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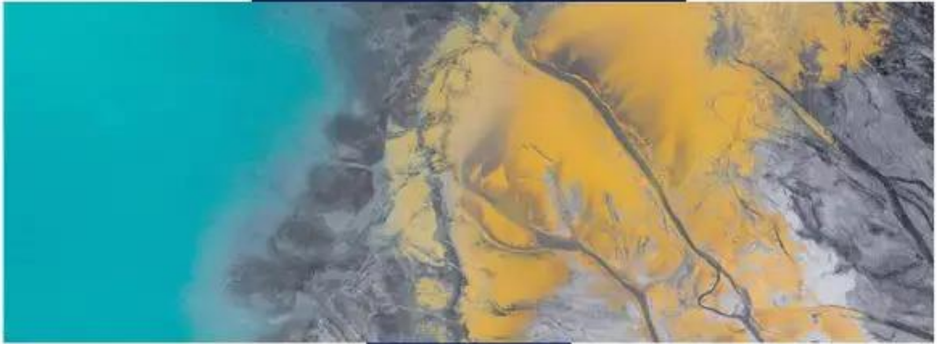
DESCARTES – Pitchdeck



Series B

January 2022

Executive summary

DESCARTES is an InsurTech that creates, prices and sells **disruptive corporate insurance** solutions that tackle **climate & emerging risks** thanks to **AI & satellite data** in a $50Bn market

Since its launch in 2019, Descartes has **beaten all expectations** despite the gloomy economic environment

x7
GWP between 2019 and 2021

150+
corporate & public sector clients

15+
perils covered by a unique set of algorithms

500+
partner brokers & account managers around the world

Today, Descartes has **an international & diverse team,** growing rapidly across our 6 global offices

50+
Employees end 2021

~20
Nationalities

6 offices
In EU, the USA, Singapore, Australia and the UK

Tomorrow, Descartes is positioned to become a **leading InsurTech** in the face of climate change

sharp increase
in the frequency of natural catastrophes

new data sources
combined with AI, catalyze change in the insurance sector

Financed by **Tier-1 institutional investors**

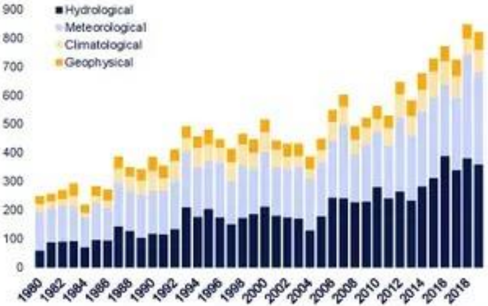
21.5m$
Raised in Seed and Series A in 2019 and 2020

120m$ Series B
Funding round announced in 2022

Losses from natural catastrophes are rising, despite the urgency the traditional insurance offer is not fit for purpose

The increased frequency and intensity of weather risks weakens the economy…

Natural disasters by cause, 1980 to 2019



- Natural catastrophe losses for 2017 and 2018 combined were **USD 219 billion**, the highest ever over a two-year period
- Climate change could cut **$23 Trillion** from the global economy by **2050**

… yet the traditional insurance offer is not fit for purpose as corporate insurers suffer from legacy systems & low-tech culture

Lengthy

18 months
on average between declaration of loss and compensation in the USA (corporations)

Expensive

30%
of premiums devoted to administrative costs and distribution

Complex

Exclusions
lead to misunderstandings (e.g., pandemic vs. epidemic)

One-size ≠ Fit all

Limited
use of data leads to generic contracts that are not adapted to clients' needs

- Pricing: **unsophisticated models are not leveraging satellites or IoT**
- Policy issuing: **poor IT legacy leading to high costs** and lack of agility
- Claims handling: **limited automation** and involvement of loss adjusters (contrary to a parametric approach)

Source: Munich Re, Swiss Re

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Descartes offers parametric insurance solutions for all natural risks

Natural catastrophes

- Earthquake
- Cyclone hurricane, typhoon
- Flood
- Stormsurge
- Hail

Agriculture

- Cereals – yield, drought
- Wine and fruits – frost, hail, smoke
- Forage crops - production
- Forestry – wildfire, storm
- Aquaculture – storm, salinity, oxygen

Energy

- Wind yield
- Hydro yield
- Solar yield
- Nat Cat – hail, cyclone, earthquake
- Conventional yield

NDBI and supply chain

- River level
- Construction interruption
- Supply chain and NDBI
- Sargassum
- And more, tailored to your business...

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Descartes leverages an innovative approach to provide swift, affordable, transparent & tailor-made insurance products

1

We define a coverage based on a **pre-defined parameter** and a pre-agreed indemnity (e.g., temperature, wind speed, etc.)

2

We **monitor the evolution** of this parameter and whether it triggers the threshold

3

If triggered, the client receives **compensation within a few days**

Product Example: Wildfire cover | Our profitable growth is fueled by superior product features

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- **20m x 20m satellite images** anywhere in the world, using surface reflectance that detects severity of burn
- Live data detection of burnt area with **higher accuracy than human detection**
- Value per hectare **agreed upfront**
- **No exclusions**
- **100 years of data** used for accurate pricing

Traditional insurance offer

- Remote territories not mapped and hence **not covered**
- **Costly and imprecise** on-site loss assessment
- **Uncertainty** about actual payout
- Small wildfires **excluded**
- **Strong reliance on clients' data** for pricing and claims handling leads to potential fraud and mispricing

Satellite images obtained using different spectral bands before and after a wildfire in NSW (01/11/2019 & 31/12/2019)

Burn probability assessment

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Descartes has a global client base

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Our management team is made of insurance natives with a strong track record of innovation, data science & profitable growth

Founders

Kevin Dedieu
Co-founder & Head of R&D

Polytechnique | Ecole des Ponts ParisTech
AXA Global Parametrics | AXA CS

Tanguy Touffut
Co-founder & CEO

HEC Paris | Tsinghua University | St. Gallen
Former CEO and founder of AXA Global Parametrics (now AXA Climate) | Head of Strategy at AXA Global P&C | Oliver Wyman

Sébastien Piguet
Co-founder & Head of Underwriting

ENS Ulm | Cornell University
AXA Global Parametrics | AXA Data Innovation Lab | World Bank

Management team

Arnaud Sorel
General Counsel

Sciences-Po Paris | ESCP
AXA CS | AXA Asia | AXA France | Clifford Chance (20+ years of experience in insurance & law)

Edern Le Roux
Head of Nat Cat modelling

ISUP | Certified member of Institut des Actuaires
SCOR | AXA

Violaine Raybaud
Head of Business Development and Ops

Ecole des Mines | Certified member of Institut des Actuaires
AXA | Swiss Re

Daniel Vetter
Head of North America

Former Managing Director at Swiss Re (25+ years of experience in insurance)

Robert Drsydale
Head of South-East Asia

Chartered Insurance Institute
Howden Specialty | Willis Towers Watson | Arthur J Gallagher & Co

Ben Qin
Head of Australia and North-East Asia

Macquarie University
Marsh & McLennan Companies | IAG | MSIG

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We have an international & diverse team, growing rapidly across our 6 global offices

Growing rapidly

International

Multidisciplinary

- PhDs in **meteorology, physics, applied mathematics**
- Experts in **radar applications**
- **Top of their field** underwriters

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