Q1 2023

GALLAGHER RE GLOBAL INSURTECH REPORT

2023 InsurTech Funding Life Cycle

Q1: Early Stage Incubation

MAY 2023

Gallagher Re

This report is a collaboration between Gallagher Re, Gallagher and CB Insights.

CONTENTS

INSIDE THIS EDITION...

PREFACE

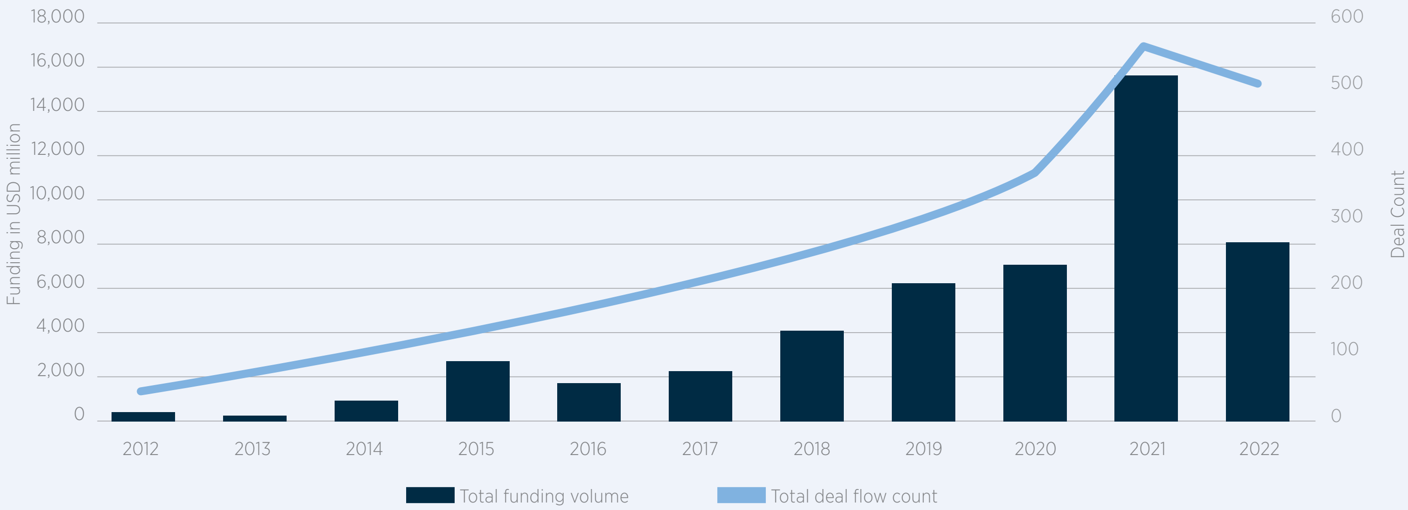
Mega-round funding has undoubtedly been a significant driver of overall InsurTech investment figures.

DR. ANDREW JOHNSTON
Global Head of Gallagher Re InsurTech, Global InsurTech Report Editor

Much has been made of the dip in global InsurTech investment observed in 2022—is this the beginning of a decline? Are investors pulling back for good? Will company valuations ever return to their 2020/2021 levels?

What was not necessarily considered in such depth was the possibility that 2021 was in fact an anomalous year driven by mega-round (USD 100 million + round) activity (versus a 'true reflection' of where the broader InsurTech investment scene was heading), and that 2022 was in fact a return to the trajectory that pre-2021 trends were otherwise heading.

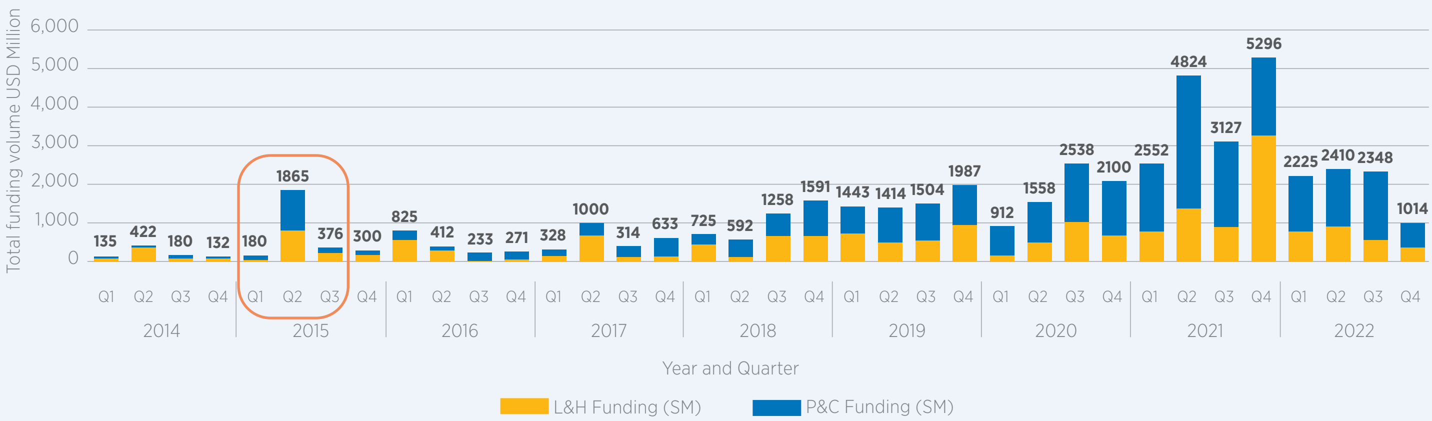
Total InsurTech funding and deal count up until the end of 2022



Mega-round funding has undoubtedly been a significant driver of overall InsurTech investment figures. It could be argued, especially after the observations made in 2022, that it is the single most important factor to consider when we consider the investment numbers, and their overall impact on the sentiment and conclusions that we make.

To put this into historical context, if we consider the second quarter of 2015, we can clearly see from the graph below that it was an anomalous outlier. Rather than deriving from this that it was somehow the 'peak' of InsurTech funding and activity from that time up until Q4 2019 (where we observe the first return to USD 1.9 billion levels of funding) and everything in between was somehow a shortfall in InsurTech funding, we might consider this was the result of some significant mega-round activity. This was in fact the case; 85% of funding that quarter came from mega-round activity, three deals in total (Zhong An, Zenefits and Oscar – USD1.6B of the USD1.9B total raised). This view is further cemented by the additional benefit of being able to observe the many quarters subsequent which confirm that Q2 2015 was in fact an anomaly.

Quarterly InsurTech Funding Volume — All Stages



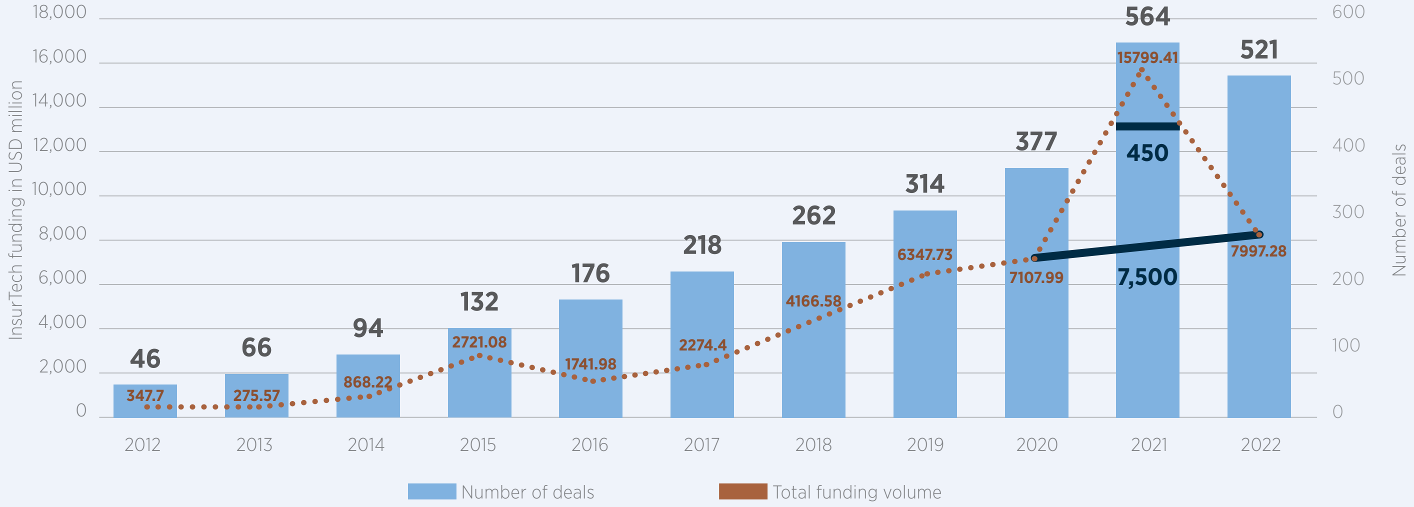
While observations (and any subsequent conclusions) derived from one quarter are empirically weaker than those we can make from an entire year (for instance 2022), particularly given that the other three quarters of 2015 blended Q2 back into some kind of order, the fact remains that while InsurTech investment numbers look huge, a handful of standalone deals can, and do, have an enormous impact on the overall totals.

