

Traditional Actuaries Transformed by Chinese Insurtech industry

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2019/11

| Self Introduction



Xiang Ji FCAS MAAA

CAS Class of 2008

Univ of Kansas

12

Years US Experience

- Allstate
- Zurich
- CNA

6

Years Chinese Experience

- Munich Re Beijing



Sheen X. Allen FCAS MAAA

CAS Class of 2006

Univ of Wisconsin – Madison

12

Years US Experience

- Milliman
- Liberty Mutual
- USAA

7

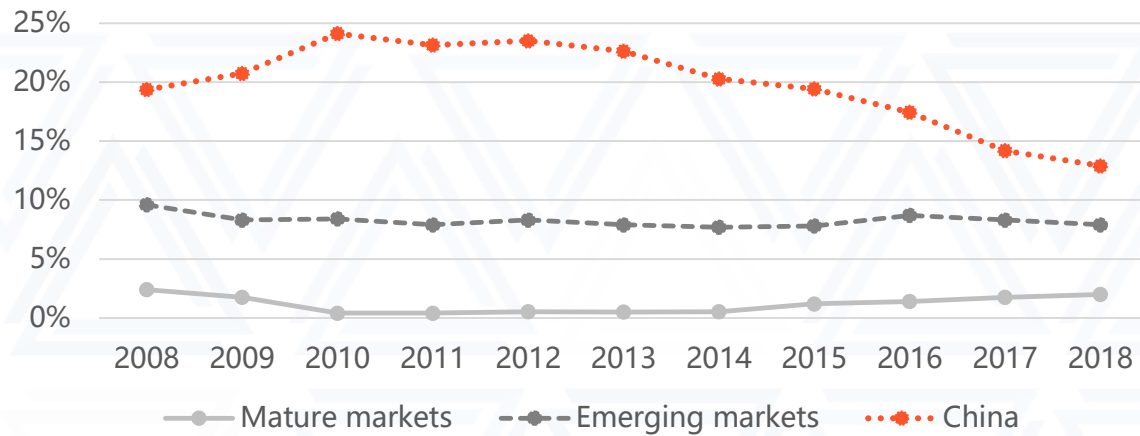
Years Chinese Experience

- Deloitte China
- Delta Entropy Technology

Chinese Insurance Market Landscape Opportunities & Challenges

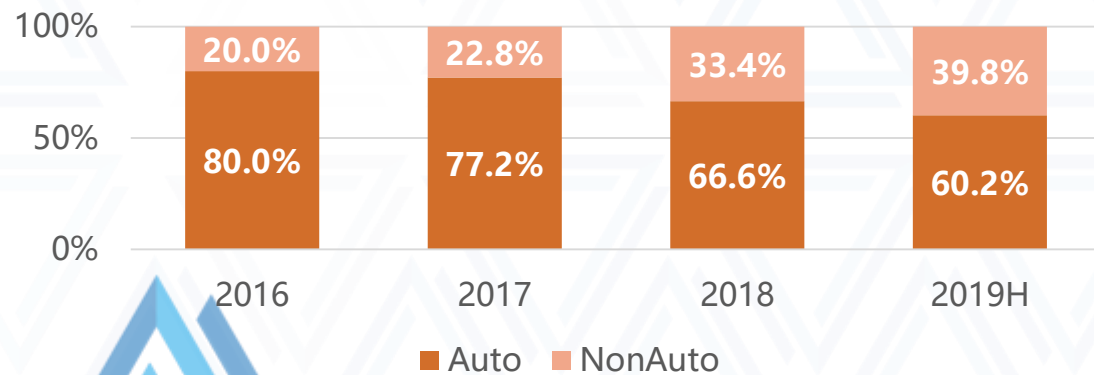
China remains the biggest contributor to global growth

Premium Growth Rate (P&C)



