

Leveraging Telematics to Improve Driver Safety and Reduce Risk

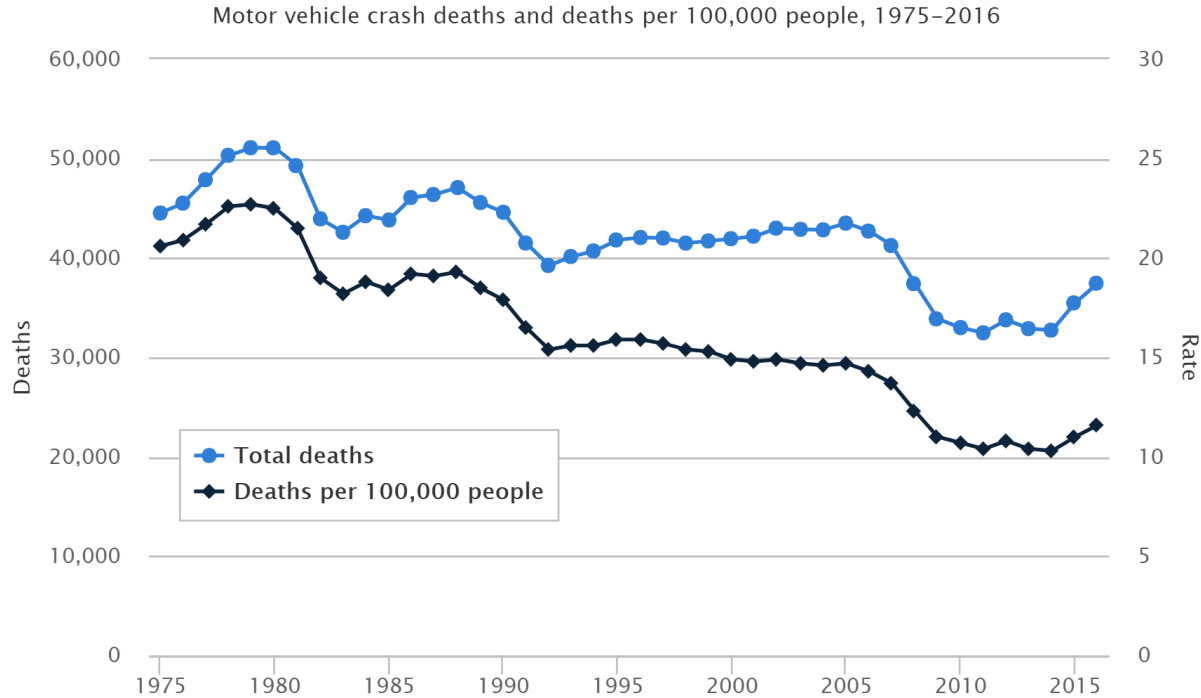
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eDriving

Despite advancements in safety technology, road fatalities are on the rise and results continue to deteriorate.



Per Capita Death Rate Increased 5 Percent in 2016



Source: <http://www.iihs.org/iihs/topics/t/general-statistics/fatalityfacts/state-by-state-overview/2016>

What are the numbers?

Table 1. Driver-, Vehicle-, and Environment-Related Critical Reasons

Critical Reason Attributed to	Estimated	
	Number	Percentage* ± 95% conf. limits
Drivers	2,046,000	94% ±2.2%
Vehicles	44,000	2% ±0.7%
Environment	52,000	2% ±1.3%
Unknown Critical Reasons	47,000	2% ±1.4%
Total	2,189,000	100%

