



# How Squalify Helps Top-Tier Brokers Win in the Cyber Insurance Market

Price your Cyber Insurance Like the Best.



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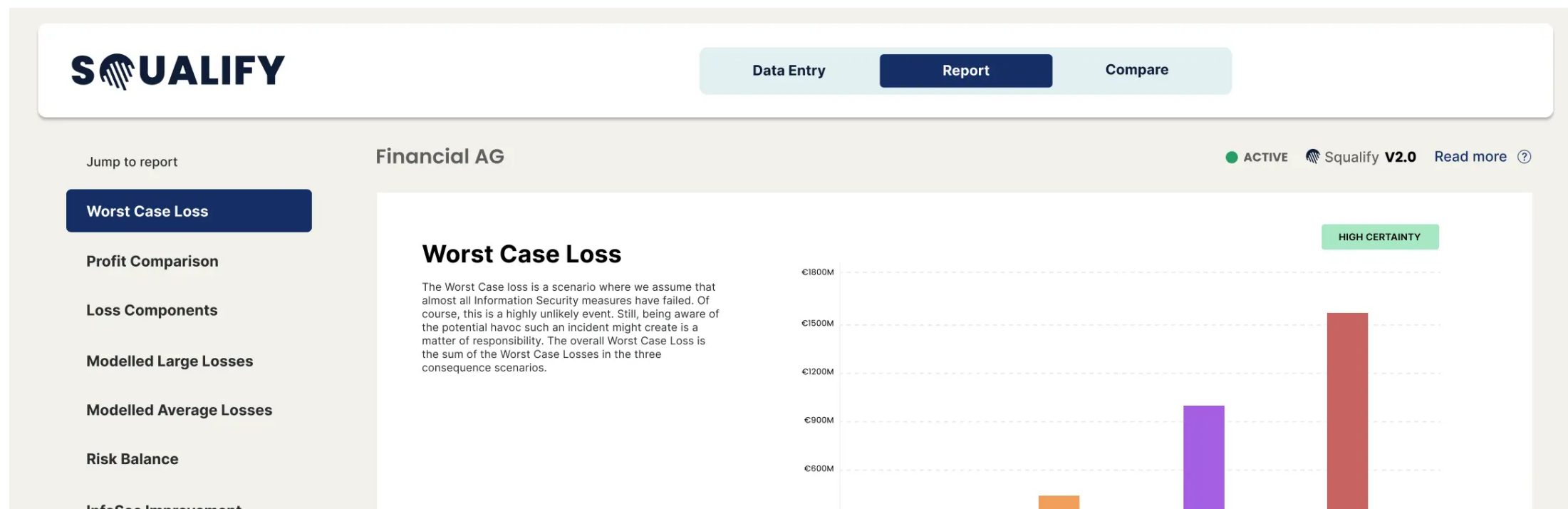
# Intro to Squalify: Your Strategic Partner in Cyber Risk Quantification

Empowering Top-Tier Brokers to Lead with Industry-Leading  
Cyber Insurance Pricing

# ABOUT SQUALIFY – A MUNICH RE VENTURE

**We empower business leaders to strategically manage cyber risk, leveraging the expertise of Munich Re to bring industry-leading insights to your decision-making process.**

The Squalify platform specializes in **cyber risk quantification (CRQ)**. We enable the C-suite and boardroom to make informed, data-driven decisions on prioritizing and mitigating cyber risk, delivering deep insights into your cyber risk exposure and its financial implications within just a few days. Squalify was founded in May 2023 and is headquartered in Munich, Germany.



# HOW TOP TIERS BROKERS CAN USE SQUALIFY TO PRICE CYBER INSURANCE LIKE THE BEST

## Gain Exclusive Insights into Your Clients' Cyber Loss Potential With Strategic Cyber Risk Quantification

Gain deep insight into your clients' true cyber exposure to **determine the optimal size of insurance limits, deductibles, and coverage better and faster than your competition.**

### Make Our Data To Your Advantage

Leveraging Munich Re's extensive database of more than 1 million cyber claims from more than 100,000 companies in over 130 industries, Squalify provides top-tier brokers with unparalleled industry and benchmarking insights.

### Determine Your Client's Loss Potential in Days

Squalify's top-down approach delivers strategic insights in 2 to 12 days, enabling you to rapidly determine the ideal coverage for your clients and stay ahead of your competition.