7-year avg Data from: Swiss Re Sigma 2019_3

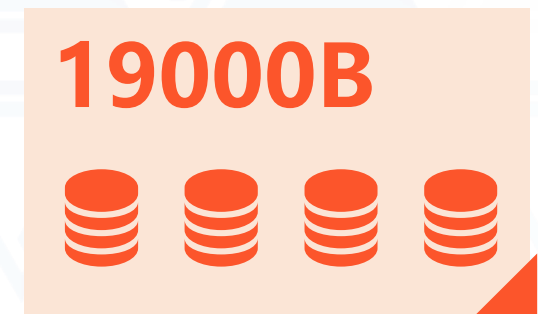
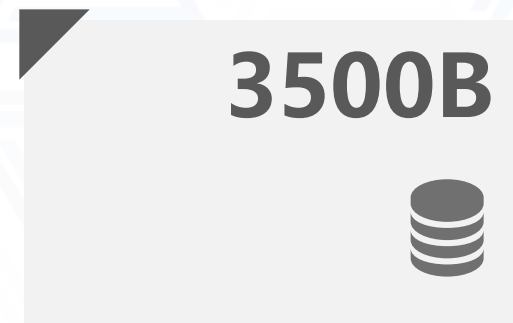
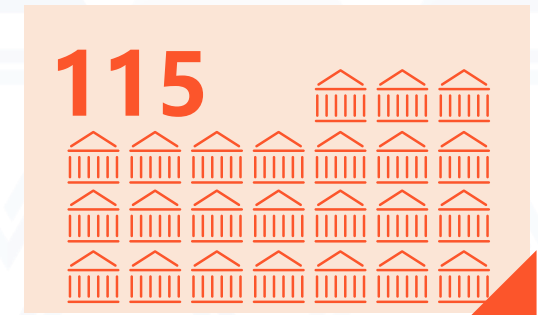
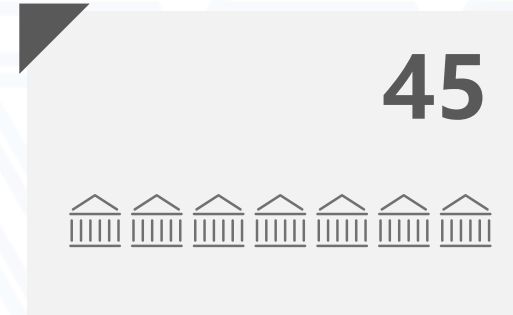
Auto vs Other



Data from: CBIRC

10 Years Ago

Now



| Opportunities & Challenges - Tech

Auto De-Tariff

Non-Auto Lines

**Too young, too simple,
sometimes naive.**



Reality

- Premium Volume Pressure
- Outdated Systems & Tools
- Lack of DDD Culture & Skills
- Lack of Risk/Fraud Mgmt

TRUTH

I HAVE NO MONEY,
NO RESOURCES, NO
HOPES. I AM THE
HAPPIEST MAN ALIVE.

