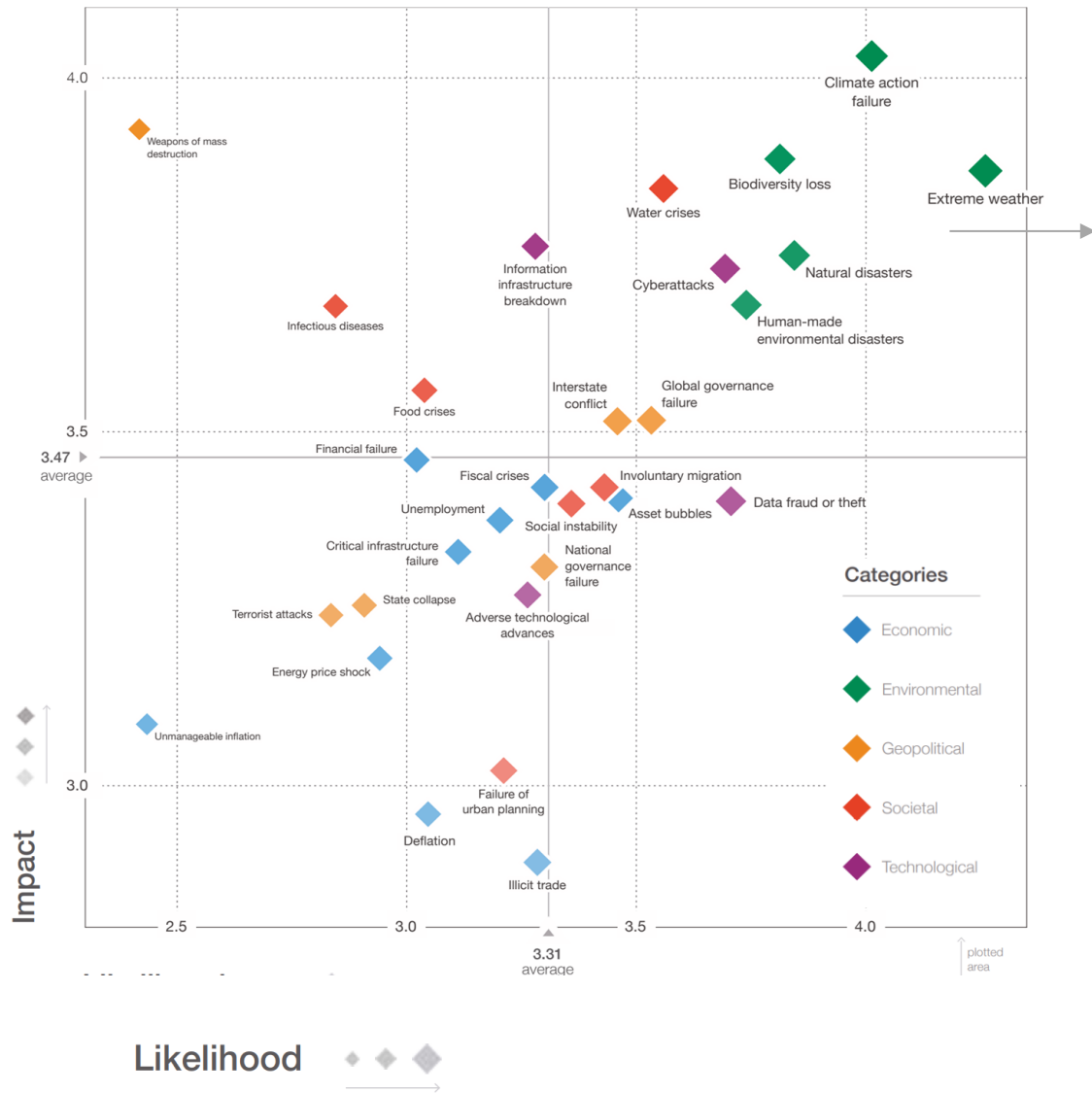


# Fastrack Parametric Insurance Launch

# Climate Change - Global Risks



Environment  
Climate  
Natural Disasters  
are High Impact Risks

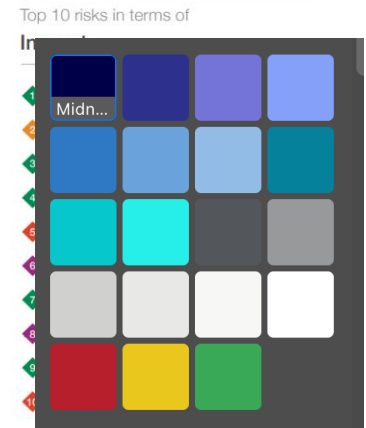
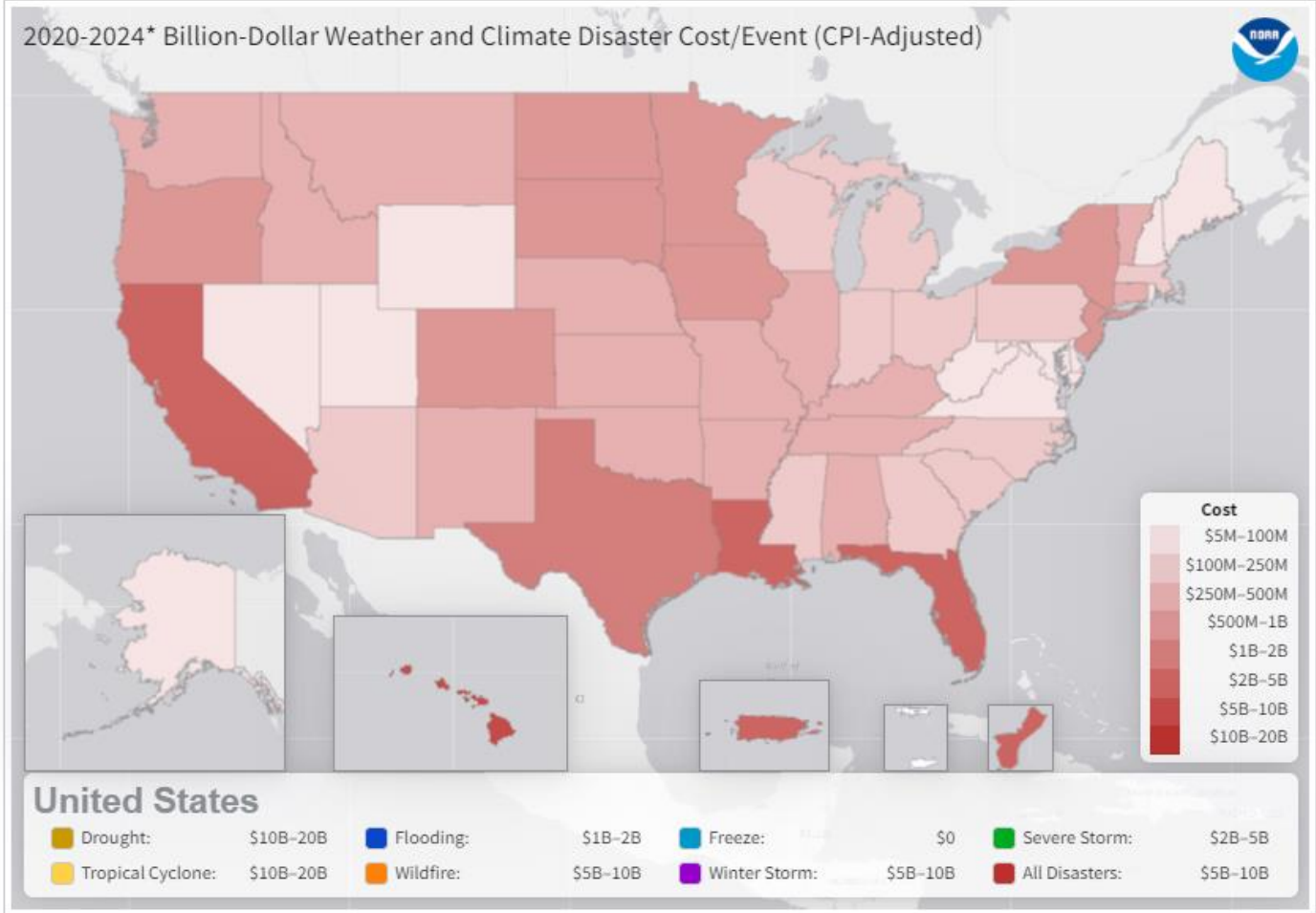


FIGURE 3.1  
**Trend in the number of natural disasters, 1900 to 2019**  
The global number of natural disasters has increased tenfold since 1960.



Source: EM-DAT  
Note: Includes Drought, Earthquakes, Volcanic activity, Mass movement (dry), Storms, Floods, Landslides, Wildfire and Extreme temperature.

# Costs due to Weather and Climate Disaster in U.S.



Please note that the map reflects a summation of billion-dollar events for each state affected (i.e., it does not mean that each state shown suffered at least \$1 billion in losses for each event).