Some 62% of 2021's funding came from mega-rounds, where only 41% of 2022's funding came from mega-rounds. In 2021, there were two noticeable periods of mega-round activity; Q2 and Q4 (which combined totaled more investment than the entirety of 2022). These two monumental quarters were supported by 15 and 13 mega rounds respectively, raising an extremely impressive USD7B collectively (from investments into the following companies; Integrity Marketing Group, Devoted Health, wefox, Bought By Many, Collective Health, Extend, Acko General Insurance, Alan, Shift Technology, Clearcover, Ethos Technologies, CarDekho, Yuanbao, The Zebra, Hibob, SmartHR, HealthCare.com, Alice, PayMaya, EIS Group, Embroker, Friday Health Plans, Hyperscience, Slide Insurance, Wrapbook, H2O.ai, Sure and Ladder).

To put the impact of mega-rounds into further startling context, we should also consider the totals of investment where we remove mega-rounds altogether. When we do that, 2021 is in fact a very stable and consistent year, with each quarter delivering approximately USD1.5B in investments. Furthermore, 2021 Q3 becomes higher than Q4 without mega-rounds added (USD1.54B versus USD1.51B, respectively). Even more interestingly, Q1 of 2022 delivered more non mega-round investment than three of the four quarters of 2021 (2022 Q1 saw USD1.56B, where only 2021's Q2 with USD1.57B was higher). It is clear therefore that mega-round activity is not only having a huge impact but a healthy reminder that we are still dealing with numbers that can be significantly impacted by a handful of individual deals.

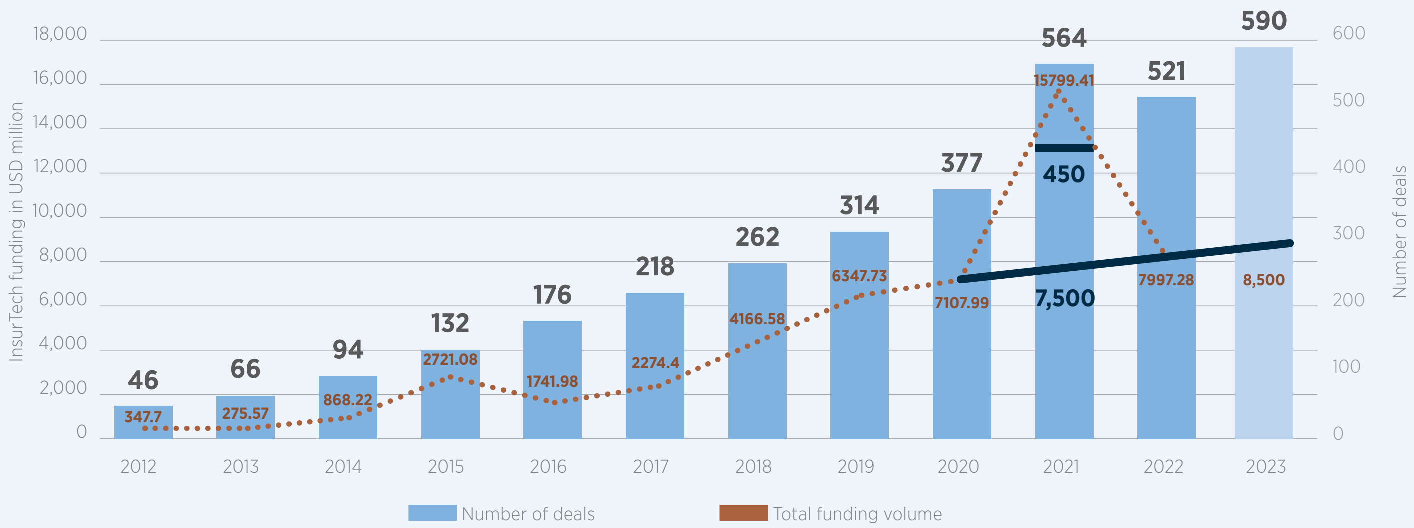
Somewhat astonishingly, if we consider all deals from 2012 onwards, 51% of all capital invested into InsurTech has come from mega-rounds. This investment volume comes from only 4% of the total number of deals done to date. It is clear, then, that a huge amount of money is invested in a small number of deals and when this happens, it has the ability to hugely influence final numbers.

Total annual InsurTech funding, 2021 with revised funding and deal amount if an anomaly



If we do consider 2021 as an anomaly and run a Fibonacci sequence projection on 2021 from the prior years' data we would be looking at approximately 450 deals, totalling USD7.5B (not the 564 deals generating USD15.8B). Continuing the same projection, 2022 would be 515 deals and USD8.1B (it was in fact 521 deals, and USD7.9B, a highly correlated true result to the projection, suggesting that 2021 could in fact be an anomalous year). What will be truly fascinating is to see what 2023 delivers in terms of results. For those keen to know what the totals would look like, we would observe 590 deals and USD8.5B raised on the same projection.

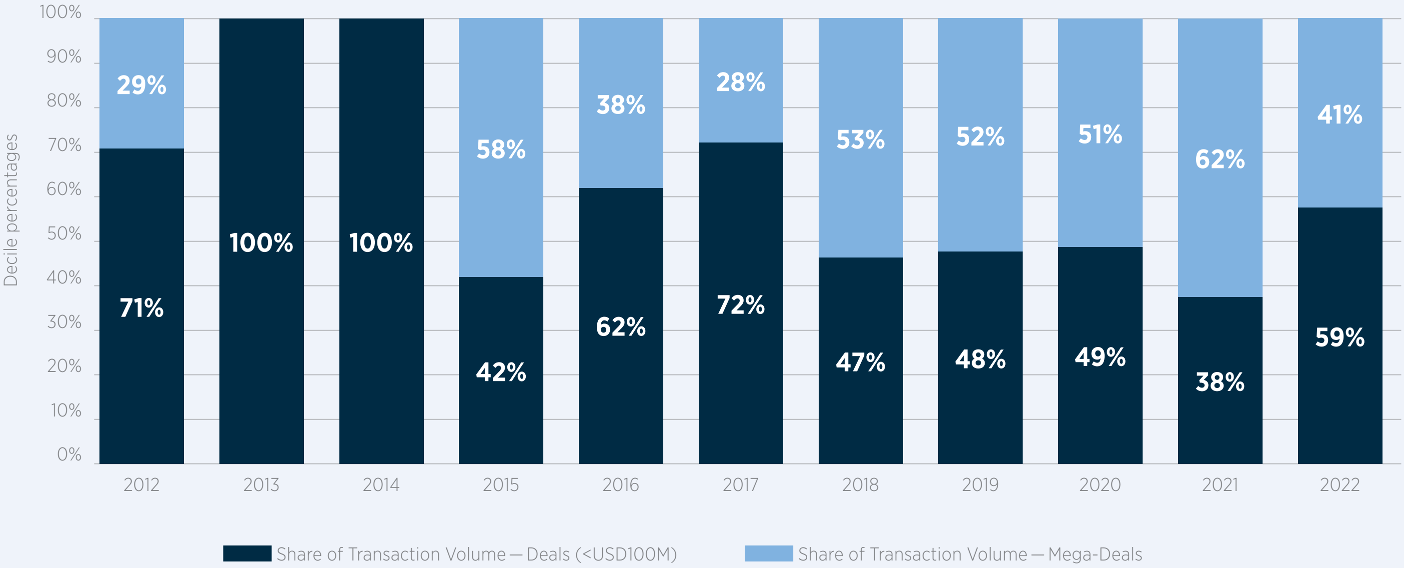
Total annual InsurTech funding, 2023 future projection per sequence predictions



