the insurance industry is currently facing: #ourchallenge.

Within this programme, we connect you with industry peers around the world, equip you with the necessary methodologies and provide you a powerful innovation infrastructure. Experience agile working, boost your digital leadership capabilities, get access to Munich Re's experts with specific know-how and benefit from our innovation ecosystem within and outside the industry. Open to just 12 participants each year, this exclusive ideation sprint focuses on the latest trends in the digital age.

Why Advance virtuaLAB?

New technology trends are changing the way we live and work. They offer opportunities, but also bring new risks. Now more than ever, technology is not only a competitive advantage, but an actual necessity to keep businesses running.

How can the insurance industry adapt and proactively service its clients in a changing environment?

To remain relevant and mitigate disruption, traditional insurance companies have to engage in digital offerings – revenue-generating solutions to what customers want and are willing to pay for, inspired by what is possible with digital technologies.

One of Munich Re's goals is to drive the digital transformation and invest in innovation. The Advance virtuaLAB is hosted by Torsten Jeworrek (Member of the Board of Management of Munich Reinsurance Company) and emphasises that we would like to go on this journey with you by sharing our strategy and know-how to shape the future of our industry. We want to sharpen awareness, provoke discussion and, most importantly, jointly explore new business opportunities.

Where and when?

The Advance virtuaLAB will be held online, from Monday, **14 June** to Friday, **2 July 2021**. 3 weeks with 2–4 hours per day (active input: #ourchallenge + all other sessions) plus 2 hours per day of homework/group work (self-directed)

Who is eligible?

Up-and-coming leaders from selected clients around the world are nominated and invited to attend. In order to be considered for this exclusive three-week programme, candidates need to meet the following criteria:
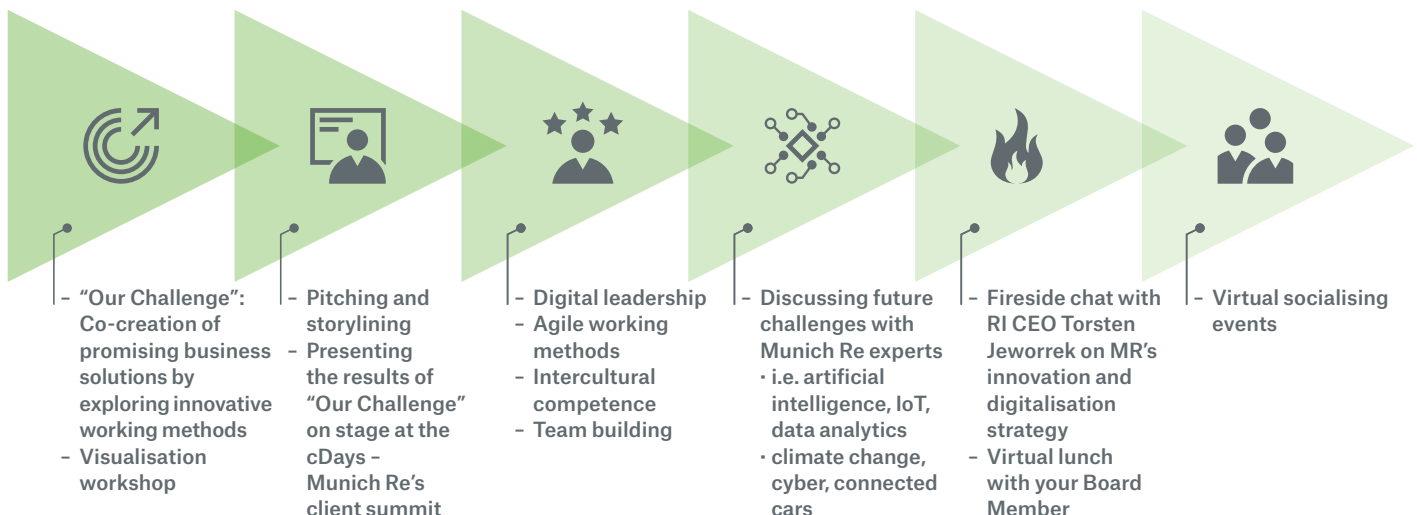
▶ Management experience or project leader
▶ Advanced insurance knowledge
▶ Proven strategic thinking ability
▶ Major interest in insurance innovation and solving current insurance-related issues
▶ Willingness to exchange knowledge and contribute to joint projects
▶ Openness to try new ways of working and exchanging ideas (agile/digital)
▶ Ability to work in a diverse and international team; high networking capability
▶ Fluent in English
▶ Ability to join MS Teams for collaboration and virtual meetings

What to expect?

Gain valuable theoretical, practical and methodological skills and take the opportunity to broaden your perspectives on trends and solutions related to the global insurance industry.

Course overview

Some highlights of Advance virtuaLAB:

– "Our Challenge": Co-creation of promising business solutions by exploring innovative working methods
– Visualisation workshop

– Pitching and storylining
– Presenting the results of "Our Challenge" on stage at the cDays – Munich Re's client summit

– Digital leadership
– Agile working methods
– Intercultural competence
– Team building

– Discussing future challenges with Munich Re experts
  · i.e. artificial intelligence, IoT, data analytics
  · climate change, cyber, connected cars

– Fireside chat with RI CEO Torsten Jeworrek on MR's innovation and digitalisation strategy
– Virtual lunch with your Board Member

– Virtual socialising events

Challenges

Insurability of high nat cat risk areas

Problem Statement
▶ Climate change is increasing the frequency and severity of extreme weather events. California has seen its most active wildfire seasons in the last five years, leading to much higher than expected loss costs. Insurance could become unavailable or unaffordable in many regions of the world, including developed countries that currently sustain mature insurance markets.