\*as of August 8, 2024

# The Katrina Incident: What Happened & Our Product's Potential Capability

## Katrina 2005 - Loss & Community Impact

**Economic Damage in US**  
\$160 Billion Loss

**Protection Gap**  
\$74 Billion

**\$86 Billion Insured Loss**  
Process extended into  
2006 & beyond

VS

## How Our Parametric Product Could Have Made a Difference?

**Fast Recovery from Disaster**  
Builds Trust among the Community

**Reduction of Protection Gap**  
Between Demand and Supply

**Instantaneous Payouts**  
Based on event magnitude  
not loss magnitude

**80% of the  
damage can  
be bridged**

# The Katrina Incident: What Happened & Our Product's Potential Capability

## Macro Challenges: Loss and Community Impact from Various Natural Disasters

**Due to Climate Disaster**  
\$441.3 Billion Loss

**66 Climate Disasters in Last 3 years**  
Financial proceeds can take months to years

**Protection Gap**  
>40% Uninsured

VS



## Parametric Insurance Product Rollout: Restoring Lives After Disasters

**Rapid, Transparent & Efficient**  
Building Trust through Product Awareness & its Benefits

**Instantaneous Payouts**  
Within 48hrs of the disaster

**Reduction of Protection Gap**  
Uninsured can be < 10%

# Solution Developed

 <p><b>Actors</b></p>	<p>Individuals Looking for Protection against Natural Disasters</p>	<p>Carriers / Brokers /MGAs</p>	<p>Third Party Weather Data Providers</p>	<p>Risk Modelers / Reinsurance Providers</p>				
 <p><b>Solution</b></p>	<table border="1"> <tr> <td data-bbox="463 521 980 756"> <p>100% Simple Digital Experience</p> <p>Blockchain based Proof of Insurance/Event/Payout</p> </td> <td data-bbox="980 521 1477 756"> <p>Branded Digital Channel</p> <p>Dashboards</p> </td> <td data-bbox="1477 521 1974 756"> <p>Smart Contract Triggers</p> </td> <td data-bbox="1974 521 2458 756"> <p>Proof of Event</p> </td> </tr> </table>				<p>100% Simple Digital Experience</p> <p>Blockchain based Proof of Insurance/Event/Payout</p>	<p>Branded Digital Channel</p> <p>Dashboards</p>	<p>Smart Contract Triggers</p>	<p>Proof of Event</p>
<p>100% Simple Digital Experience</p> <p>Blockchain based Proof of Insurance/Event/Payout</p>	<p>Branded Digital Channel</p> <p>Dashboards</p>	<p>Smart Contract Triggers</p>	<p>Proof of Event</p>					
<p>API Integration with API Integration &amp; Data Providers</p>								
<p>Blockchain Smart Contract</p>								
<p>Technology Platform – end to end Integrated</p>								
<p>Value Proposition: Faster Time to Market, 100% Digital, Inclusive Product with Fast Pay out</p>								

Implemented with local Caribbean Partner

# Traditional vs Parametric Insurance

Avg 30 to 40 days

Few Minutes

## People who bought insurance via Conventional method

Contacting the insurance company, followed by the submission of a pile of documents

The insurer verifies all submitted documents and claims both physically and digitally.

Manual policy processing and payment completion can take months or years.

It can take 6 months to a year to initiate insurance, with all steps potentially costing millions of dollars.

VS

Immediate step post natural disaster

Cross check

Overall Experience

Cost & Timeline

## People who bought Parametric insurance


Triggers smart contract upon event occurrence

Integration with Weather Source for updates on affected areas and disaster severity.

Digital policy purchase and instantaneous payouts directly to bank accounts.


Distributors can roll out in weeks with minimal cost and no claims processing expenses due to the technology-based system.

# Key Capability - Platform Features



Customer Portal –  
Browse, Purchase, Hold  
Policy, Check Event/  
Payout Status

1




Admin Portal –  
Define Product, Price,  
Launch Sale Analytics  
Dashboard

2



Payment Integration –  
Bank, Credit, Wallet

3




Provisional Policies for  
In-Person Payment

4



API Integration with  
Weather Source, Status of  
Event / Payout

5




eKYC, Sign-on,  
Customer Onboarding

6




Multi-Currency –  
Payment and Payout  
  
(In works)

7



Contract Management –  
Reinsurer <> Insurer  
  
(In works)

8



Gen AI to create visual view  
of maps and policy binder  
  
(In works)