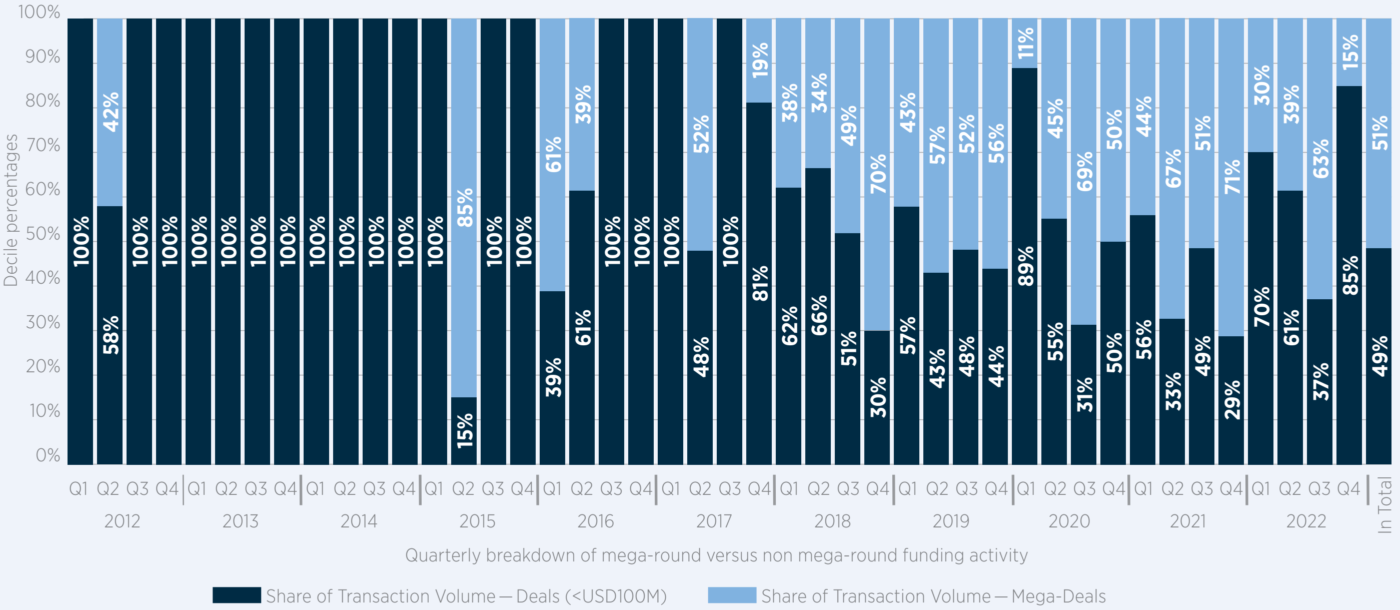
Annual mega-round funding 2012 – 2022

Year	Funding (USDM) Deals <100USDM	Funding (USDM) Mega Rounds	Grand Total	Number of Deals <100USDM	Number of Mega Deals	Total Number of Deals	% of Mega Deals as Total Invested (% of deals done)
2012	247.7	100	347.7	45	1	46	29% (2%)
2013	275.57	—	275.57	66	—	66	0% (0)
2014	868.22	—	868.22	94	—	94	0% (0)
2015	1,145.08	1576	2,721.08	129	3	132	58% (2%)
2016	1,078.88	663.1	1,741.98	173	3	176	38% (2%)
2017	1,634.4	640	2,274.4	214	4	218	28% (2%)
2018	1,960.74	2,205.84	4,166.58	252	10	262	53% (4%)
2019	3,026.18	3,321.55	6,347.73	300	14	314	52% (4%)
2020	3,490.99	3617	7,107.99	360	17	377	51% (5%)
2021	6,044.91	9,754.5	15,799.41	517	47	564	62% (8%)
2022	4,752.35	3,244.93	7,997.28	502	19	521	41% (4%)
Grand Total	**24,525.02**	**25,122.92**	**49,647.94**	**2652**	**118**	**2770**	**51% (4%)**

Percentage split between mega-round and non mega-round annual InsurTech deals



Quarterly percentage split between non mega-round and mega-round InsurTech funding



What's in a name?

As we have previously discussed, there is a great deal of pressure on the label of 'InsurTech'. Many in the space agree that it ought to be retired in due course given its clumsy width and breadth, with regards to how many firms and initiatives can feasibly adopt the label with little detailed context. Given it is the label we have for now, we can at least acknowledge that the over-arching term speaks to two distinctive types of businesses; those that are technologically enabled, and those that offer technology as product and/or service to the (re)insurance industry. This second group are often categorized as software as a service (SaaS), although this does not capture every single type of business in this category.

Ultimately, per the robust but not entirely accurate definition of InsurTech - 'InsurTech is the use of technology innovations designed to make the current insurance model more efficient' - there is more than enough here to offer a home to both business types but it is important as an industry that we move on and start being braver about how we articulate exactly what we mean when we use large, sometimes clumsy words such as 'InsurTech'.

Those 'technologically enabled' InsurTechs, which otherwise operate as (re)insurance entities, are most likely those that are testing the common understanding of the label 'InsurTech'. Given the lack of set definition, could an 'InsurTech' that functions identically to an MGA or full-stack carrier and boasts an impressive front-end digital experience consider itself an InsurTech? Absolutely. Would said company need more than one digital functionality to rightfully (in this climate) consider itself an InsurTech? Probably not. Without a clear set of critical mass rules and criteria around how much of a business needs to be truly digitally enabled, the list of companies that can call themselves InsurTech seems endless, and will only continue to grow.

As we have said in the past, it would be more remarkable if a new entrant or fiercely competitive business came into our industry that did not have some kind of technological angle.

Currently 57% of global InsurTechs fit the 'technologically enabled' business type. The remaining 43% of companies offering technology as a product or a service are less likely to test the boundaries of what we could feasibly consider InsurTech. If it is not offering technology in some shape or form to the incumbent industry then we need to rethink this entire thing over. In many cases the technology will be truly cutting edge, in other cases it will be seasoned, better understood digital capabilities, but both will have a common goal – to make the (re)insurer's (or the clients/network of the (re)insurer's) business model more efficient and contemporaneously more relevant.

We typically don't tolerate these taxonomic obscurities in other parts of our business, and yet we do here. To return to the main point, this clumsy InsurTech definition that is vague enough to be adopted by the masses in an undisciplined way is one of the biggest reasons why the quarterly investment numbers need to be consumed and interpreted with this broader contextual understanding – the definition of InsurTech is still amorphous. As its definition changes, so does what we're ultimately capturing and considering in InsurTech investment data.

Perhaps this issue is a result of the relative nascency of this space. More likely, it is the desire to want to adopt a label that has shown to add a multiplier effect on valuations and attention from investors. If 'InsurTech' investment and valuations are indeed coming down then one could reasonably assume that the label will, over time, regain some universally agreed upon structure. This year then, could well be the beginning of a new, clearer, more disciplined era as we consider InsurTech analysis and the reality of it increasingly penetrating our business.

Horizon scanning

There was a palpable disappointment from market commentators that 2022 did not usher in or observe any new IPO activity in the InsurTech space (although it was not entirely surprising given the state of the market and the performance of many InsurTechs who went public in 2020 and 2021). It is quite possible that as prices become more realistic and the market begins to settle into a new status quo that we might see a small handful of companies and backers deciding to go public. The first indicator of this will be a renewed flurry in later stage deals as InsurTechs look to trampoline into their initial price offering review (armed with resources to create company value). Despite the overall downturn of activity in 2022, early-stage funding was at record highs, which shows there are a number of great companies coming our way, but it was not the right funding environment for multiple exits, let alone going public.

There is also a lot of speculation that we will see some significant M&A activity this year. The hypothesis for this is strong given that we are likely to observe a number of InsurTechs who were once greatly prized (and were valued highly) but for whatever reason did not quite make it. And if we consider the funding activity in 2020 and 2021, the amount being raised, if not then met with a sharp streamlining process to ride out these latter difficult periods, could mean that a number of InsurTechs run out of money in the coming years.

If the underlying technology and management team are still intact, and the prices come down as expected, these companies could represent a real bargain to prospective buyers. Whether it is well capitalized InsurTechs, (re)insurers or private equity investors who acquire the majority of those acquired remains to be seen. Where potential acquirers may become stumped is the volume of companies that might fall into this category – which could be a lot. The fact remains, however, that there could be some very well-priced opportunities coming towards us that represent a good deal for both parties.