### A Trusted Cyber Risk Management Solution

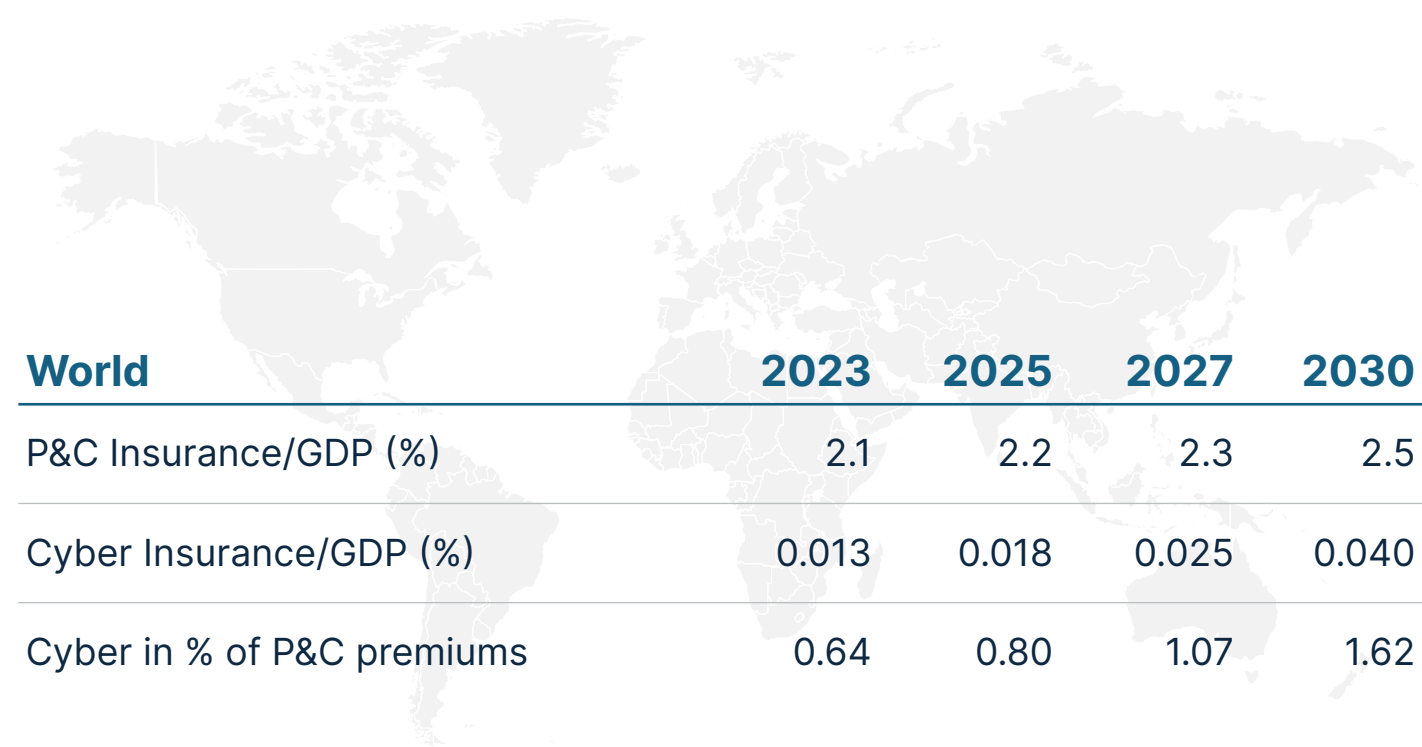
As a Munich Re company, Squalify is committed to delivering unparalleled quality. Our proven risk model not only meets regulatory requirements but is also tailored to the specific dynamics of the cyber insurance market.

# Cyber Insurance Market

Market Trends, Forecast & Growth Opportunities for Top-Tier Brokers

# MASSIVE UNTAPPED GROWTH POTENTIAL IN THE CYBER INSURANCE MARKET

Low Cyber Insurance Penetration Signals a Major Growth Opportunity for Brokers to Expand Market Share



World	2023	2025	2027	2030
P&C Insurance/GDP (%)	2.1	2.2	2.3	2.5
Cyber Insurance/GDP (%)	0.013	0.018	0.025	0.040
Cyber in % of P&C premiums	0.64	0.80	1.07	1.62

The current low percentage of GDP and P&C premiums allocated to cyber insurance highlights a significant underinsurance gap.