9

# Key Capability - Value for Carrier/Distributor

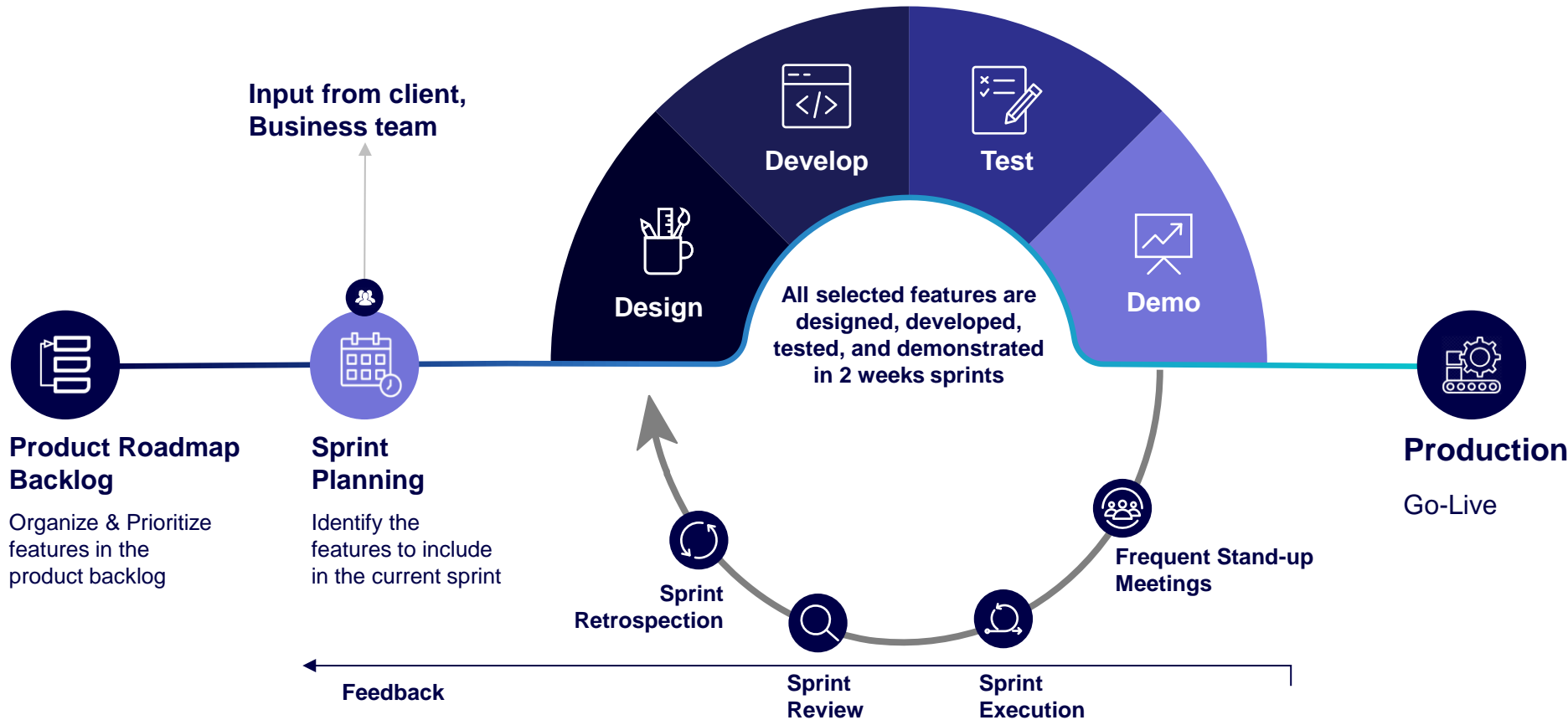


Accelerated Expansion of Product Set – Product Definition / Risk Model Setup / Distribution	Accelerated Geographic Expansion – Suriname, Guyana, Central America	Automated Payment, Eliminates Expenses in Policy Servicing, Claims Processing, and Billing
Single Version of Truth Analytics Dashboard for Donors, Brokers, Insurance Firms, Others	Embedded and Bundled Offering which can roll out in weeks	Digital Customer Engagement – Servicing + Communications + Preparedness

**Our Understanding:**  
**ExpressLife is the ONLY “Purchase Now” Product Other Online Products have Friction**

Global Best Practices – Pluggable Architecture, Ready Platform	Security by Design – ISO 27001, VAPT	Blockchain and Cloud Infrastructure
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# Implementation model



Deliverables
• User Stories
• Source code and unit testing reports
• Code review reports
• Test Execution Report
• Defect Summary Report
• Screen mock-ups
• Final Source code
• User Guide, Deployment guide

<span style="color: #0056b3;">■</span> Vlinder & Cognizant Team
<span style="color: #4a86e8;">■</span> Cognizant Roles

Team (Indicative FTE Count 09)			
PM / Scrum Master (1)	Proxy Product Owner (1)	Business Owner	
Developers (4)	DevOps (1)	QA (2 Testers)	Product Owner

Agile Metrics		
Burndown Charts	Sprint Velocity	Lead Time
Cycle Time	Code Coverage	Quality Metrics

“

**Parametric insurance is a small yet meaningful step towards ensuring a safer, more protected future for you and your loved ones in this unpredictable climate.**

”

# Thank you