

RMS
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®

ABOUT US

RMS
—

RISKMANAGEMENTSOLUTIONS

THEY SAID
IT COULDN'T
BE DONE.

**WE
THOUGHT
OTHERWISE.**

OUR HISTORY

Navigating the Risk Landscape for Over 20 Years

START
1988
Founded at Stanford University

1961
California Earthquake Model

1992
U.S. Hurricane Model

1994
U.S. Earthquake and Hurricane Models


1994
RiskLink - ALM for Treaty Reinsurers


London Office Opens


1996
Models Cover **12** Countries

1998
Models Cover **40** Territories

2000
Expansion of Weather Risks


2000
RiskLink - DLM

2002
Terrorism & Workers Compensation Models


Models Cover **42** Countries

2004
International Geocoding Accumulation


2006
Updated U.S. Hurricane Model


Updated Europe Windstorm Model


2008
New U.S. & Canada Climate Hazard Models


Enterprise Grid Computing


Upgrade and Significant Expansion of North Atlantic Hurricane Models


Europe Windstorm Model Upgrade


RMS Hosted Solutions


2010
Upgrade of North American Earthquake Models and Expansion of Latin American Earthquake Models

Models Cover **50+** Countries, Over 90% of Global Property Insurance Premium

Expansion of Asian Model Suite


TODAY

ENABLING THE FUTURE

Hemant Shah, President and CEO, RMS

As a graduate student at Stanford, in the heart of earthquake country, I wrote a business plan to spin out university R&D and commercialize a computer model that could quantify earthquake risk. With a modest seed investment and an office in my apartment, I convinced a few friends and fellow researchers to join up.

Believe me, there was no shortage of skeptics. The financial industry and academic establishment told us that the problem warranted endless study in traditional silos. Venture capitalists struggled to understand our category and business model (“catastrophe risk modeling?”). Fortunately, we had the absolute conviction that if we got the right multidisciplinary team in the room, we could create a whole new category of analytic technology—and launch a new industry.

More than two decades later, RMS is the world leader in catastrophe risk modeling. From earthquakes and hurricanes to terrorism and infectious disease, our models provide critical risk management solutions to hundreds of financial institutions around the world.

At RMS, we believe knowledge is power. Our work serves some of the leading industries driving today’s global economy, but we also believe it can make a real and positive impact on people’s lives. The way societies understand and manage risk affects us all. At RMS, our ultimate goal is to help create a more sustainable and resilient global society through a better understanding of catastrophic events.

In our Silicon Valley headquarters and in offices throughout North America, Europe, and Asia, our team of nearly a thousand professionals may be a bit larger than it used to be, but we’re as ambitious and innovative as ever.

From day one, our passion has been innovation driven by the courage to tackle the problems others say can’t be solved. Can we quantify the risks from climate change? Simulate how medical breakthroughs might lead to dramatic improvements in life expectancy? Deliver supercomputing in the cloud? Can our technology platform help transform an entire industry?

WE THINK SO.

CATASTROPHE MODELING

Catastrophe risks are inherently challenging to model, due to the limited knowledge about what determines the probability of extreme events, and the need to understand all potential pathways to loss. Models integrate and synthesize the relevant science, data, engineering knowledge, and even behavior of claimants and insurers in the aftermath of a catastrophe.

This knowledge can be harnessed by insurers and reinsurers, property owners, and policymakers to make informed risk management and mitigation decisions.

Uncertainty lies at the heart of risk modeling, and demands an appreciation at all stages, including the quality of the exposure data fed into the models and the interpretation of model results. The more catastrophe model users understand a model's underlying assumptions and uncertainties, the better equipped they are to make informed risk management decisions.

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ca·tas·tro·phe mod·el

A computer-based model that **assesses the impact** of natural or human-made catastrophes, **estimates physical damage** to property and contents, and **assigns probabilities** to the range of possible outcomes, **to estimate financial loss** from such perils as earthquakes, hurricanes, winter storms, infectious disease, or acts of terrorism.