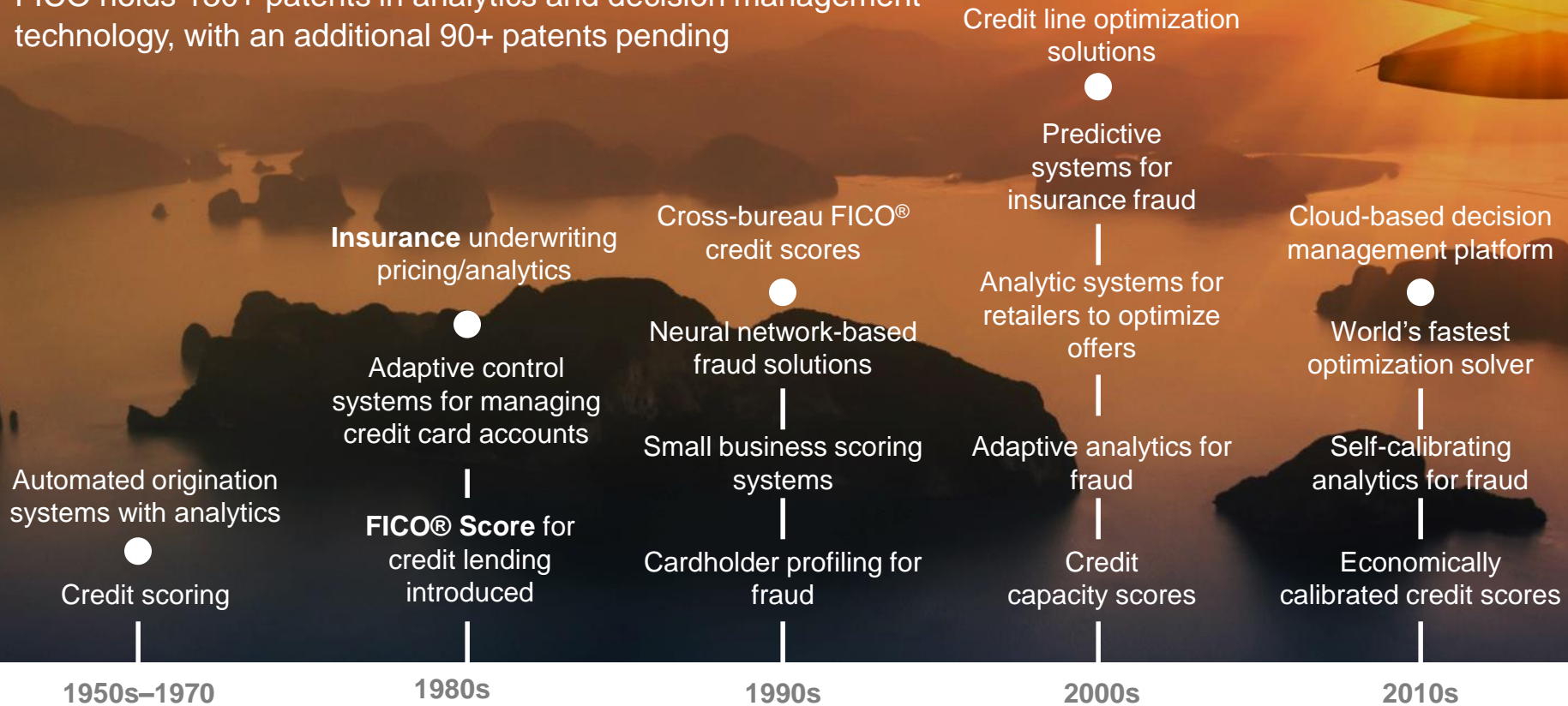
Table 2. Driver-Related Critical Reasons

Critical Reason	Estimated (Based on 94% of the NMVCCS crashes)	
	Number	Percentage* ± 95% conf. limits
Recognition Error	845,000	41% ±2.2%
Decision Error	684,000	33% ±3.7%
Performance Error	210,000	11% ±2.7%
Non-Performance Error (sleep, etc.)	145,000	7% ±1.0%
Other	162,000	8% ±1.9%
Total	2,046,000	100%

Source: <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812115>

A History of Firsts

FICO holds 130+ patents in analytics and decision management technology, with an additional 90+ patents pending