Triopoly/Duopoly



(Ir)rational Decisions

Opportunities

- Sales
- Tools & Systems
- Risk Selection
- Claim Management



| Opportunities for Insure Tech Startups

01

Sales and Customer



02

Efficiency and Process



03

Risk Selection & Big Data

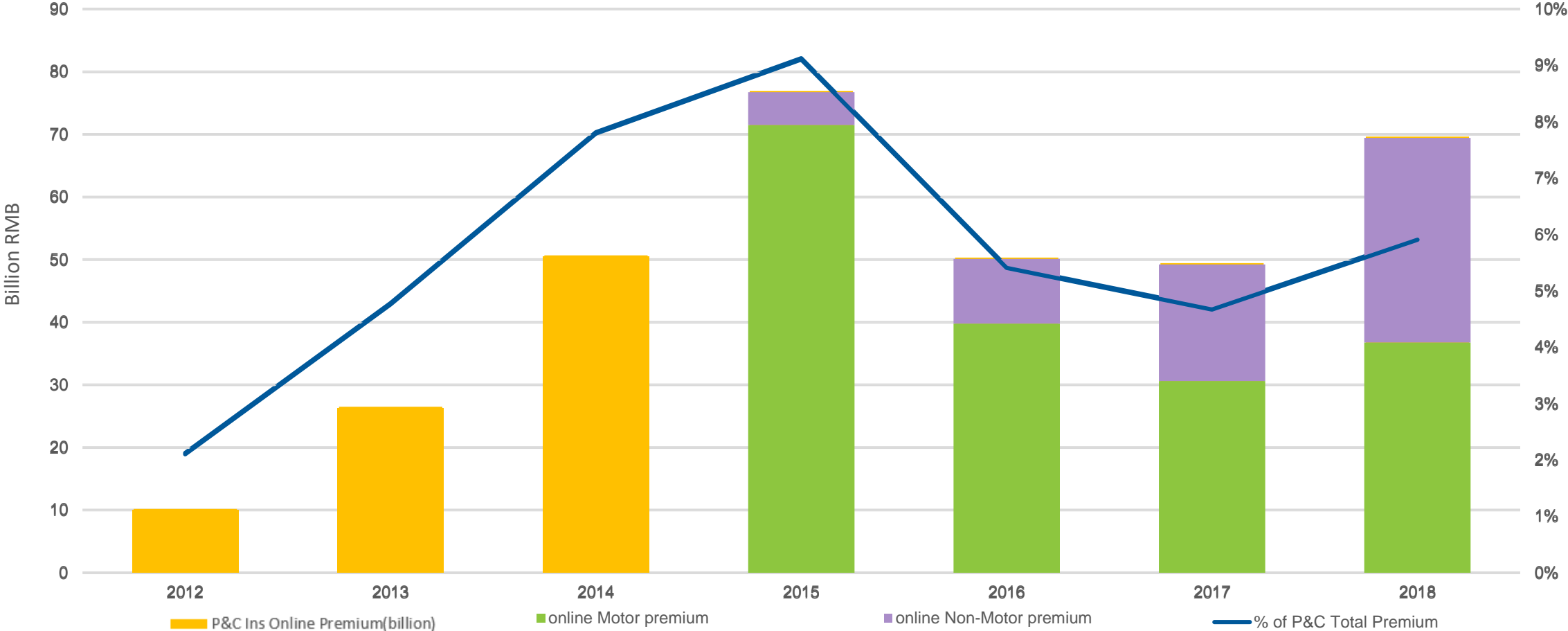


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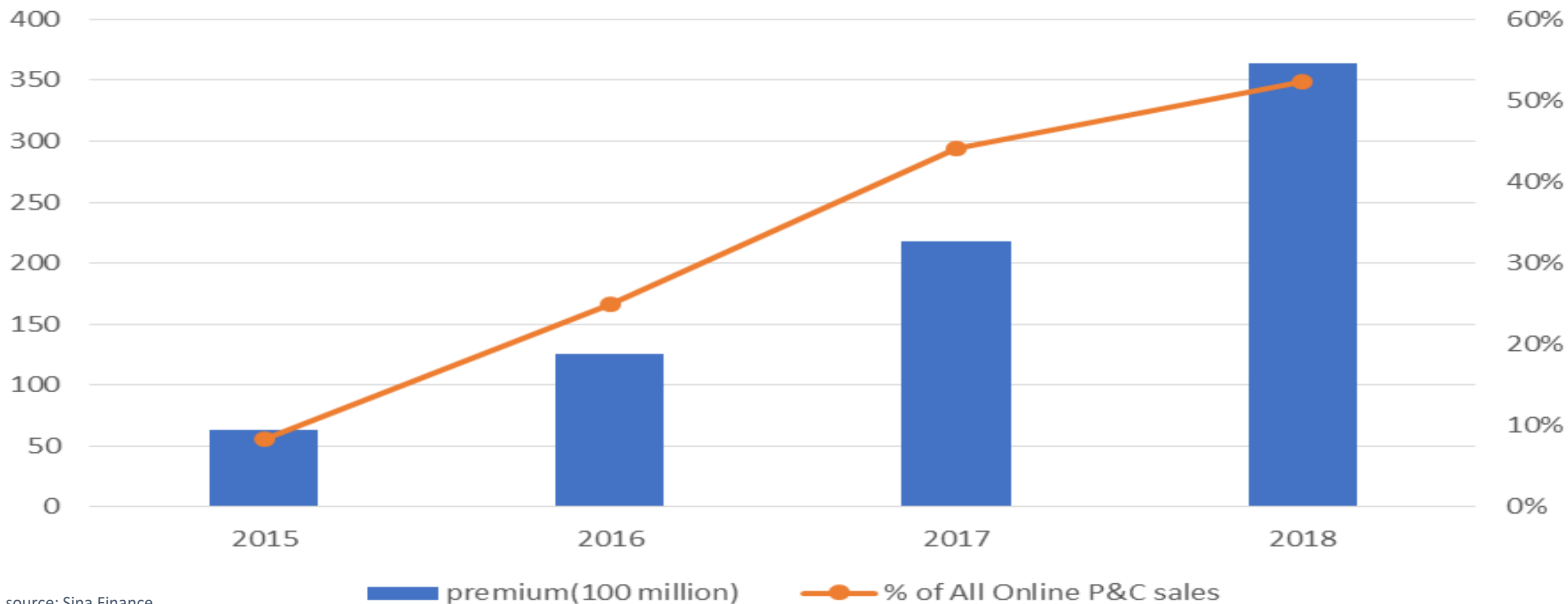
Risk/Claim Management