This gap represents a significant growth opportunity for brokers to develop **specialized insurance solutions** that will enable them to expand their business and capture a greater share of the rapidly growing cyber insurance market.

Source: Munich Re.

# CYBER INSURANCE: BRIDGING THE GAP IN A DIGITAL ECONOMY

## How Brokers Can Leverage Low Penetration Rates to Their Advantage

### Significant Relevance of Cyber Insurance

 <b>Challenges</b>	 <b>Capabilities</b>	 <b>Market Impact</b>
Penetration rates  Risk awareness  Transparency  Dynamic threat landscape	Augmented underwriting  Accumulation modelling  Expertise and collaborative networks  Risk quantification	Growth and sustainability of capacity  Rising cyber resiliency and security  Fostering regulatory compliance  Relevant coverages  Safeguarding digital business models

The rapid growth of cyber risk highlights the critical role of cyber insurance in minimizing the gap between economic and insured losses.

Brokers **can overcome challenges such as low penetration rates by leveraging capabilities such as risk quantification** to increase their market impact, ultimately contributing to the sustainable growth of the cyber insurance market.

Source: Munich Re.

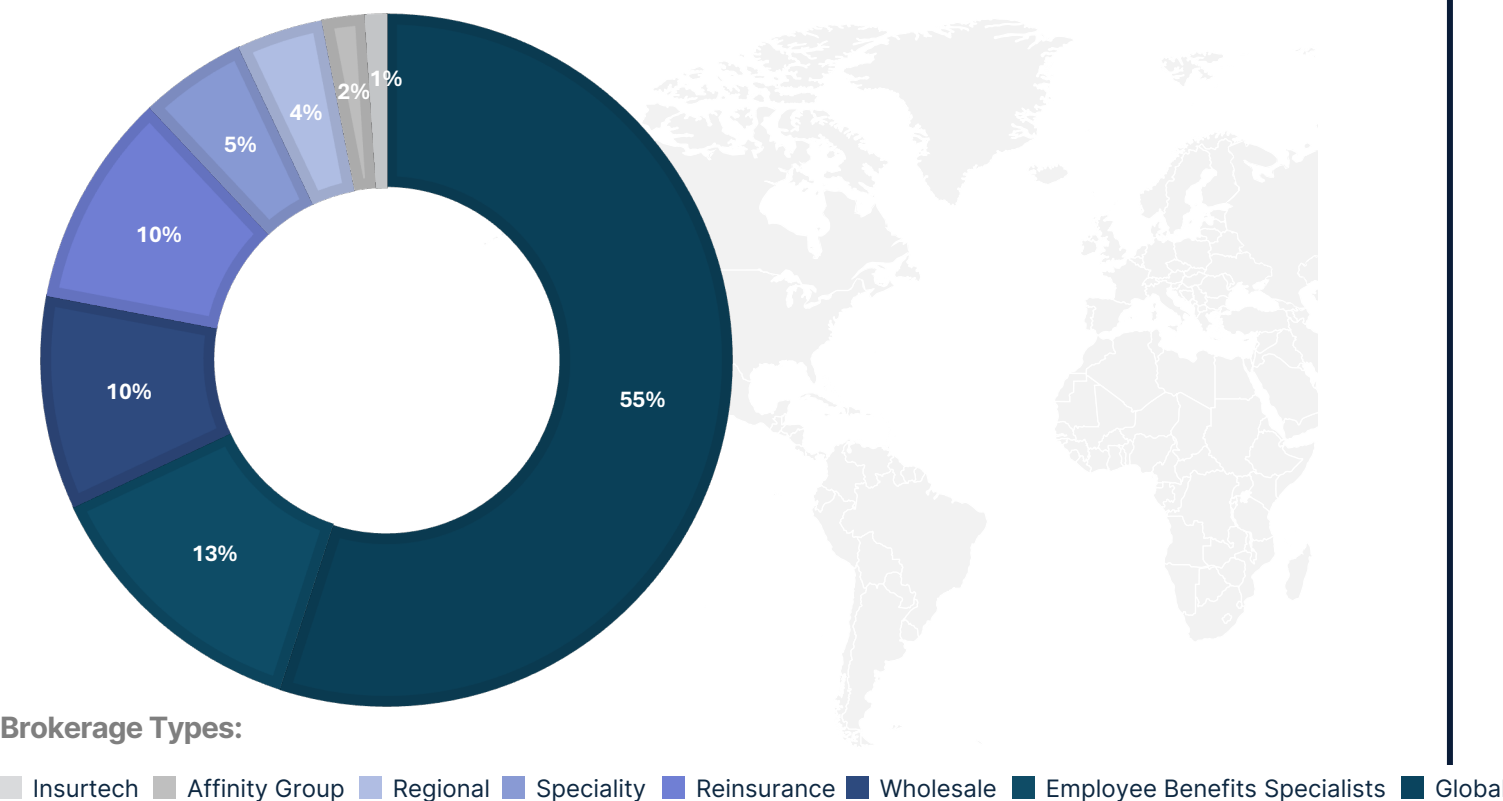


# Broker Landscape in the Cyber Insurance Market

Competition, Challenges & Opportunities for Top-Tier Brokers

# CONCENTRATION IN THE CYBER INSURANCE MARKET

## Strengthening Leadership in a Concentrated Cyber Insurance Market



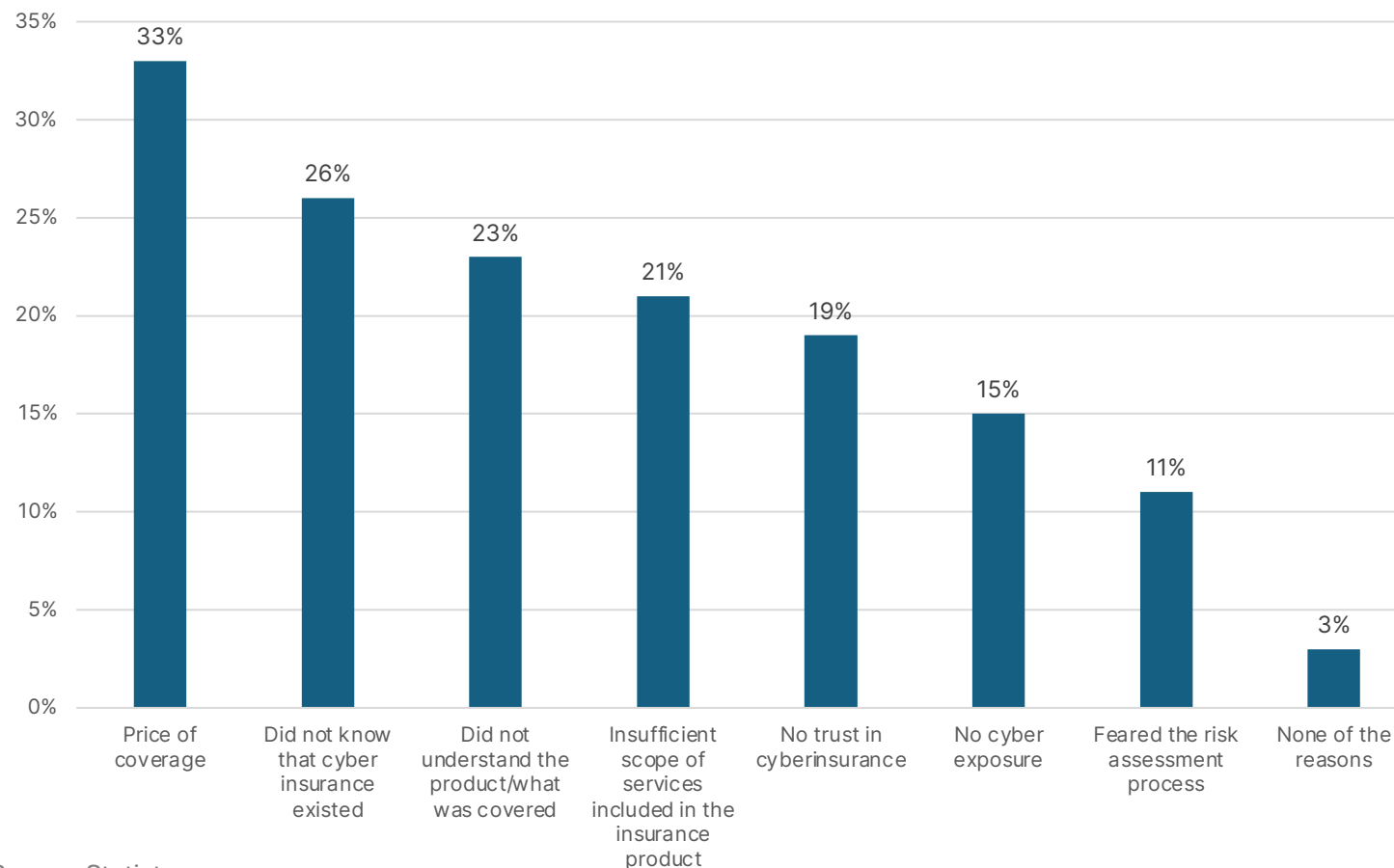
Source: Miscellaneous

The cyber insurance market is rapidly expanding, with low penetration rates and intense competition among global giants. For top-tier brokers, the challenge lies in maintaining market leadership and evolving pricing strategies to meet the demands of this highly competitive environment.