eDriving Pedigree

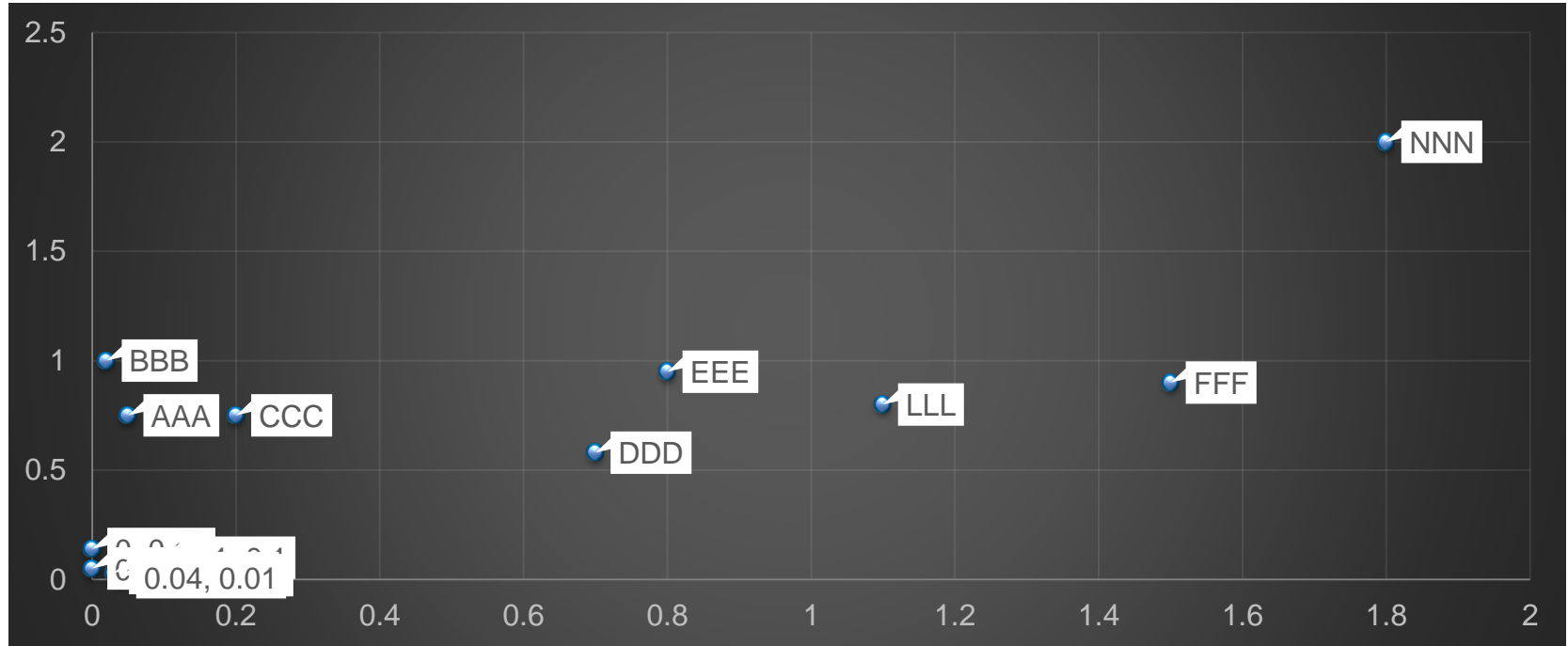
- 25 years providing risk products to insurance carriers
- First on-line driver risk aggregation tools
- Global footprint
- First successful integration with a leading commercial telematics insurance product
- Manage successful risk reduction programs for some of the biggest global customers
- Our current insurance partners cover 35 to 40% of the world's commercial vehicles





The Past and Present AND the Fix

Commercial Insurance Telematics Success?



Why is commercial auto underperforming?