On the theme of making predictions, we will refrain from making too many estimations about how much may or may not be invested into InsurTechs across 2023. As we previously mentioned, given the impact of mega-round funding, one or two significant deals can completely alter the outcome of an otherwise consistent quarter. Furthermore, given the complexity of this space (including issues around the label InsurTech), it is very difficult to make too many predictions with much accuracy – rather than staying with pedestrian and trite statements about things that are almost inevitable, we would prefer to comment on what we are observing. We will certainly keep tabs on the 590 deals and USD8.5B that would be raised in 2023 if 2021 does in fact turn out to be an anomalous year. Without wishing to prematurely reveal too much about this quarter's data already, if we can assume that each quarter will contribute approximately 25% to this annual total estimate for 2023, we are USD735M and 42 deals adrift from the results of Q1. In other words, we are 'only' 16% funded and 18% in individual deal count for the year so far.

Finally, we expect that 2023 will be the beginning of a new era for InsurTech. If we look back over the past few years, 2021 was undoubtedly the peak to date, and much of this was created from the uncertainty that COVID-19 created coupled with a natural crescendo that was organically occurring anyway.

Investors piled in before the markets did what they did and those lucky enough to raise money had a decent runway presented to them. 2022 brought the sector back down to earth and those founders that realized what was happening quickly enough were able to streamline their businesses. This required (in some cases) some serious restructuring, a variety of cost saving activities and redefining a business strategy that was fit for a brave new world. As we now know, a lot of companies did not make it through this period. We are now at a juncture where founders are thinking about long term sustainability and growth. Without the luxury and solace of third-party capital propping business up, founders are realizing their businesses will need to pull the plough themselves, reliant on only their own capabilities (and revenues).

A significant upside in the current market seems to be the genuine willingness of many (re)insurers, brokers and agents to adopt technology. The pressure is on InsurTechs therefore to make their business models (and cost structures) palatable and value-adding. At the beginning of 2021 we commented that the adoption of new technologies and innovative ideas has been as much a question of good societal timing as it has been the availability of said technologies and ideas. Generally speaking, ideas and technologies have to be acceptable to the community of which they will one day be a part if they are to succeed in being inducted. We seem to have truly met this point in time which poses both sides with a huge opportunity. The world has found its groove again, now is the time to focus on making all of this promise happen.

Q1 data highlights

Funding for InsurTech globally increased 37.6% quarter on quarter, from USD1.01B to USD1.39B. The average deal size increased 25.3% quarter on quarter, despite no quarter-on-quarter change in deal count. Pertinent to this report's preface, mega-round funding was 12.9% of total Q1 2023 InsurTech funding, the lowest it has been since Q1 2020. The majority of InsurTech investments from (re)insurers were into early-stage rounds for the third consecutive quarter.

Funding for InsurTech increased 37.6% quarter on quarter, from USD1.01B to USD1.39B in Q1 2023.

The increase is largely attributable to a 53.6% quarter on quarter surge in P&C InsurTech funding, from USD630.16M in Q4 2022 to USD967.89M in Q1 2023. L&H InsurTech also saw a quarter on quarter funding increase, rising 9.6% from USD383.76M in Q4 2022 to USD420.73M in Q1 2023.

Average InsurTech deal size increased 25.3% quarter on quarter, from USD11.79M in Q4 2022 to USD14.77M in Q1 2023. Per overall InsurTech funding trends, the increase was greater within P&C – rising 31.0% from USD10.86M in Q4 to USD14.23M in Q1. Meanwhile, L&H average deal sizes increased 18.0% from USD13.71M in Q4 to USD16.18M in Q1. Quarterly InsurTech deal count remained flat quarter on quarter, with 106 deals in both Q4 and Q1 respectively. P&C InsurTech deal count increased 7.0%, from 71 deals in Q4 to 76 deals in Q1, whereas L&H deal count fell 14.3%, from 35 deals in Q4 to 30 deals in Q1. Global InsurTech was overall notably relatively buoyant observing a funding gain despite a 13% quarter on quarter decline in global venture funding as a whole.

Mega-round funding contributed to 12.9% of total Q1 2023 InsurTech funding, the lowest contribution rate since Q1 2020.

Gravie, a California-based employer health benefits company, raised USD179M in a venture-backed funding round – the quarter's only mega-round deal. Q1 2023 saw the lowest percentage (12.9%) of mega-round funding across InsurTech since Q1 2020 (as well as the second-lowest percentage since Q3 2017). Q1 2023 marked the second consecutive quarter of diminished mega-round funding, which fell 89.7% from USD1.48B in Q3 2022 to USD153M in Q4 2022. Nevertheless, despite the drop in funding as a percentage, total funding increased by USD26M quarter on quarter (up from USD153M in Q4). Moreover, India-based InsuranceDekho – an online insurance broker – raised USD110M across two related Series A deals in Q1 2023.

Early-stage funding ticked up 3.8% quarter on quarter, despite an 18.3% drop in early-stage deals.

Q1 2023 saw USD423.59M in early-stage InsurTech funding, an increase of USD15.32M quarter on quarter from USD408.27M in Q4 2022. Consistent with broader InsurTech trends for the quarter, this increase was driven by a 56.5% surge in early-stage P&C funding – from USD194.63M in Q4 to USD304.55M in Q1. However, early-stage L&H funding plunged 44.3% quarter on quarter – from USD213.64M in Q4 to USD119.04M in Q1. Average early-stage InsurTech deal sizes increased 20.1% quarter on quarter, from USD6.92M in Q4 to USD8.31M in Q1. This increase was also driven by P&C InsurTech, which almost doubled quarter on quarter from USD4.63M in Q4 to USD8.46M in Q1. Meanwhile, average deal sizes for L&H InsurTech dropped 36.8% quarter on quarter – from USD12.57M in Q4 to USD7.94M in Q1. Early-stage deal count dropped by 13 quarter on quarter, from 71 in Q4 to 58 in Q1. The drop was consistent across both P&C (from 50 to 41) and L&H (from 21 to 17).

At this point we would like to let the reader know that while we are not retiring the use of 'early stage' as a term, we are going to be intentionally bifurcating it in order to better present the data. From this point we will be including the term 'incubation' and 'acceleration' when we refer to early-stage funding. Incubation specifically refers to all funding that is pre Series A, and acceleration refers to all funding that is Series A. As such, when we use the term 'early stage' in isolation, please assume that we are intentionally combining incubation and acceleration together. This particular report (Q1) focuses specifically on incubation rounds, or pre Series A, and therefore much more will be made of this early stage period of funding on the following pages.

37.7% of all InsurTech deals (as individual deal counts, not funding amount) were in the 'early-stage incubation' category, consistent with long-term InsurTech data.

Companies within the early-stage incubation category raised USD95.80M – or 6.9% of total InsurTech funding – across 40 deals in Q1 2023:

- Angel – 1 deal worth USD100,000
- Convertible Note – 5 deals worth a combined USD7M in funding
- Pre-seed – 3 deals worth a combined USD 800,000 in funding
- Seed – 9 deals worth a combined USD13.71M in funding
- Seed VC – 22 deals worth a combined USD74.18M in funding

As a percentage of overall InsurTech funding, Q1 deals to this category were consistent with long-term InsurTech data.
For instance, 39.3% of InsurTech deals went to this category from Q1 2012 to Q1 2023. Meanwhile, 36.8% of InsurTech deals went to companies in this category even during the InsurTech funding boom from Q3 2020 to Q3 2022.

The majority of InsurTech investments from (re)insurers were early-stage for the sixth consecutive quarter.

Q1 2023 saw 30 corporate InsurTech investments from (re) insurers. The majority (56.7%) of these investments were in United States-based InsurTechs. For this quarter, early-stage incubation investments and early stage acceleration investments comprised the majority of investments. Specifically, Q1 2023 included 8 seed/ angel-stage investments ('incubation'). After this incubation phase, (re)insurers invested a total of 9 Series A investments deals ('acceleration') - early stage funding rounds (both incubation and acceleration combined) represent the funding lifecycle that has attracted the majority of (re)insurer investments into InsurTech for the last 2 consecutive years (for every quarter). The quarter also saw 20.0% of deals from (re)insurers go to Series C investments - the largest percentage since Q1 2019.