This concentration presents a unique opportunity for top-tier brokers to solidify their market leadership by offering specialized, high-value services such as **leveraging strategic insights and advanced risk quantification**

# BARRIERS TO CYBER INSURANCE ADOPTION

## Understanding Executive Concerns and Market Restraints in 2024



Source: Statista

1 in 3 C-level executives cites the high cost of coverage as the top reason for not purchasing cyber insurance.

This highlights the **critical need for specialty brokers to contextualize premium costs by quantifying the underlying cyber risks**. By doing so, brokers can ensure that insurance offerings are perceived as both fair and valuable, making them more attractive to potential clients.

# CAPITALIZING ON UNTAPPED MARKET POTENTIAL

## 3 Ways Top-Tier Brokers Can Accelerate Substantial Growth & Profit Gains

### **Maximize Growth with Cyber Risk Quantification**

Cyber Risk Quantification enables top-tier brokers to solve the low penetration obstacle by expanding into emerging, high-growth greenfield opportunities.

### **Lead the Industry with Early Innovation**

As industry leaders, adopt cutting-edge services to position yourself at the forefront of innovation. Strengthen your market position by delivering unmatched value, staying ahead of the competition, and expanding your influence.

### **Align Premiums with Risk for Optimal Coverage**

Enhance client satisfaction and retention by aligning premiums with accurate risk assessments. Use Original Risk Levels as a benchmark to tailor coverage, ensuring clarity and trust in premium pricing.