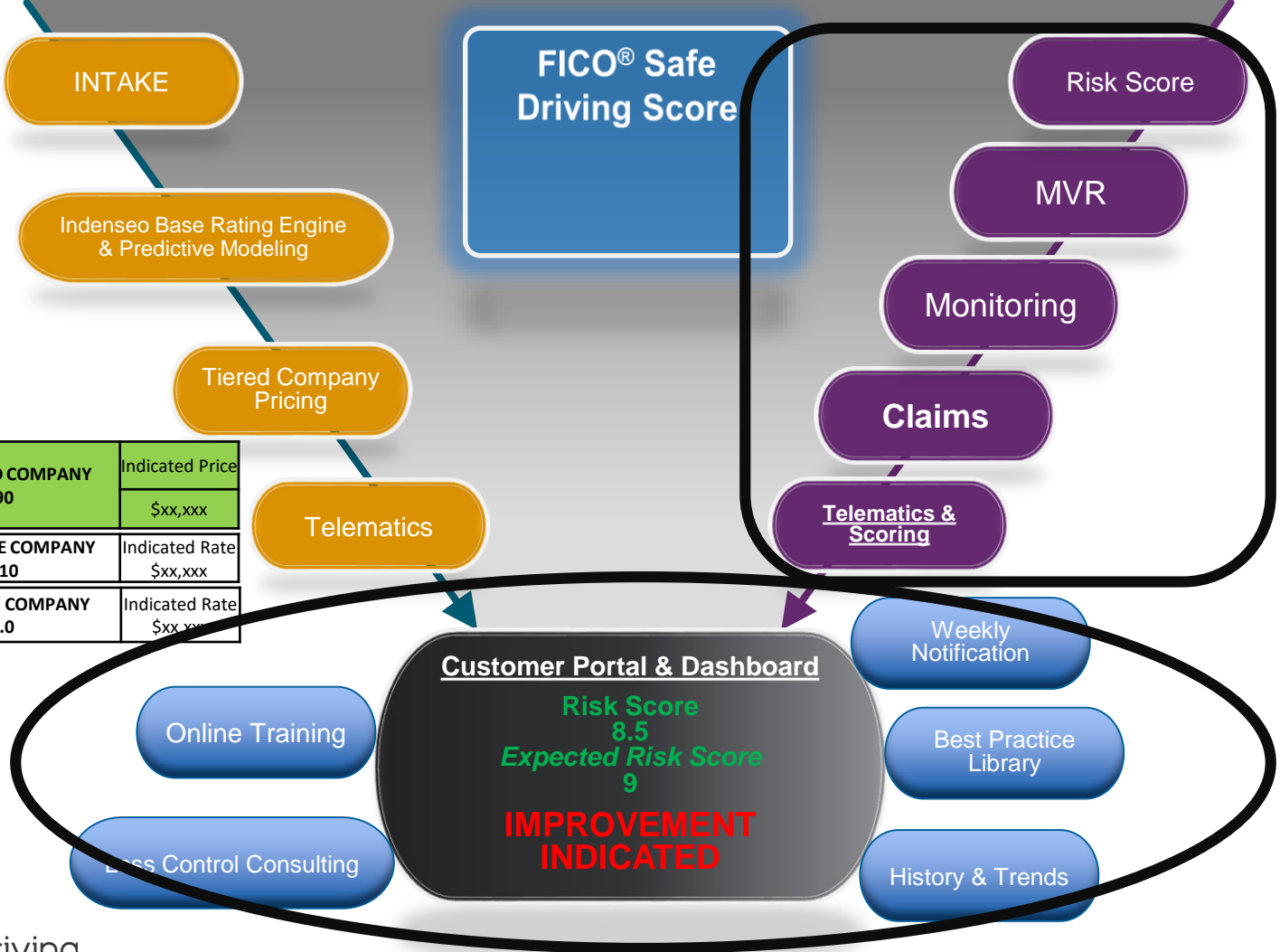
- The common factor >94% of all auto losses
- What have we done to reduce this exposure?



Is Insurtech the Answer?

- Recent Results
- What's missing





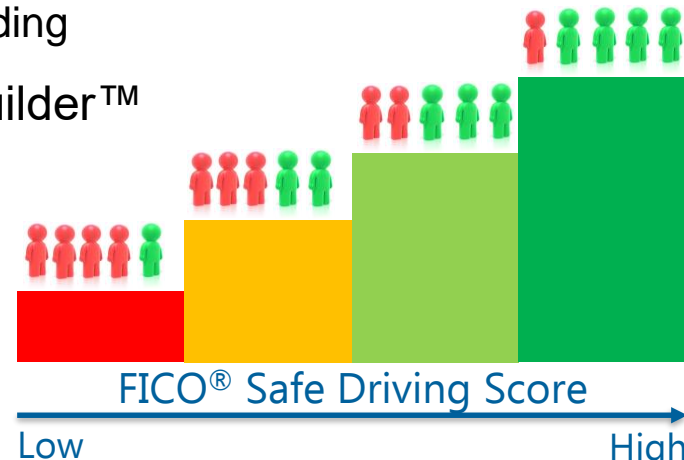
ISO Base Rate \$xx,xxx	PREFERRED COMPANY .90	Indicated Price \$xx,xxx
ISO Base Rate \$xx,xxx	SURCHARGE COMPANY 1.10	Indicated Rate \$xx,xxx
ISO Base Rate \$xx,xxx	BASE RATE COMPANY 1.0	Indicated Rate \$xx,xxx