MassMutual Ventures led corporate venture activity among re/ insurers in Q1 2023 with six investments. Five other (re)insurers made multiple investments in Q1: Avanta Ventures (5), MS&AD Ventures (4), Munich Re Ventures (4), American Family Ventures (2), AXA Venture Partners (2) and State Farm Ventures (2)

Notable partnerships from Q1 2023 between (re)insurers and InsurTechs include: AXA XL and Document Crunch, Nationwide and Waffle, NEXT Insurance and LegalZoom, Progressive and Zendrive, Tokio Marine Kiln and LOADSURE.

It would be remiss not to mention the potential and very real issues created by the failure of the Silicon Valley Bank (SVB). For many InsurTechs, SVB was the go-to bank. It is said that by the time of its foreclosure, nearly half of all venture-backed tech start-ups had used SVB in some shape or form. On March 10, 2023, the bank failed after a run on its deposits - triggered by a series of central bank-endorsed interest rate hikes amid a global inflation surge. For early-stage InsurTechs in particular, the effects of this foreclosure and failure could be significant. In an environment where funding is already increasingly difficult to come by, this has the potential to make the situation more challenging and protracted (not to mention the increased hardship that this event places on InsurTechs looking to get access to lines of credit and debt funding).

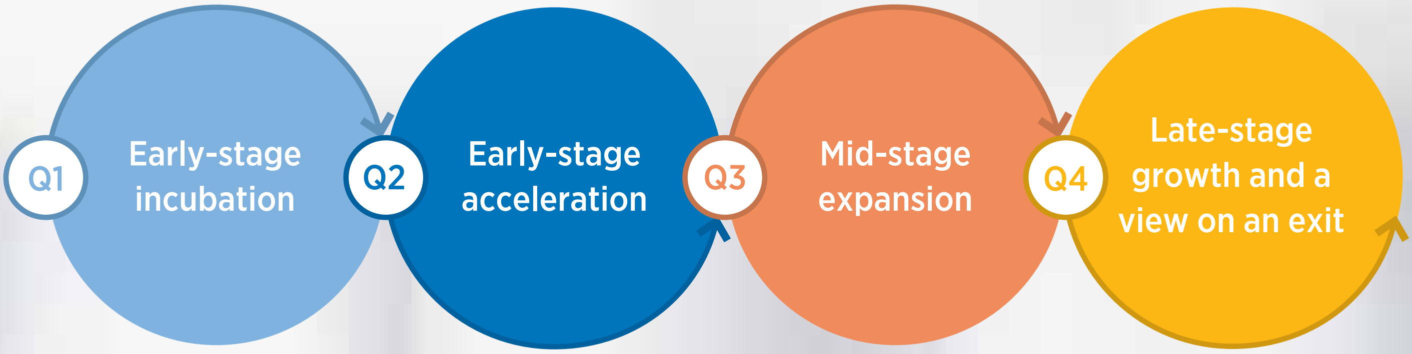
It could be argued that this event could not have happened at a worse time. With InsurTech (at a macro level) clearly at an inflection point where companies were finally realizing they could not rely on loss-propping capital indefinitely, and had to look to be cash positive, the SVB institution and model as it was, for many, the bank that allowed this ultimate transition to take place (by offering the final runway capital required to survive the required metamorphosis). With this facility's former operating structure now potentially gone (with its acquirers (HSBC and First Holding bank) almost certainly taking a much more conservative view on operations), the sink or swim dilemma has had a reckoning at scale that few could have truly predicted. While we have never categorized any slowdown in InsurTech funding as a crash or burst bubble, the potential for a systemic reduction of available cash designed to support InsurTechs is a very real issue that will hasten any downturn mechanics that were already in motion. This event will also undoubtedly affect the number of IPOs that we might have otherwise seen this year with fewer mature InsurTechs likely to take on debt to supplement equity rounds, or borrowing in between rounds to preserve liquidity and avoid down rounds.

The reality could be an increased foreclosure of more InsurTechs. With venture capital and mega-round activity simultaneously drying up, there are far fewer places for InsurTechs to go to get their necessary growth capital. This could result in accelerated M&A, or at least the stripping of technological assets from certain businesses. For those investors that remain active in the space, there is heightened uncertainty for where different sources of finance might have otherwise been able to support their investment. This certainly has the potential to make InsurTech investments a less appealing one for venture capitalists. The collapse of the SVB could very well be the single pivotal moment where InsurTech is no longer associated with lofty valuations and fund raising, and instead known as technology firms (either enabled or offering as a service) focused on the (re)insurance industry. This is inherently not a bad thing, in fact it is a very good thing, but the speed at which this correction might occur will undoubtedly mean that otherwise very good InsurTech businesses (who would in other circumstances go on to add a lot of value) will not survive. In theory the strongest survive, but the timing of this will mean a lot of potential will probably be washed away forever.

INTRODUCTION

Life cycle stages of funding in global InsurTech; Early-stage incubation

For the 2023 series of the Gallagher Re Global InsurTech Report, we are focusing our attention on the lifecycle of InsurTech funding. For those readers who are multi-round investors, or are at least very familiar with the investment lifecycle, it will be clear that there are generally more than four natural rounds of funding. However, in order to fit into four quarters of our own report, we are creating the following themes for each quarter in an attempt to capture all of the activity:

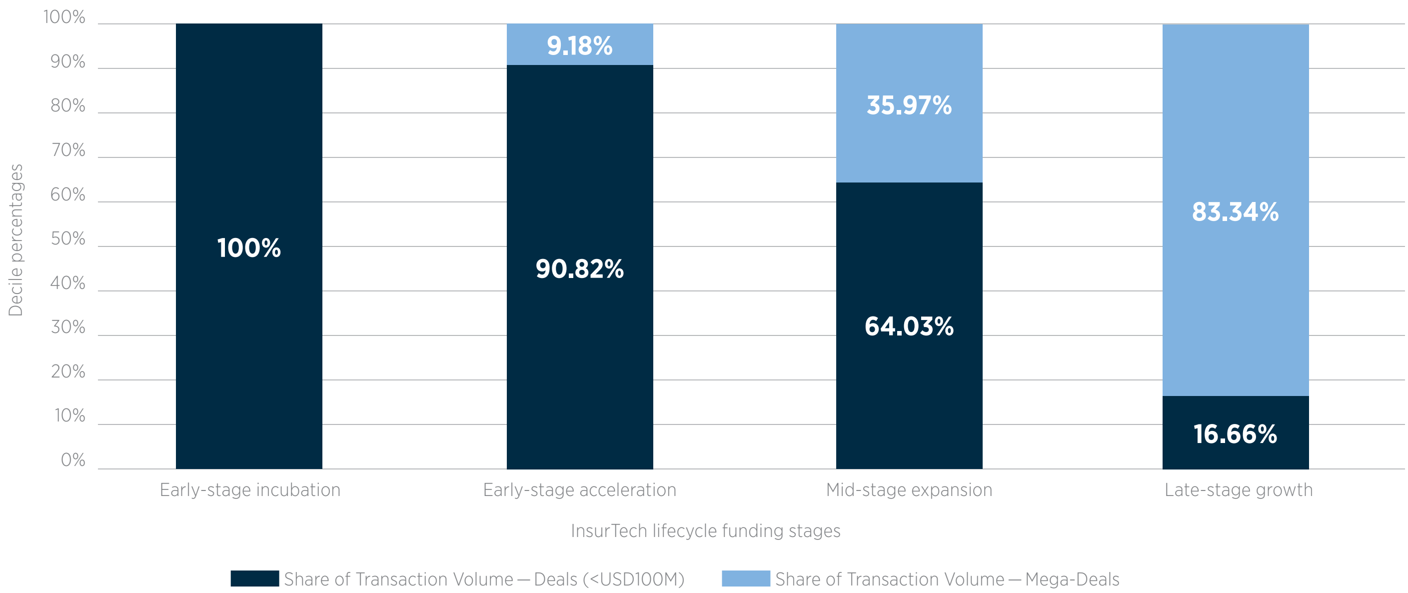


For those interested, Q1 will largely focus on the funding activity captured in and around Angel, Convertible Note, Pre-seed, Seed and Seed venture capital (VC) deals. The Q2 edition will focus on deals in and around Series A. Following that, Q3 will focus on deals at the Series B and C level and finally Q4 will focus its attention on those Series D, Series E+, Growth Equity (despite being rare), Private Equity, Exits and Corporate majority deals.