# How Squalify Enables Top-Tier Brokers to Price Like Industry Leaders

Determine the Ideal Size & Quality of Coverage with Cyber Risk Quantification.

# LEAN QUANTIFICATION WITH SQUALIFY

Achieve a High-Quality & Lean CRQ, with Minimal Data Input.

Squalify requires only 3 different data buckets of 30-60 data points to provide unique insight into your client’s cyber loss potential: Basic Company Information, Key Financial & Operational Metrics, and Top 28 InfoSec Controls (maturity levels).

Excerpt of Basic  
Company Information

What turnover share do you generate in the US (as %)?

%15

–

+

EU revenue share

What revenue share does the organization generate in the EU (as %)?

%70

–

+

Revenue share from other notification countries

What revenue share does the organization generate in other data breach notification countries (as %)?

%15

–

+

Note: Notification countries are those, where a data breach notification standard is implemented, such as Switzerland and Norway. Check the legal laws here: <https://www.dlapiperdataprotection.com/>

Excerpt of Key Financial &  
Operational Metrics

Number of PCI records

What percent of the records in the scenario are PCI records?

Note: One PCI data record considers all available PCI data stored or processed of one individual.  
Reminder: Amount of costs will depend on the number of individuals affected by the cyber incident.

%25

–

+

Criticality of PCI records

How critical are the PCI records you store within your organization?

Note: Highly critical data are records that contain information on a subject, which inflicts severe (personal and economic) harm on the individual and takes time to be repaired. Highly critical PCI information would include credit card numbers (incl. 3-digit code), historic credit card transaction data.