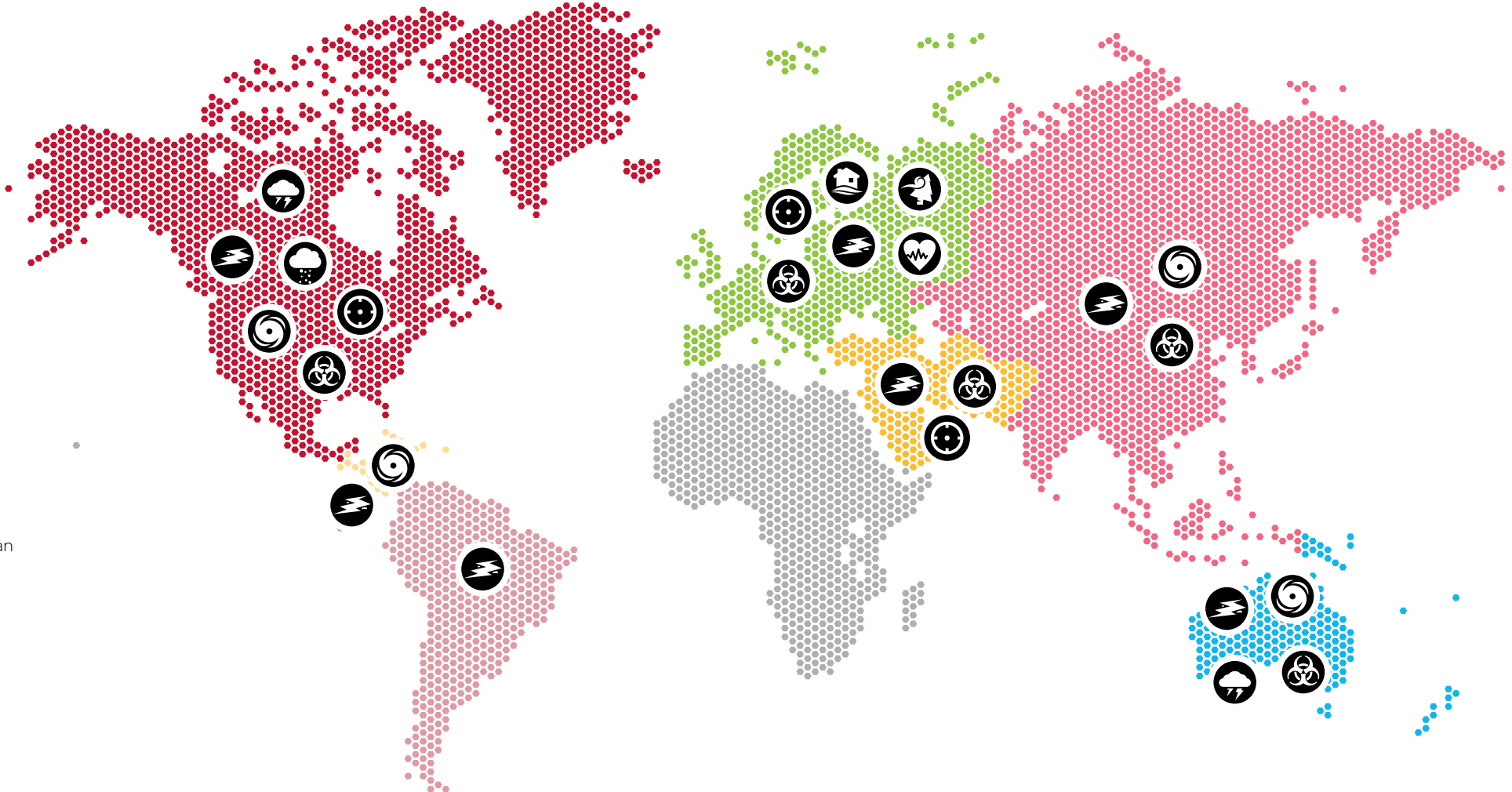
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$$\sigma_{\text{port}} = w \sum_{\text{loc}} \sigma_{\text{loc}} + (1 - w) \sqrt{\sum_{\text{loc}} \sigma_{\text{loc}}^2}$$

WORLDWIDE CATASTROPHE RISK MANAGEMENT

RMS catastrophe models incorporate the latest science, over 20 years of dedicated catastrophe risk research and development, and partnerships with local institutions and leading regional experts. Catastrophe events are generated using RMS supercomputers and advanced numerical modeling on global simulation platforms.

- North America
- Central America and the Caribbean
- South America
- Europe
- Asia
- Australia and Oceania
- Middle East



- Earthquake
- Tropical Cyclone
- Windstorm
- Severe Convective Storm
- Winter Storm
- Flood
- Terrorism
- Pandemic
- Longevity

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The world leader in catastrophe risk management, **RMS software, services, & expertise** enable unparalleled risk intelligence for all markets served, worldwide.

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**PROPERTY &
CASUALTY**

LIFE & HEALTH

CAPITAL MARKETS

SILICON VALLEY

NEW YORK

LONDON

SWITZERLAND

BERMUDA

INDIA

CHINA

JAPAN

GLOBAL SERVICE & SUPPORT

We are committed to providing our clients with the best level of product support and client service. RMS clients have access to a wide array of resources and expertise, from dedicated account representatives, to scientific and technical experts, to unparalleled training and documentation.