P&C Insurance Premiums via Online Channels



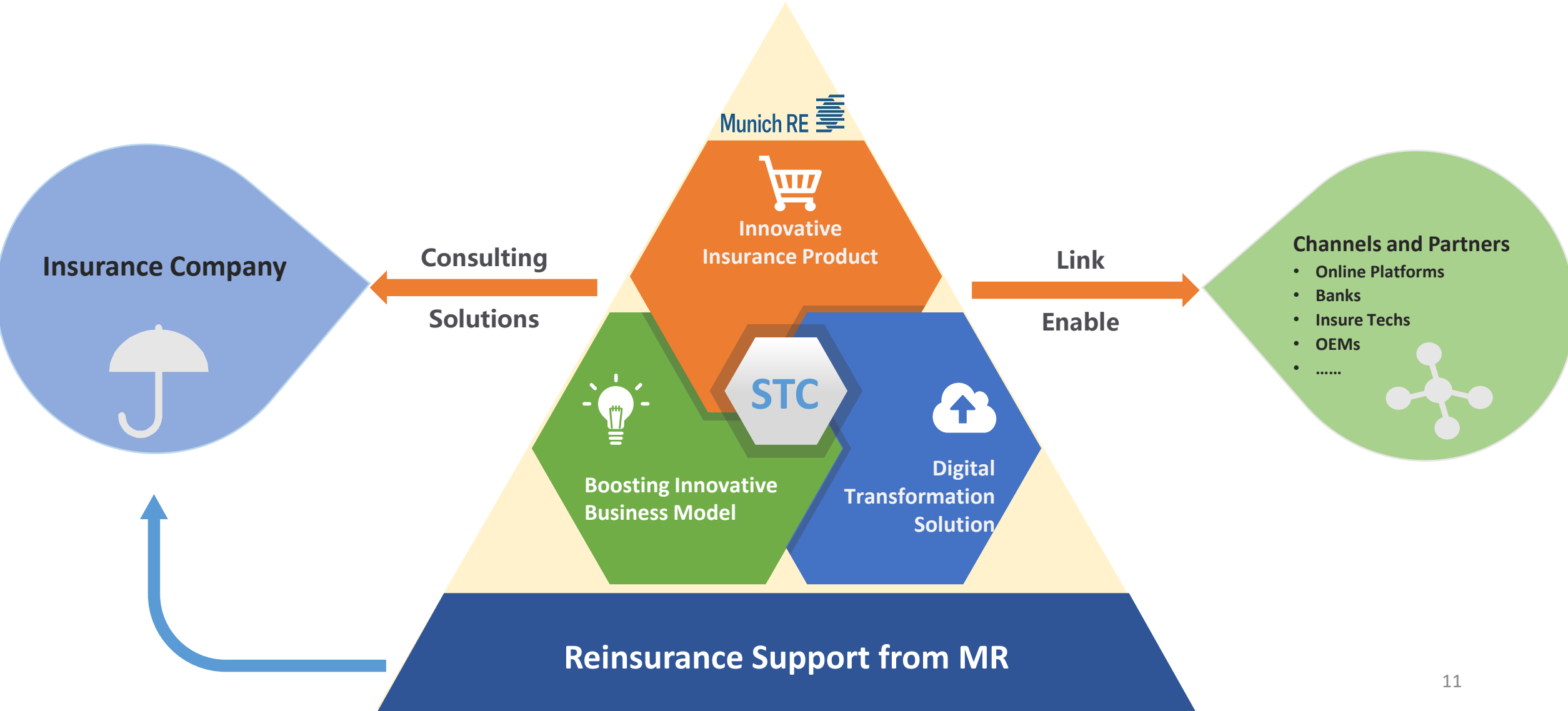
Online P&C Insurance sales via Third-Party Channels