High

▼

Excerpt of Top 28 Controls

PR.AA-01

Identities and credentials for authorized users, services, and hardware are managed by the organization

With Deficiencies

▼

PR.AA-03

Users, services, and hardware are authenticated

Poor

▼

PR.AA-05

Access permissions, entitlements, and authorizations are defined in a policy, managed, enforced, and reviewed, and incorporate the principles of least privilege and separation of duties

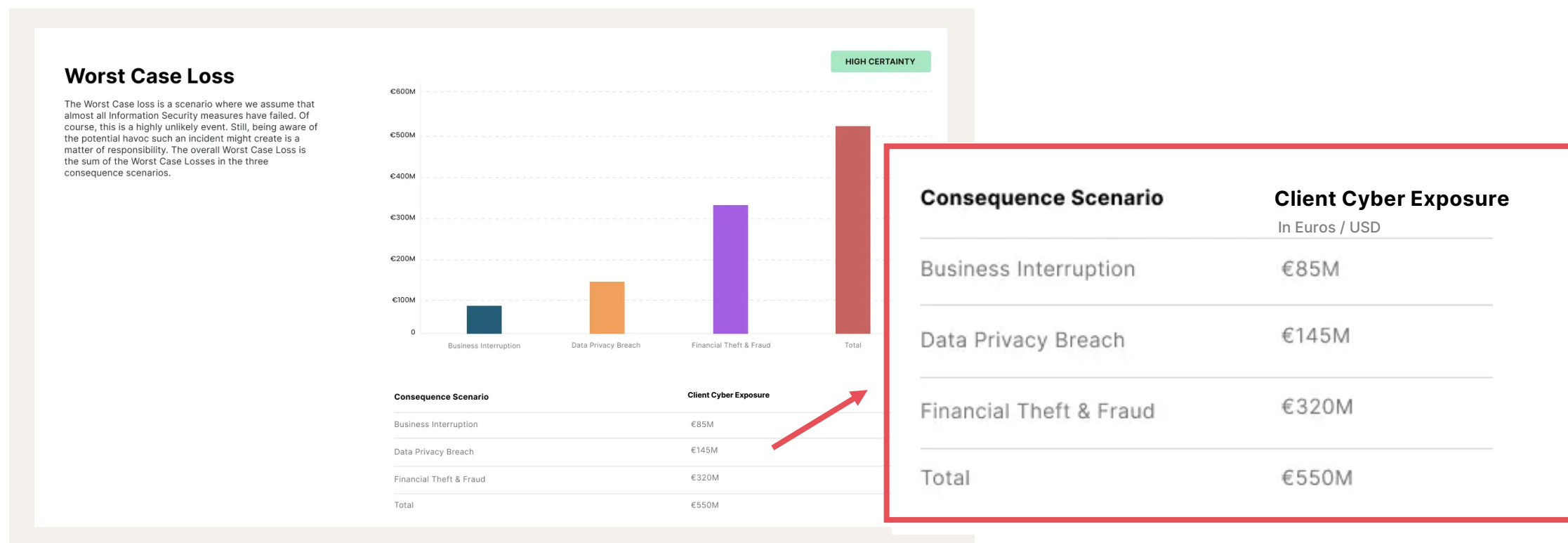
Limited

▼

# CALCULATE OPTIMAL COVERAGE SIZE TO PRICE LIKE THE BEST

## Strategically Define and Align Risk Appetite to Achieve Competitive Pricing

Squalify empowers top-tier brokers to precisely define their clients' risk appetite, ensuring that coverage is perfectly aligned with potential large loss scenarios. Through advanced Value at Risk (VaR) calculations and industry-leading benchmarks, brokers can deliver customized advice that reflects the strategic pricing approaches used by industry leaders.