The purpose for choosing this theme is really to dive into the depths of what is occurring during each significant phase of investment into InsurTechs. We provide a lot of commentary on the deals and data themselves, but we wanted to add some further color in and around specific lifecycles, the rationale behind certain deals, and the challenges and obstacles that each stage presents those companies wishing to raise money. We also want to spotlight investors who operate (predominantly) in specific stages of the funding to highlight what they look for in companies and how they expect their investments to mature. With that in mind, we will continue to feature fantastic companies and individuals who are pertinent to each theme.

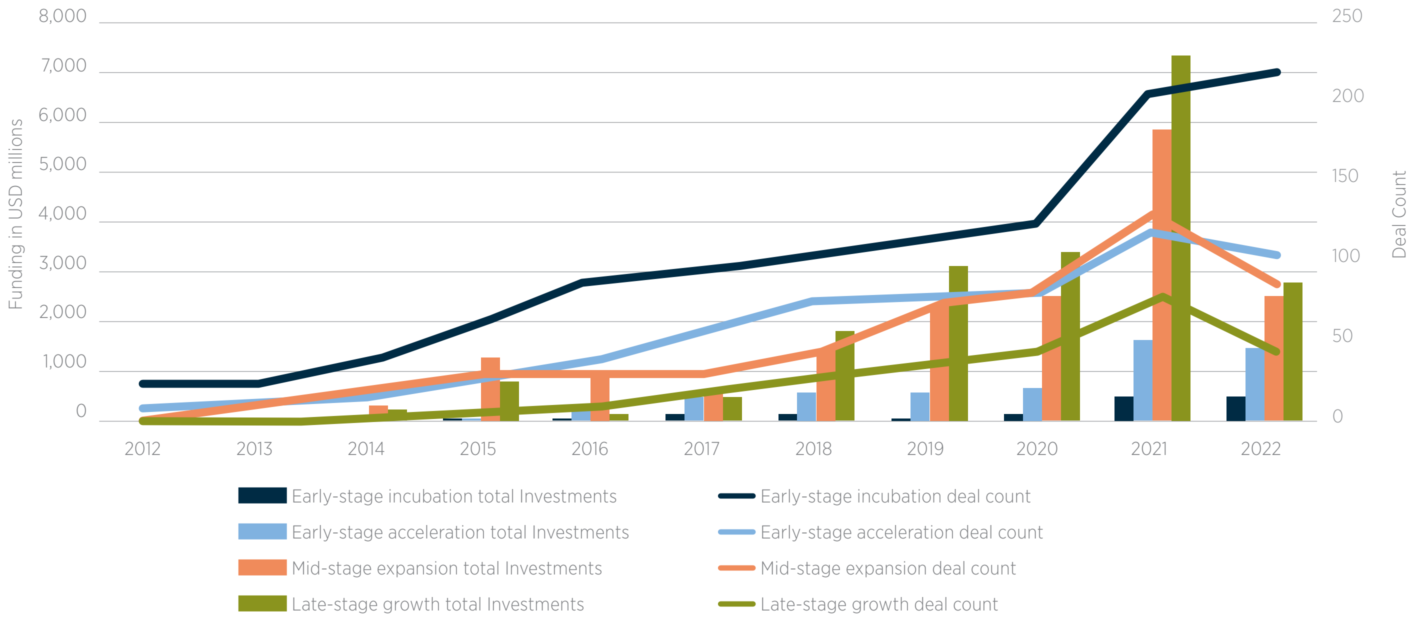
Before diving into the specifics of this report's theme, we want to set the stage and add some historical context as to where we are with regards to breaking down InsurTech investment by each of the four aforementioned stages. As the graph below shows, completely unsurprisingly, there have been no mega-round InsurTech deals at the early-stage incubation phase. There have been a handful in the acceleration phase, over a third in the mid-stage but of course the vast majority have happened at the latest stage, in many cases just before a public entry.

Mega-round and non mega-round funding split by InsurTech lifecycle funding stages (2012-2022)



Over the course of the last ten years, it is clear that up until 2018, final stage funding into InsurTechs was relatively limited (and mid-stage expansion funding dominated total aggregates). Once InsurTechs started gaining serious momentum and looked to exit however, late-stage growth rounds grew significantly. Unsurprisingly, the largest majority share of deal counts has been done at the earliest stage but what is particularly interesting is that early-stage acceleration deal count and mid-stage expansion deal count has remained highly correlated and in some years, there have been higher deal count numbers in mid-stage expansion. This goes against what one might think would occur as you go up the investment life cycle (as check sizes increase and rounds mature, few individual transactions get done).

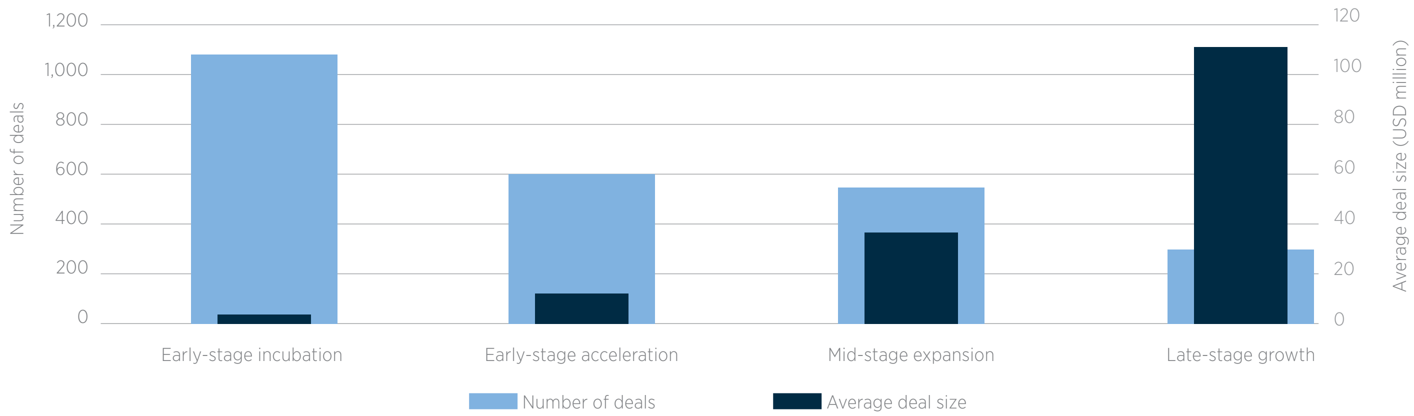
Investments and deal activities per year per stage



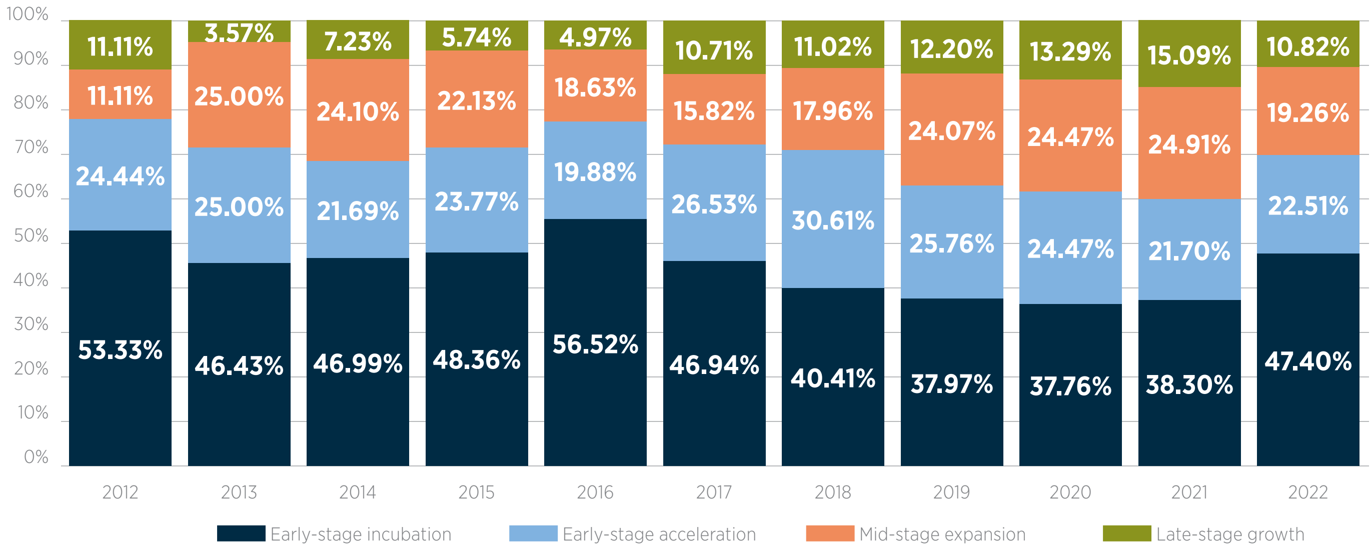
The graph below shows the breakdown between the average deal size by round relative to the number of deals being done. The depiction below is in line with what one might expect – in earlier rounds, dollar amounts are relatively small but volume is high, and as the lifecycle matures, the capital raised increases but the number of companies receiving this funding decreases.