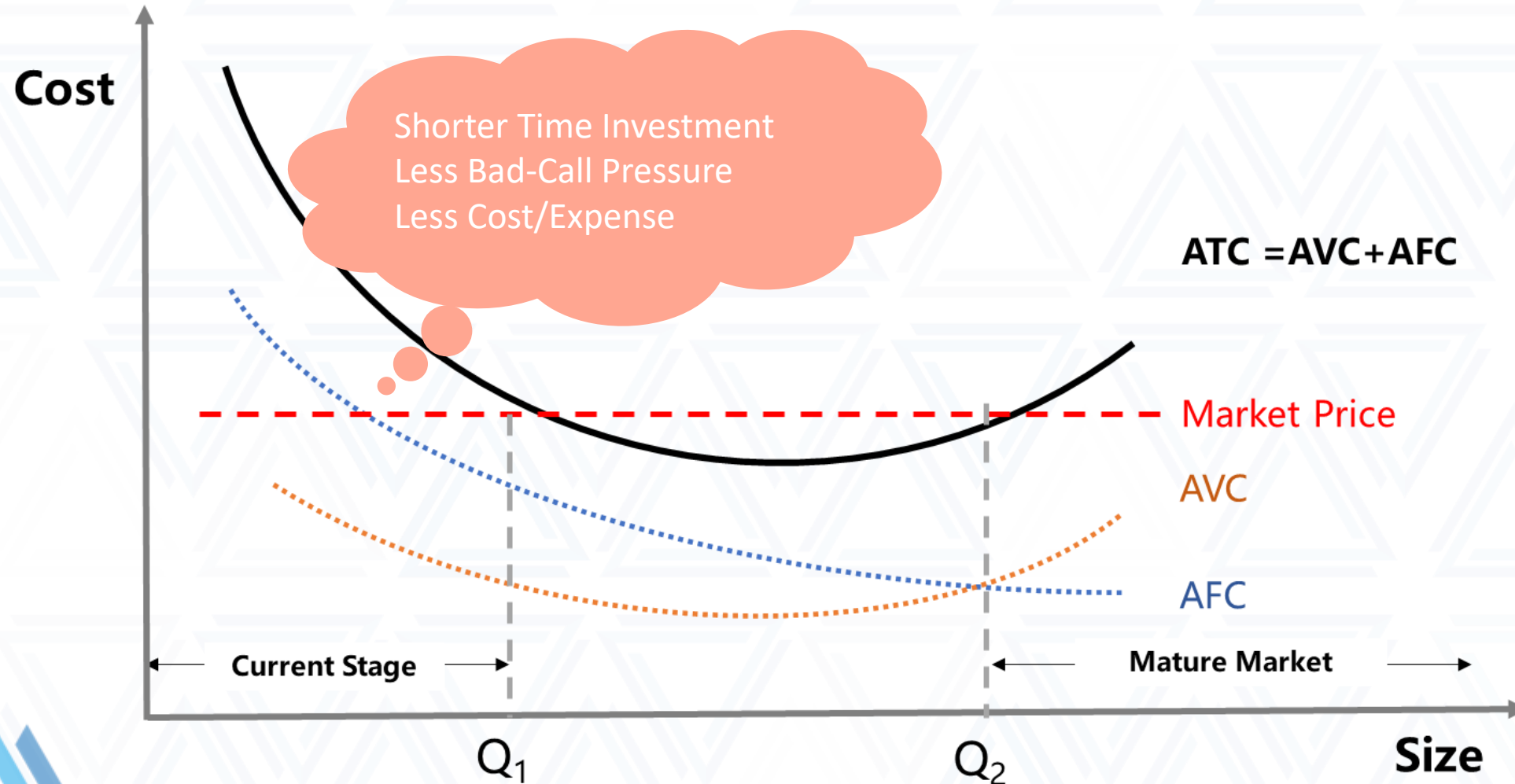
Opportunities & Challenges - Coexistence of Insure & Tech