FICO® Safe Driving Score

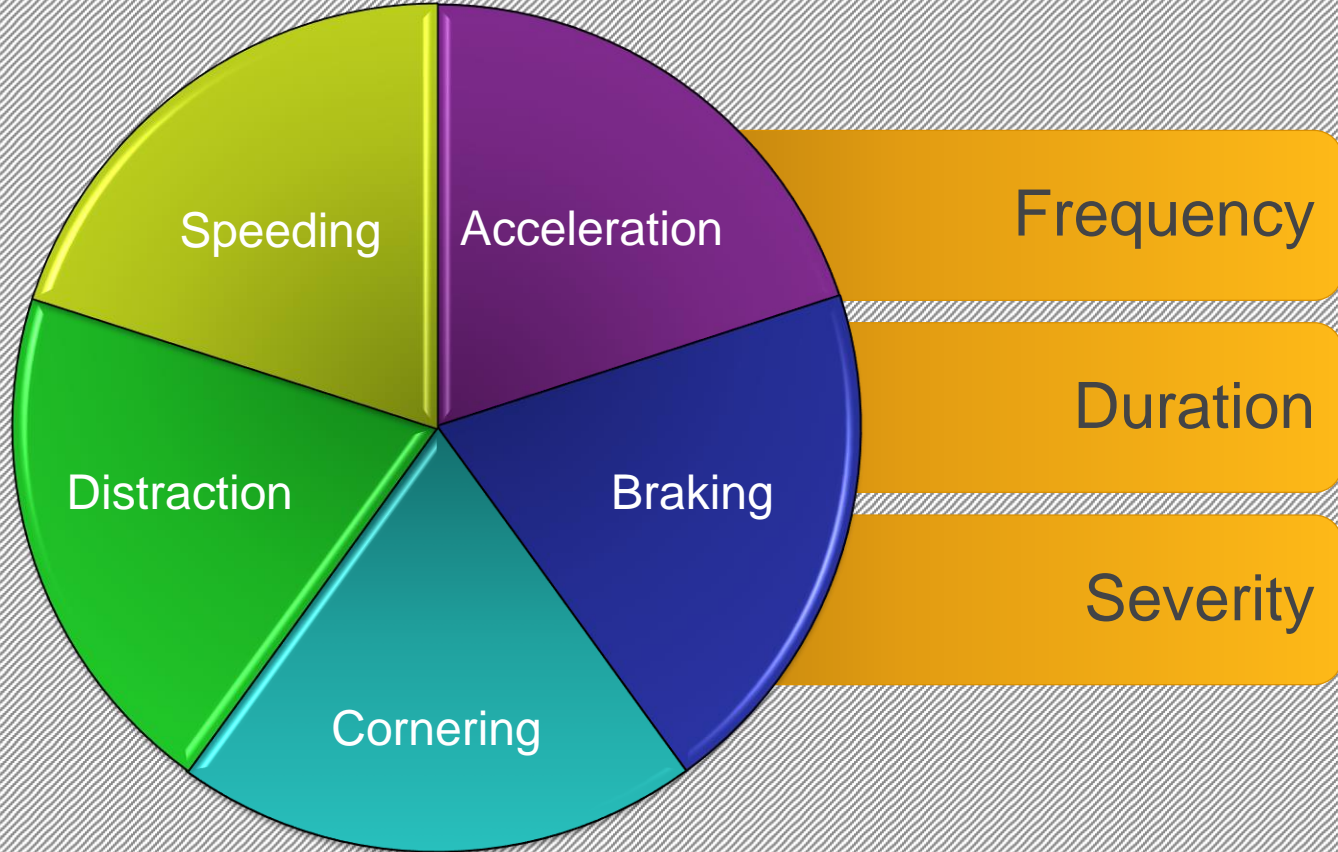
FICO® Safe Driving Score

- FICO® Safe Driving Score suite provides measures of safe driving for multiple time-periods:
 - a single trip
 - 7-day driver-level score: all of the trips in a 7-day period for a given driver
- Uses driving behaviors as measured through smartphone sensors to rank-order overall driving performance
 - Acceleration, Braking, Cornering, Distraction, Speeding
- FICO's proprietary modeling software - Model Builder™
- Higher scores indicate lower risk of collision*
- Evaluated over 120MM miles driven and 4MM trips to develop model