This is all part of the natural evolution of things – many companies fall away, or struggle to raise capital. In a smaller number of cases, some companies may not need to raise any more capital. What is very interesting to see is that the jump from the average mid-stage check size to the later-stage check sizes is extremely significant, almost three times as large.

InsurTech average deal size and deal count volume by lifecycle funding stage (2012-2022)



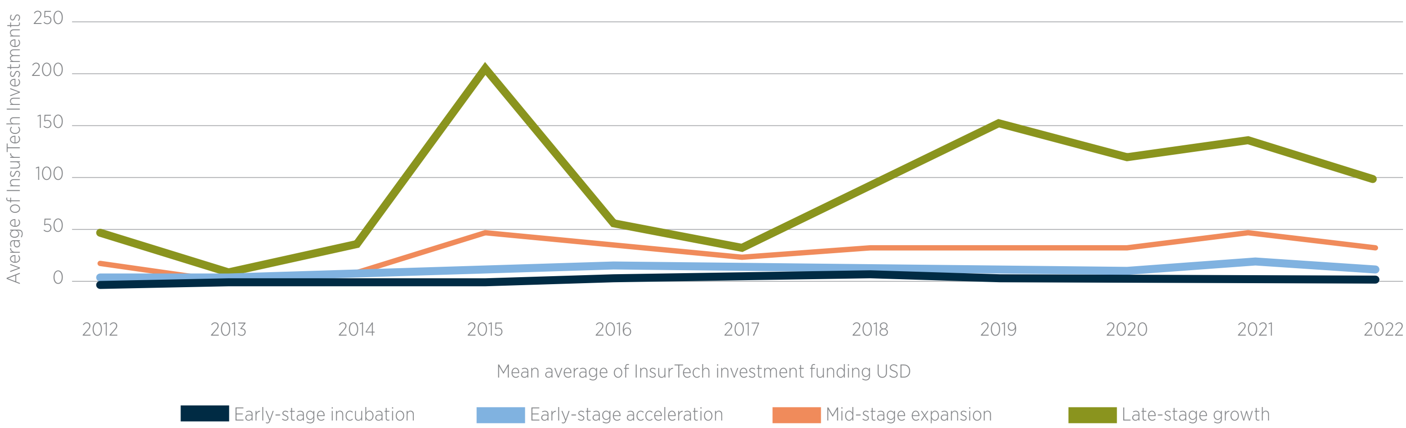
Deal count by investment stage per year — Overview



As the graph above shows there was a steady amount of early stage funding until 2018 where funding and valuations of InsurTechs skyrocketed. Understandably there was a greater focus on later stages preparing companies for IPOs.

Before moving onto the specifics of this report's focus, we want to draw the reader's attention to the issue of reporting InsurTech investment data across the different funding lifecycle stages, with specific regards to mean versus median average reporting. Part of the motivation for doing so is traced back to the aforementioned issue of mega-round funding, and the general ability that certain deals have to skew the overall interpretation we can take from specific datasets and time periods. Often, 'averages' are presented through the function of mean averages, for very understandable reasons – it is quick mathematics and can capture a pretty accurate reflection of reality where there are few significant outliers. In the world of InsurTech funding however, if one looks at the data carefully, there is a consistent stream of outliers almost every quarter.

Mean averages of InsurTech funding (2012 to 2022)



Per the graph above (which presents mean averages), the impact that specific deals can have on the overall presentation of investment data is clear. Take, for example, the impact of the Zhong An fundraise. On the face of things, this would lead us to believe that, 'on average', all late-stage rounds in 2015 were not only mega-rounds, but in and around the USD200M mark. In reality most were closer to USD30M.

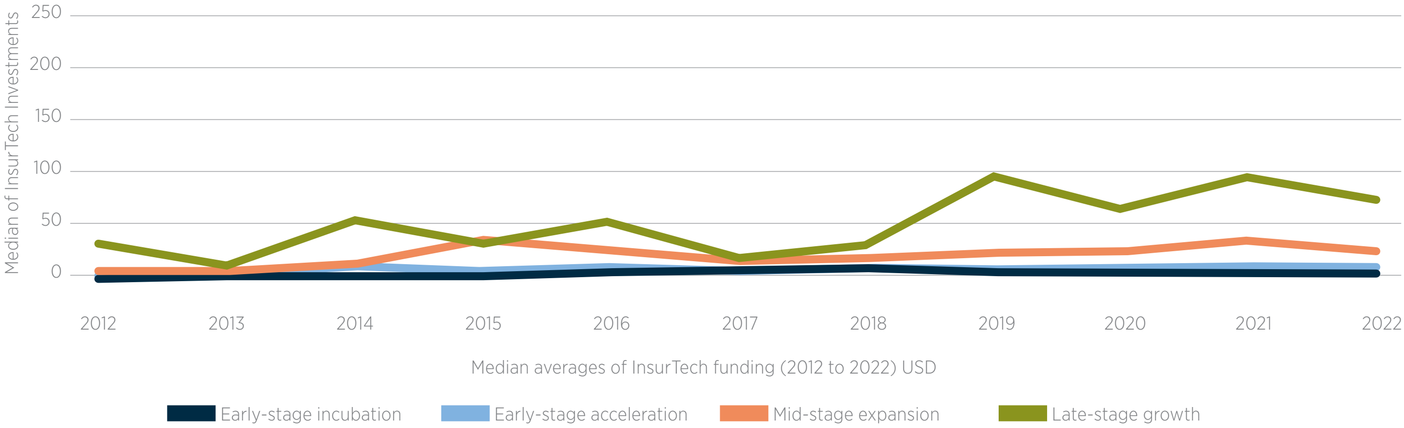
Similarly, if we look at the mean averages for 2019, 2020 and 2021 late-stage growth rounds, the data suggests the average deal is a mega-round. Again, the reality is quite different. If we take 2021 as an example, the data presents the average late-stage deal at the USD130M mark, but in reality most deals, as a mode average (the number which appears most often in the data set), were actually around USD20M. This enormous disparity was driven by a very small set of standalone deals that completely altered the presentation of mean average data. In the case of Q4 2021, this was driven by one deal that was in excess of USD2B.

If InsurTech deals were more frequent, and the individual amounts raised were more consistent with each other, the merits of mean average reporting would be higher. As things stand, however, deal count is still fairly low and we are still observing individual mega-round activity that completely alters our perception of funding, particularly when broken down into the four funding lifecycles as we have done here. When the data are skewed, the median (where we focus on the middle data set, where 50% of data points have a value smaller or equal to the median and 50% of data points have a value higher or equal to the median – effectively looking to temper the volatility that small anomalous number sets can produce) is more useful – particularly when volume of data entries are low.

To put transactional volume being 'low' into context, in Q4 2021, we saw individual deal disparity from sub USD1M to USD1.2B across 142 deals, a year later we observed individual deal disparity from less than USD1M to USD153M across 106 deals – a mean average deal drop (across all lifecycles) from USD47M to USD12M but a deal volume drop of approximately only 25%. With such a small sample size as this, it is obvious the impact that a single USD1.2B deal can make.