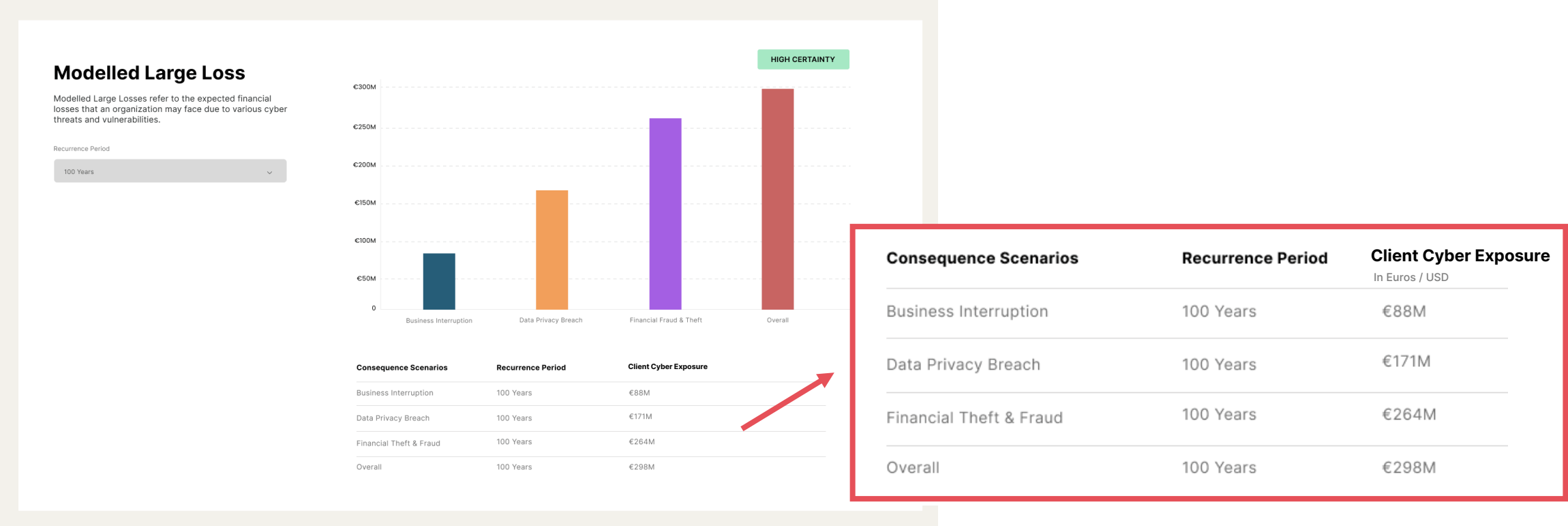


Consequence Scenario	Client Cyber Exposure In Euros / USD
Business Interruption	€85M
Data Privacy Breach	€145M
Financial Theft & Fraud	€320M
<b>Total</b>	<b>€550M</b>

# CALCULATE OPTIMAL COVERAGE TYPE TO PRIZE LIKE THE BEST

## Protect Your Clients from Critical Risks with Industry-Leading Precision

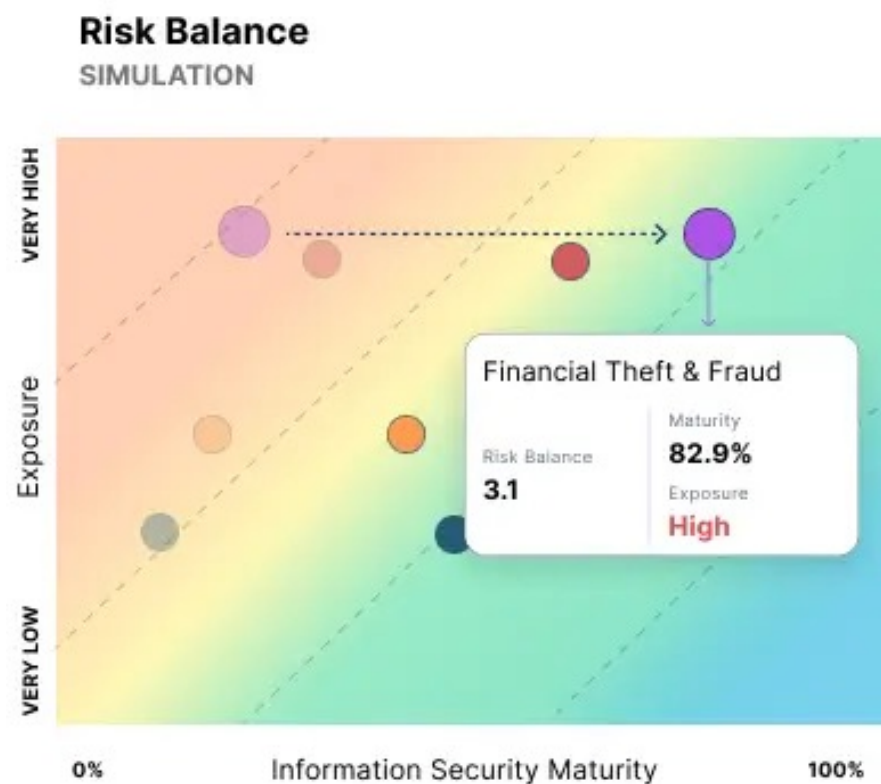
Squalify enables top-tier brokers to calculate financial loss metrics for critical risk scenarios - business interruption, data breach, ransomware, and financial theft and fraud. This precision enables brokers to tailor coverage limits with the rigor and sophistication that defines top-tier industry practices, ensuring clients are comprehensively protected.