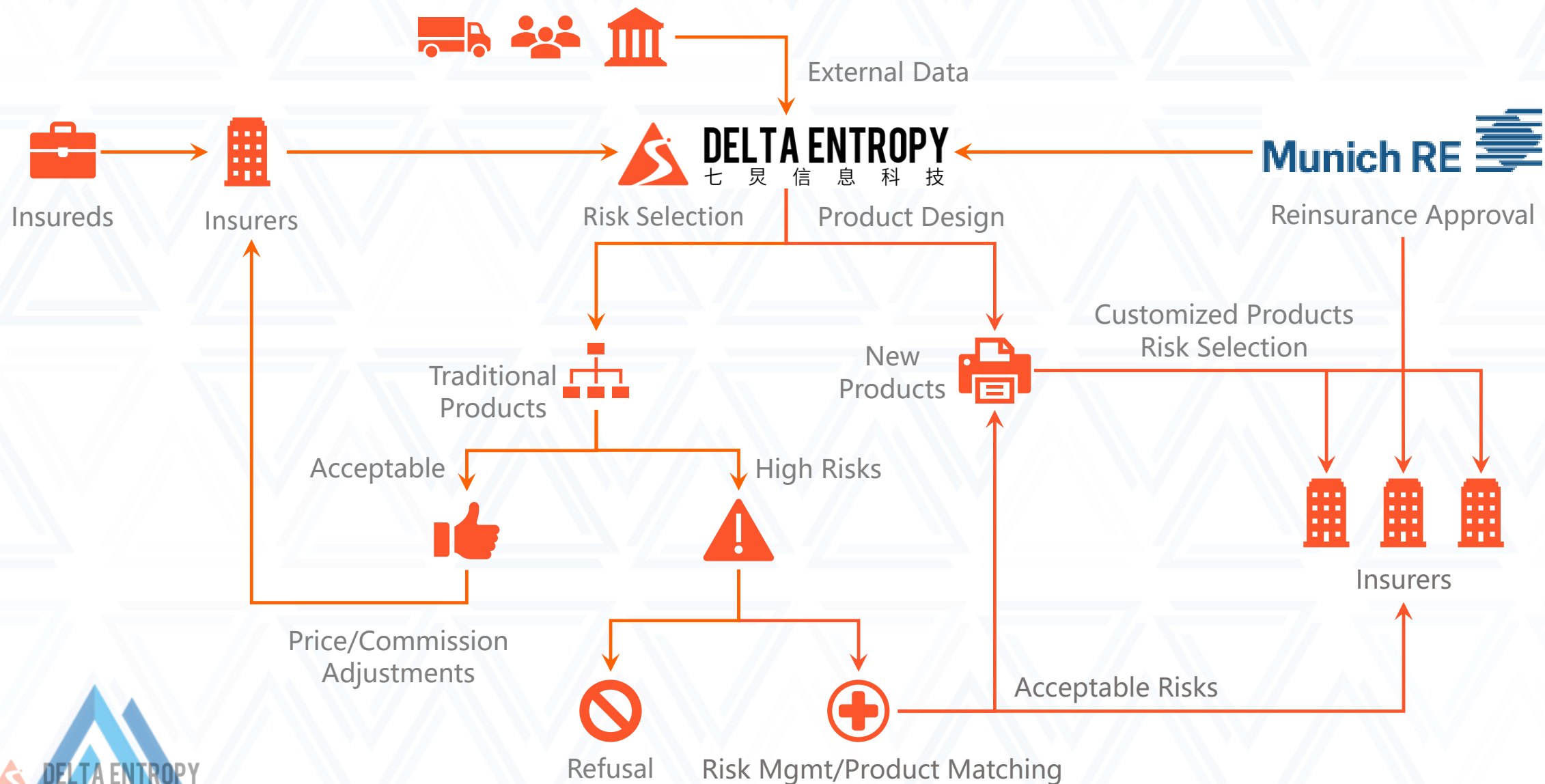




| Why Tech Firms & Reinsurers – Risk Selection

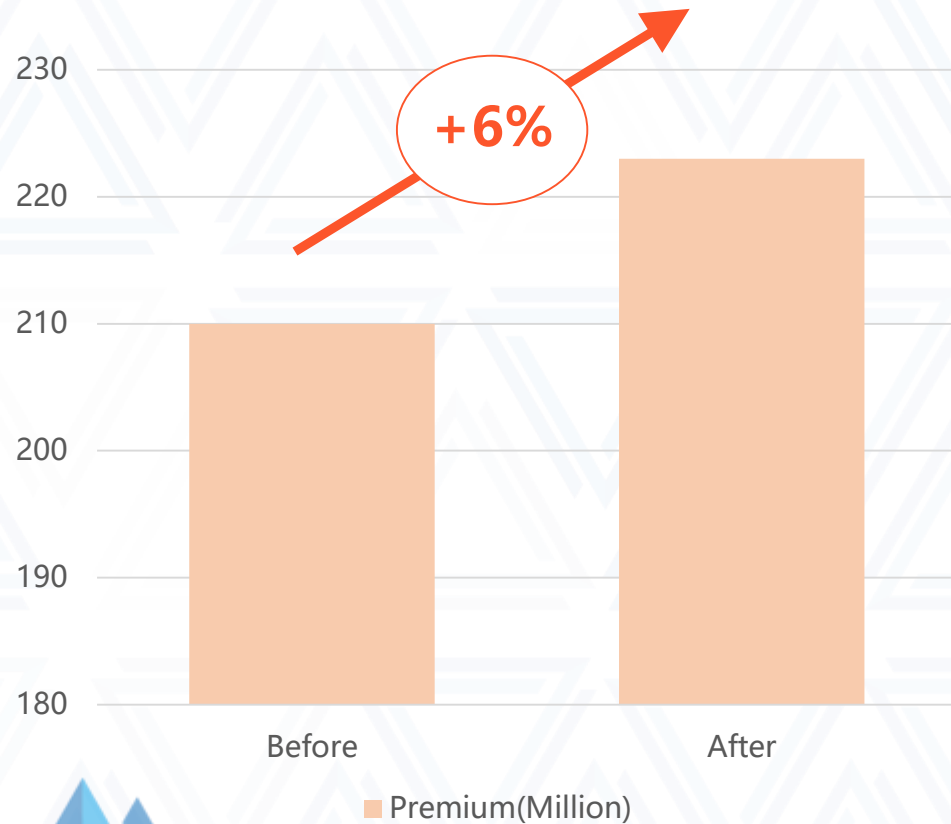


| How Tech Firms and Reinsurers Come Together

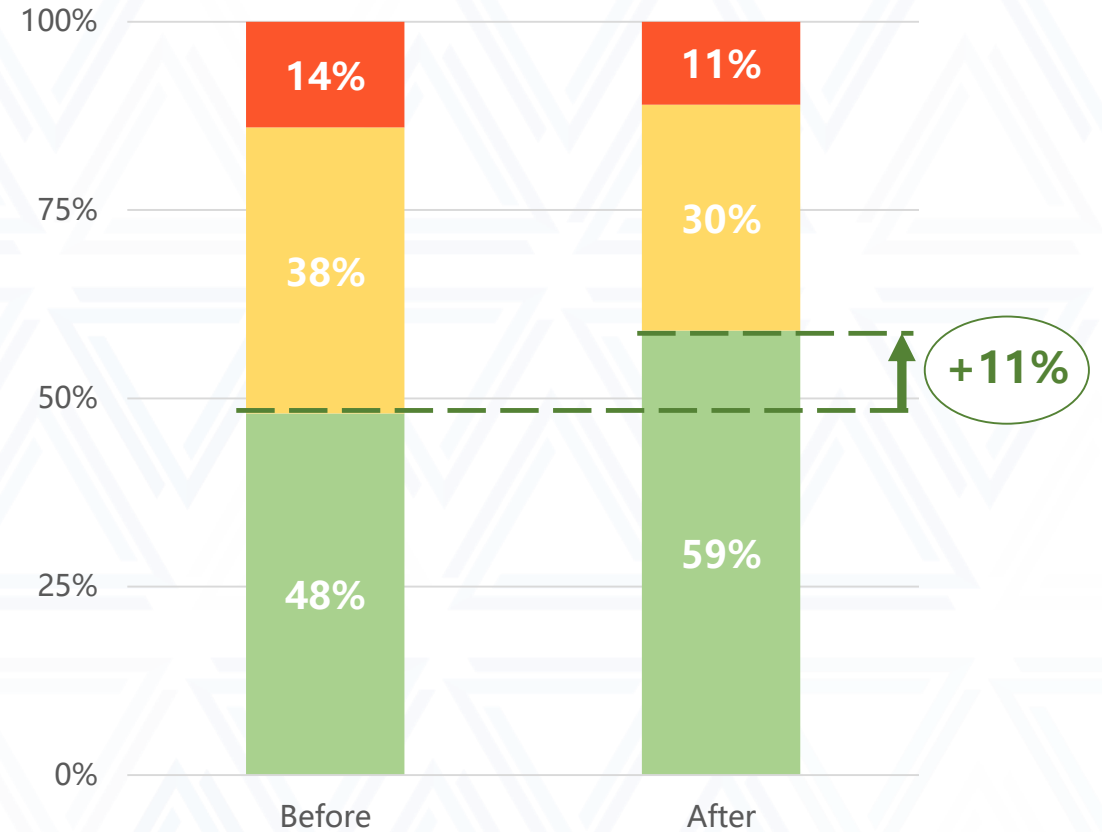


Case Example – Commercial Trucking

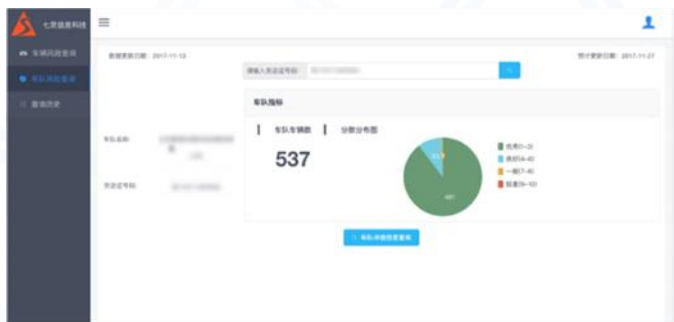
Portfolio Volume Increased



Portfolio Quality Improved



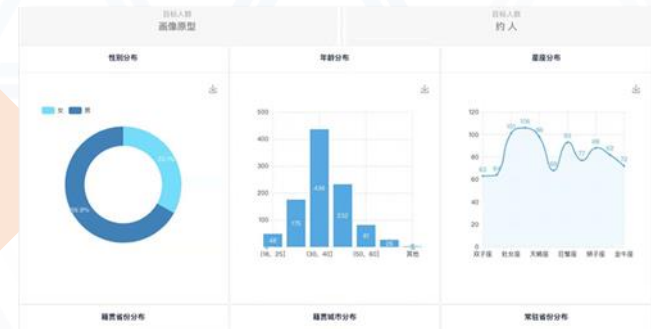
| Other Cases



Delta Motion
Commercial Auto Risk Selection and Pricing



Delta Vision
Auto Insurance Pricing and Underwriting System



Delta Ignition
EV Auto Big Data Application



Delta Fiction
Critical Illness Coverage Fraud Detection