Key Question
▶ **What technical and or product-related risk transfer solutions are needed now in order to increase insurability, especially in high-risk areas? What key partnerships are required (e.g. public-private, insurance pools, etc.) for these solutions?**

Target Group
▶ Roles in: Product Development, Property, Agro, Public Sector/PPP

Meeting changing customer needs spot-on

Problem Statement
▶ Product development lifecycles tend to be long and focus more on what carriers are willing to sell rather than on what customers are willing to buy. At the same time, carriers are now being asked to cover assets that are more digital than physical, with new types of risks surfacing apace.

Key Question
▶ **How might the insurance industry adapt to more rapid product offerings of new and emerging risks, delivering products that are most desired by customers?**

Target Group
▶ Roles in: Innovation, Product Development, Property, Casualty, Cyber, Life, Health, Data Analytics, Strategy

Diving into data analytics services for marine insurance

Problem Statement
▶ Cargo and vessels are moveable objects, and companies send items in good shape but the customers receive them broken. Marine insurance is highly complex, which means that the informational gap between insurer and insured makes pricing and product offering difficult. Data analytics might increase transparency throughout the delivery chains, reduce cost structures and enable more granular product coverages.

Key Question
▶ **How can data and analytics services or applications help/support/change business processes and products in Marine?**

Target Group
▶ Roles in: Product Development, Marine, Data Analytics, Strategy

Continuous underwriting

Problem Statement
▶ The traditional underwriting process is typically "point in time" and often lacks recognition of deep unique characteristics that could drive more individualised rating/pricing.

Key Question
▶ **How to achieve flexible calculations in P&C (or L&H), based on individual risk profiles that recognise discreet differences between risks and rates?**

Target Group
▶ Roles in: Property, Casualty, Life, Health, Data Analytics, Strategy, Actuarial units

Grey rhino events

Problem Statement
▶ The pandemic has shown us that resilience planning goes far beyond climate-related topics. Companies must plan for "grey rhino" events (combination of "elephant in the room" and "black swan") that can be major disruptors to the daily lives of people and businesses.

Key Question
▶ **How might the insurance industry (collectively or individual carriers) become leaders and/or strong partners with people and businesses, in order to forecast and prepare for grey rhino events while at the same time building revenue-generating business models (product or service)?**

Target Group
▶ Roles in: Innovation, Product Development, Property, Casualty, Life, Health, Data Analytics, Strategy

Better safe than sorry – prevention

⚡ **Problem Statement**
▶ Insurance has traditionally taken the position of "response" after something bad has happened. Preventing the loss in the first place would the preferred outcome.

💬 **Key Question**
▶ **How might insurance carriers leverage technology to become true risk advisers to people and businesses and create dynamic risk monitoring and prevention service models, bundled with insurance risk transfer products that pay equal attention to prevention and response?**

◎ **Target Group**
▶ Roles in: Innovation, Product Development, Property, Health, Risk Management

Claims process

⚡ **Problem Statement**
▶ The FNOL (first notice of loss) process is largely manual and collects unstructured data which requires a good deal of re-entry and limits analytical capabilities.

💬 **Key Question**
▶ **How might the insurance industry improve the transparency and automation of the end-to-end claims process (FNOL to payment/subrogation)?**

◎ **Target Group**
▶ Roles in: Innovation, Claims, Property, Casualty, Strategy

Risk Manager as a Service

⚡ **Problem Statement**
▶ While mainly focusing on upcoming opportunities, many SMEs lose sight of impending risks. Often they act in a way that is crisis-driven, but they do not have the expertise and capabilities to anticipate future challenges. They lack an overview of their risk landscape, including cyber, GDPR and sustainability infringements, and even bigger companies do not have a dedicated chief risk manager to professionally manage these risks.

💬 **Key Question**
▶ **How can we offer fast-growing SMEs in the transition phase from small to medium a "Risk Manager as a Service" to holistically manage their risks, helping them to focus on their business and keeping risks at bay?**

◎ **Target Group**
▶ Roles in: Risk Management, Cyber, Strategy, Data Analytics

Green tech solutions

⚡ **Problem Statement**
▶ Solar, wind, battery storage and synthetic fuels are key elements for decarbonising economies. However, the current pace of energy transition falls way short of achieving the Paris Agreement emperature target. New business models comprising innovative risk transfer solutions, digital risk and financial services and innovative financing components could contribute to unlocking large-scale project pipelines.

💬 **Key Question**
▶ **Which products/solutions powered by the insurance industry could enable low-carbon technologies to progress? How might a comprehensive programme look, including opportunities starting from investment and financing, risk management solution of all risks occurring in the lifecycle and, finally, divestment strategies? How can we as an insurance industry contribute in a meaningful way to the transition away from fossil fuels to greenhouse-gas-neutral economies? Can circular-economy solutions be key elements, and what would be our role?**

◎ **Target Group**
▶ Roles in: Innovation, Product Development, Property, Engineering, Data Analytics

Certificate
After your successful participation in Advance virtuaLAB, we will issue a formal recognition of your professional development in the skills needed today to succeed in a transforming disruptive landscape. Your certificate will be signed and virtually presented by our RI CEO and sponsor of the programme Torsten Jeworrek.

Important information on costs
The following are not eligible to participate: Persons holding any kind of public office (including offices additional to their regular employment/assignment)

Costs: Advance virtuaLAB is sponsored by Munich Re and is therefore offered free of charge.

How are nominations made?
If you have any questions concerning Advance virtuaLAB, please contact your Munich Re client manager or email the Advance team at advance@munichre.com.