# BONUS – GAIN A COMPETITIVE ADVANTAGE OVER CONSULTING FIRMS (PART 1/2)

Drive Additional Revenue & Long-Term Client Retention by Guiding Clients to Master Original Risk



The **Risk Balance** provides a clear, visual representation of your clients' information security maturity relative to their cyber risk exposure, identifying areas of both over-investment (blue) and under-investment (red/yellow). The goal is to guide clients into the optimal 'green zone,' where security measures are precisely aligned with risk.

By focusing on specific scenarios like business interruption, data privacy breach, and financial theft & fraud, you can provide targeted, actionable insights that enhance your advisory services and give you a competitive edge over traditional consulting firms.

# BONUS – GAIN A COMPETITIVE ADVANTAGE OVER CONSULTING FIRMS (PART 2/2)

## Drive Additional Revenue & Long-Term Client Retention by Guiding Clients to Master Original Risk

### Information Security Impact

#	ID	Control	Maturity Level	
1.	GV.RR-02	Roles, responsibilities and authorities related to cybersecurity risk management are established, communicated, understood and enforced.	LIMITED	>
2.	GV.PO-01	Policy for managing cybersecurity risks is established based on organizational context, cybersecurity strategy and priorities and is communicated and enforced.	POOR	>
3.	GV.OV-02	The Cybersecurity risk management strategies reviewed and adjusted to ensure coverage of organizational requirements and risks.	WITH DEFICIENCIES	>
4.	GV.SC-01	A cybersecurity supply chain risk management program, strategy, objectives, policies and processes are established and agreed to by organizational stakeholders.	LIMITED	>

By leveraging Squalify's **Top 10 InfoSec Controls**, brokers can provide a clear, data-driven strategy for rapid and meaningful security improvements. By focusing on the controls that have the greatest impact, brokers can provide targeted advice that maximizes client outcomes with minimal resource investment.

This strategic approach not only enhances your clients' risk management but also positions you as an indispensable partner, enabling you to outperform traditional consulting firms and capture a greater market share.

# Summary & Key Takeaways

**How Squalify Enables Top-Tier Brokers to Price Cyber Insurance Like the Best with Top-Down Cyber Risk Quantification.**

# UNLOCK NEW OPPORTUNITIES IN CYBER INSURANCE WITH SQUALIFY

Turn Market Challenges into Your Competitive Advantage with Cyber Risk Quantification

## CHALLENGE

### Fierce Competition in an Immature Market

The cyber insurance market is rapidly expanding, with low penetration rates and intense competition among brokers. For top-tier brokers, the challenge lies in maintaining market leadership and advancing pricing strategies to meet the demands of a highly competitive environment.

## SOLUTION

### Drive Leadership with Cyber Risk Quantification

Squalify equips you with the tools to price your cyber insurance offerings with the precision and effectiveness that mirrors best practices among industry leaders.

- Leverage data-driven insights to optimize coverage decisions & pricing strategies
- Implement strategies to ensure your offerings are aligned with the best in the industry.

## WHY US

1

### Unmatched Data Accuracy & History

We utilize over 1M claims from 100K+ companies across 130+ industries, offering you the most comprehensive database of historic cyber claims. This enables you to price with the accuracy and confidence of the best in the industry.

2

### Fast & Lean Analysis

Our unique, top-down approach delivers strategic insights within days, allowing you to make data-driven pricing decisions quickly. Our risk model has been validated through 4500+ quantifications for major corporations.

3

### Insurance-Driven Expertise

Backed by our Munich Re heritage, our risk model is specifically designed to meet the nuances of the insurance industry, enabling you to align your pricing strategy with that of industry leaders.

# WANT TO SEE A LIVE DEMO OF SQUALIFY?

Let me know.



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