企业基本信息及风险评级	
公司名称: 广东... 有限公司	财产险评级: B
注册地址: 广东省... 路... 号	责任险评级: B
联系电话: 0760-...	
电子邮箱: info@...	
官方地址: www. ...	

Delta Collection
Small Business Property/Liability Risk Selection and Pricing

Commercial Tracing Credit Report

Actuaries Being Transformed

| An Example



Then

- Pricing Actuary
- Modeling Implementation
- Consulting Practice Planning
- Staff Management

Now

- Strategist
- Saleswoman
- Recruiter
- Dealmaker
- Cheerleader
- Firefighter
- Columnist
- ...

- Stable Income
- Clear Roles and Responsibilities
- Clear Career Path
- Enjoyed Stability and Certainty

- Uncertain Income
- Evolving Roles and Responsibilities
- Focusing on Problem Solving
- Enjoying Uncertainty and Challenges

| Many More FCAS in Tech Firms

Then

Now



Chief Strategy Officer of Insurance Company

Auto Insurance Price Comparison and Agent BD Tool
Founder / CEO



Chief Actuary of Insurance Company

Usage based insurance solutions
Founder / CEO



Reserving Actuary of Consulting Firm

Insurance Product Design
Director of Implementation Dept



Pricing Actuary of Consulting Firm

Insurance Risk Selection
Director of Big Data Dept



TRANS FORMATION

NOT EVERYTHING THAT CAN BE COUNTED

COUNTS,

AND NOT EVERYTHING THAT COUNTS

CAN BE

COUNTED

- Albert Einstein



Q & A



Thank You!