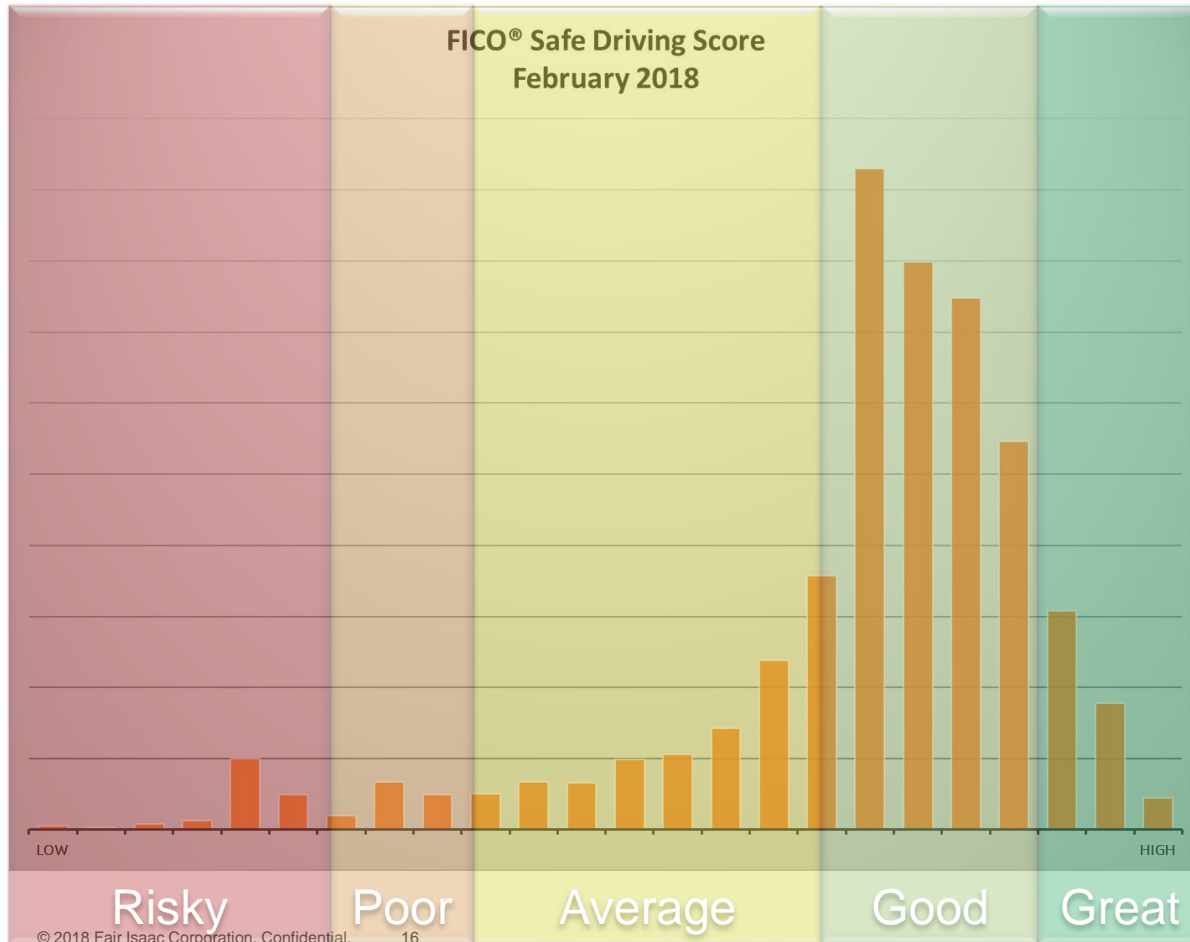


FICO® Safe Driving Score – Predictive Variables

CONTEXT



Segmenting Risk



Even Better Together

FICO[®]

Global Leader in
Predictive and
Decision Analytics



edriving

Global Leader in
Driver Safety and
Training

Mentor® by eDriving with FICO® Safe Driving Score

- Groundbreaking eDriving Closed Loop Telematics Solution
- Personalized FICO® Safe Driving Score: Industry Standard Score in Driver Safety Assessment
- Measures and Monitors Acceleration, Braking, Cornering, Speed, Distraction, and Other Driving Behaviors
- Trip level and Driver level Scores
- Beyond Telematics:
 - Measures Risk, Engagement, MVR, License, and Collision Data
 - Monthly Coaching Calls from an Expert Driving Instructor





The Modern Learner

The Modern Learner

- Time-strapped
- Short attention span – most won't watch videos longer than 4 minutes
- Craves storytelling
- Needs content to be engaging, interactive
- Responds to gamification

High Impact – Micro Learning





**VRM MENTOR CASE STUDY
EARLY RESULTS**

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eDriving LLC: PRIVATE & CONFIDENTIAL

Engaging the driver is essential to
changing the behavior and
improving the risk.



Thank You

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