ENTERPRISE RISK MANAGEMENT

WHO WE SERVE

As the largest catastrophe modeling company, RMS provides clients across the global insurance and financial services industry with an unbiased and consistent measure of risk. RMS solutions are fully scalable, allowing companies enterprise-wide access to models and data to support risk management decisions.

INSURERS

Primary insurers manage all aspects of catastrophe risk by using our systems to link portfolio objectives to underwriting processes.

REINSURERS

Reinsurers apply RMS catastrophe models for facultative underwriting, treaty underwriting, and reinsurance portfolio management.

INTERMEDIARIES

Leading primary insurance brokers and reinsurance intermediaries use RMS products to support their clients' risk transfer needs.

CAPITAL MARKETS

In the capital markets, catastrophe or "cat" bonds offer an alternative means of risk transfer that is largely uncorrelated with most investment portfolios.

UNIVERSAL STANDARDS

RMS exposure and results databases (EDM and RDM), metrics, and analytics are a common currency for information exchange, facilitating interactions among insurers, reinsurers, brokers, rating agencies, and regulators.

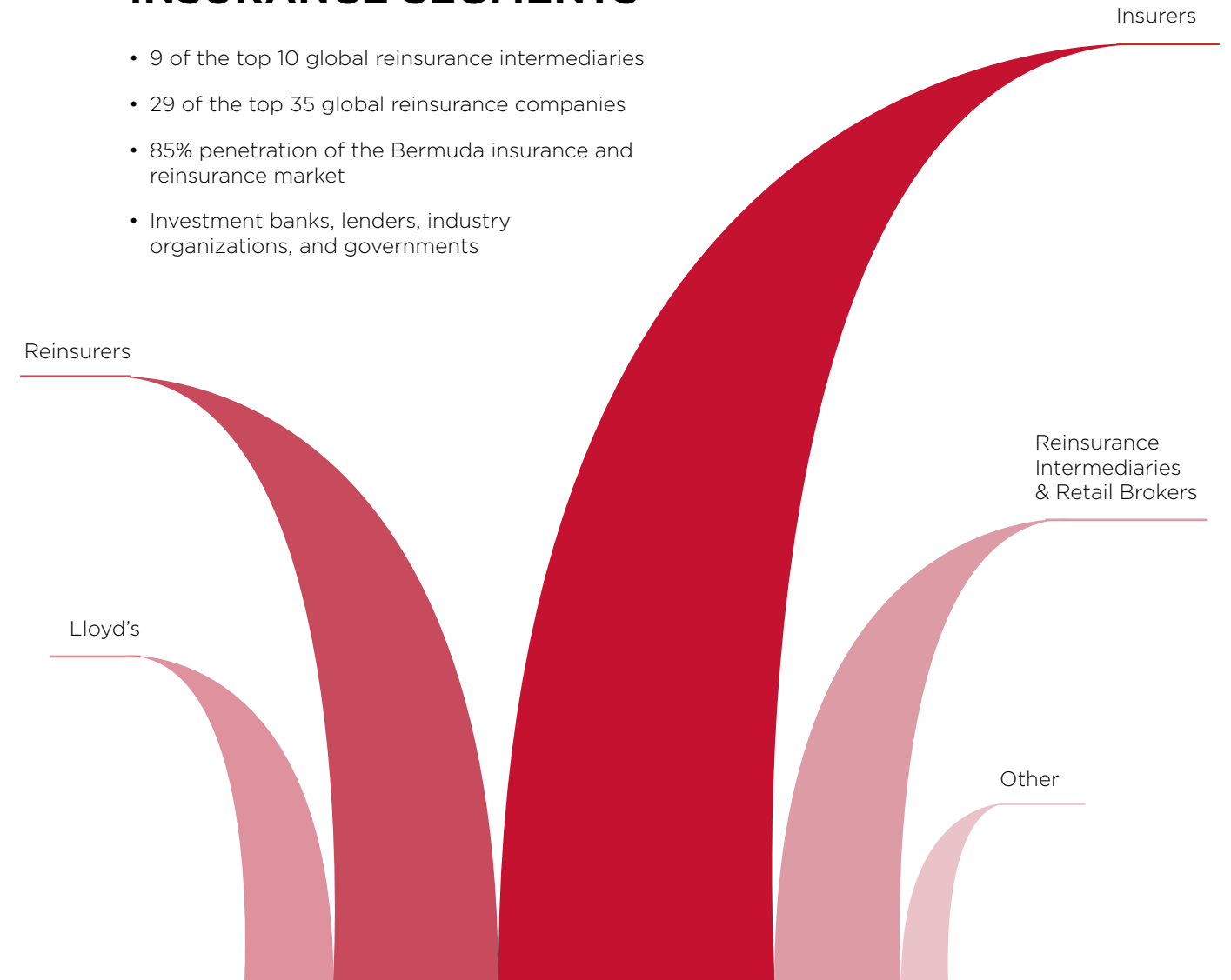
RMS model results are accepted by rating agencies and regulatory bodies, allowing market participants to communicate risk in a language that others will understand.

OBJECTIVITY

Our ownership structure ensures the independence required to work impartially for all parties involved in pricing, managing, and transferring catastrophe risk.

CLIENTS ACROSS ALL INSURANCE SEGMENTS

- 9 of the top 10 global reinsurance intermediaries
- 29 of the top 35 global reinsurance companies
- 85% penetration of the Bermuda insurance and reinsurance market
- Investment banks, lenders, industry organizations, and governments



TECHNICAL LEADERSHIP

SCIENTIFIC AND TECHNICAL EXPERTISE

- Our multidisciplinary development team includes more than 250 experts in hazard research, actuarial science, engineering, and software development
- Nearly 60% of total staff hold advanced degrees, with 95% of the model development team holding advanced degrees
- One-third of our total staff is focused solely on research, development, and innovation, and nearly half are dedicated to client service and support

MODEL CALIBRATION AND VALIDATION

- RMS models reflect the analysis of billions of dollars of claims data, and the independent verification of external third-party experts and regulators
- Complete reconstructions of historical events provide a comprehensive basis for validating historical loss estimates and benchmarking claims data

INVESTMENT IN INNOVATION

- Our commitment to RMS(one) represents the single greatest investment in the company's history
- For the 2014 launch of RMS(one), we are investing in cutting-edge technologies and engaging more than 300 employees in software and model development, cloud operations, professional services, customer service, and internal systems



250+

EXPERTS

engaged in the science and technology of
superior risk management

REWRITING RISK MANAGEMENT STRATEGY

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After over 20 years in the industry, innovation remains our hallmark. We created an entirely new category of analytic technology that launched the catastrophe modeling industry. Now, we usher in the new risk management paradigm.

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RMS(one) POWERS A NEW ERA OF RISK MANAGEMENT

With 10,000 times more computing power than even the largest insurer, RMS(one) enables our clients to manage their risk like never before.

RMS(one) delivers open, real-time risk management on a cloud platform, bringing a new level of resolution, fidelity, and speed only feasible with supercomputing in the cloud.

Innovation and insight are no longer compromised by technical constraints.

With the supercomputing capacity to enable real-time risk assessment, our clients can manage all risks from all sources, all in one place, to achieve a holistic and integrated view across their enterprise.

From real-time roll ups, to model sensitivity testing, to dynamically creating blended views of risk—or building an internal view, RMS(one) brings business agility to each stage of risk management, from underwriting to portfolio management and risk transfer.

ALL EXPOSURES

Our clients' portfolios aren't limited to one class of risk, and their risk management platform shouldn't be either. RMS(one) enables a holistic and integrated view across the enterprise with one platform for all catastrophe and non-catastrophe exposures.

ALL MODELS

All models can be run on the open RMS(one) platform: RMS models, modified RMS models, internal models, or the models of others. The client decides how to best model their risk, and the platform manages the rest.

ALL IN (ONE) PLACE

We're enabling our clients to leverage the best models. The best ideas. The best assumptions. From any source. As they choose. To help ensure each decision is backed by a deep understanding of the risk.

IN REAL TIME

RMS(one) eliminates the lag between risk analysis and risk intelligence, delivering the right information, at the right time.

FOR ALL PEOPLE

By enabling all business stakeholders to access the relevant insights critical for their success, RMS(one) lifts the barriers that keep risk intelligence confined to specialist teams.

From the executive to the underwriter, users can interact with and interpret data and results to find the answers that drive better risk management decisions.

Built exclusively for the insurance industry, RMS(one) brings together everything you need, to manage all of your risk, across all of your enterprise. All in (one) place.

DELIVERING IT IN THE CLOUD MAKES IT ALL POSSIBLE.

ABOUT RMS

RMS models and software help insurers, financial markets, corporations, and public agencies evaluate and manage catastrophe risks throughout the world.

We lead an industry that we helped to pioneer—catastrophe risk modeling—and are the innovators of the RMS(one)[®] platform, which is transforming the world's understanding and quantification of risk through open, real-time exposure and risk management.

More than 400 insurers, reinsurers, trading companies, and other financial institutions trust RMS models and SaaS solutions to better understand and manage the risks of natural and human-made catastrophes, including hurricanes, earthquakes, floods, terrorism, and pandemics.

We think about the unthinkable, enabling the management of even the most extreme events. Our scientific and objective measurement of risk facilitates the efficient flow of capital needed to insure, manage, and ultimately mitigate these risks to reduce the consequences of disasters, promoting resilient societies and a sustainable global economy.

Visit RMS.com to learn more.

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