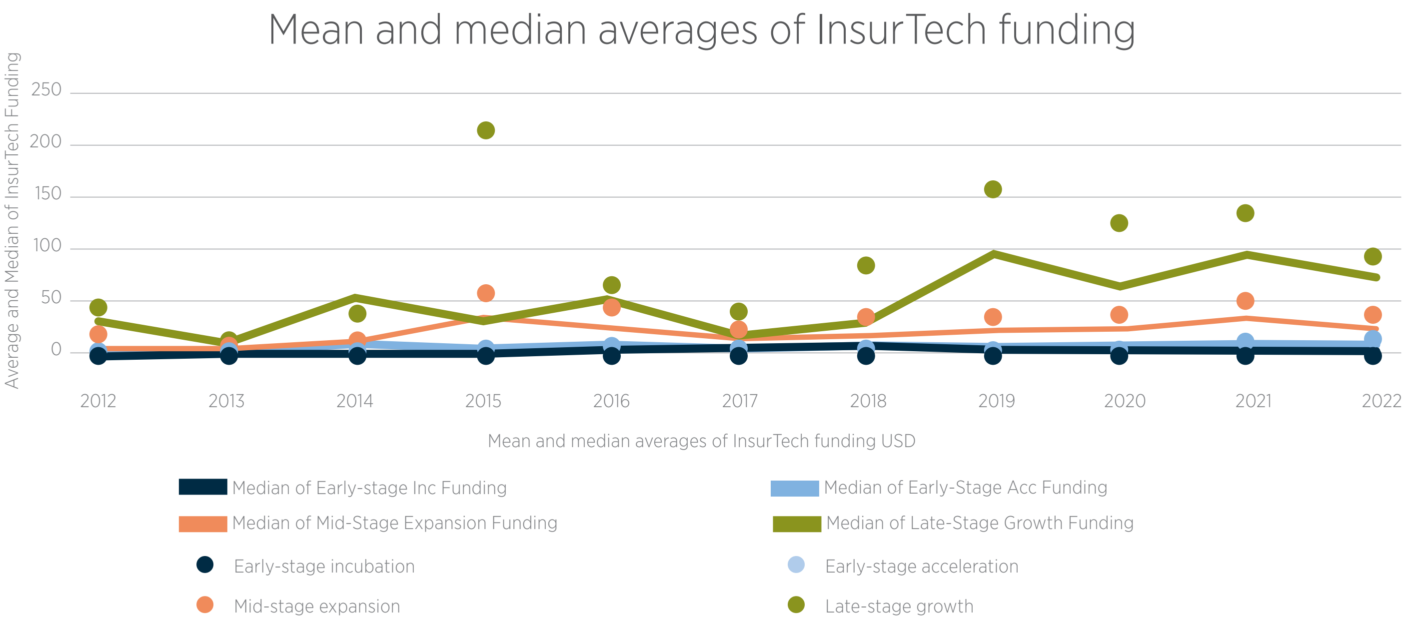
If we apply the same data (and breakdowns) as median averages, we see the statistical analysis is closer to the overall reality and we arguably get a much better opportunity to make a statistical interpretation of the data.

Median averages of InsurTech funding (2012 to 2022)



Per the median average graph above, the first thing to note is that not a single year indicates that the average deal size (at any stage) was a mega-round. We also see that while 2015 had three very significant deals, it does not skew (as much) our overall impression of that year, when compared with 2019, 2020 and 2021. The median average graph is far more in keeping with the quarterly breakdown of aggregate investment tracking, suggesting it is closer to 'reality'. It also serves as a reminder that data interpretation methodology is itself open to interpretation. Neither approach (mean versus median) is inherently wrong, but some approaches are more 'right' when we consider the data set as a whole (in this case very disparate and volatile anomalies against the backdrop of low frequency).

Placing both average types together on the same graph makes the disparity even starker – while early-stage incubation and early-stage acceleration rounds are highly-correlated, significant deviations begin, unsurprisingly, where deal flows are fewer in number (so any change is amplified). In addition, check sizes range much more dramatically in the mid-stage expansion rounds - and are most pronounced in the late-stage rounds (where we have seen individual rounds north of USD2B). Earlier stage rounds are where most of the deal volume is, and while check sizes vary, we are generally observing only a couple of USD million in difference per deal. As such, there are far fewer data entries that deviate significantly from the core average.



Finally on this topic, if we look at aggregate average totals both for individual lifecycle stages and in the round, the differences are once again clear. If we combine every single deal together from 2012 to year-end 2022, across each investment lifecycle the mean averages are as follows; early-stage incubation USD2M, early-stage acceleration USD12M, mid-stage expansion USD38M and late-stage growth USD110M. If we look at all investment lifecycles, the mean average InsurTech investment round size is USD22M from 2012 to the end of 2022. Conversely, looking at median averages early-stage incubation is USD1M, early-stage acceleration USD8M, mid-stage expansion USD25M and late-stage growth USD55M (a very different sum indeed). If we look at all investment lifecycles, the median average InsurTech investment round size is USD5M from 2012 to the end of 2022.

Let us now turn our attention to the specific theme of this report, and begin with the early-stage incubation phase of funding – the beginning if you will. Many founders will tell you that this is absolutely the most important phase of funding. It is here that many companies create a funding blueprint that, if done properly, will play out for the rest of their funding journey.

The vast majority of InsurTechs need capital. (Re)insurance is an expensive industry to break into, technology is expensive to develop and it is usually a plus to be able to share some of that ambition (given that it is a risk) with a capital provider who may also be able to strategically support the business in addition to the money they provide.

In these earlier stages of investment, finding the right investor(s), and also valuing a business that could be little more than ideas on a whiteboard, can be very tricky. Most company values are derived from many different factors, including management, proven track record, market size and risk. Understandably when a company is just starting out, most of these metrics are estimations and assumptions. Perhaps the single biggest difference between the 'four stages' of funding that we will ultimately identify over the course of this year orbits around the valuation of the business and the degree to which founders are prepare to cede equity relative to that valuation. The key distinctions between funding rounds has to do with the valuation of the business, as well as its maturity level and growth prospects. In turn, these factors impact the types of investors likely to get involved and the reasons why the company may be seeking new capital.

This early-stage incubation for InsurTechs is often characterized as pre-seed or seed (sometimes 'angel'), attracting investors who similarly refer to themselves as such. This phase of funding generally refers to the period in which a company's founders are first getting their business model off the ground. Funding at this point is essentially investing in an idea and a founding/management team, as products typically aren't developed yet, and businesses may have nothing beyond a prototype. In some cases, there may be a minimum viable product, but not always.

The most common "pre-seed" funders are the founders themselves, close friends, supporters, family, incubators, accelerators and institutional investors who prefer to focus on this part of the lifecycle (this could be a result of fund size, where the investors consider their expertise to be, or because of their desire to write many smaller checks to really take advantage of spreading their equity risks). In the case where founders themselves invest, this is often a direct cash injection rather than an additional cede or confirmed tranche of equity. It is worth noting that despite this funding lifecycle attracting smaller size checks, the funding rounds can still take a long time and that is part of the reason why we see fewer institutional investors in this space. In any case, the best investors (for the company) at this stage are those that can offer more than just money – whether it be network, expertise etc. At this stage InsurTech start-ups are essentially still building the product (or starting to build, in some cases), ideating the concept, determining the product-market fit, and in fortunate cases have a limited user base. All legal documentations, patents, trademarks and partnership agreements tend be created in this stage. This stage is the idea funding stage.

At this stage, the valuation of the company can be very sporadic. It is not uncommon to see pre-seed valuations between USD0.5M-USD5M. Founders often think that they have a billion-dollar idea in the offing, but valuations around the minimum viable product stage are often very realistic. During this stage, many entrepreneurs also seek guidance from founders who have been there and have gone through a similar experience as them. It allows them to determine the incurring costs of their idea or project, develop a winning business model, and garner ideas on how to grow their plan into an operating business.

For institutional investors at this first stage, there can be a number of benefits beyond straight equity, particularly if they led the round. The lead investor of a seed round is usually the first to get a board seat. It allows them to influence and have a vote in paramount decisions at an early stage of the company. Earliest-stage investors may also get pro-rata rights, which gives them the right to invest in the next round(s) alongside new investors. The capital invested is essentially there to support founders so they can focus all of their attention on their business idea. Run rates in early stage InsurTech environments are typically very high, and revenue is low (if any) and thus to allow growth and a high run (burn) rate to occur simultaneously, founders need capital. One of the single biggest mistake founders make is waiting until they have too little cash in the bank before fund raising.

Those investors who were most active in this space over the last decade vary dramatically. Given that many of the funds raised have come from friends and family, it is difficult for us to give specific names. What we can say is that by far the largest cumulative amount of angel, pre-seed and seed investment has come from 'undisclosed' investors (i.e., individuals who do not want to be named). In fact, this group was involved in deals worth USD875M across 400 deals into early stage InsurTechs. The first named investor is Y combinator involved in deals totalling USD41M. The next (highest in terms of deal count) early stage investor is Plug and Play with an impressive USD52M across 49 deals. Interestingly, there are no institutional CVCs in the top 20 early stage incubation investors.

In terms of geography, as the table below illustrates, the US dominates as the nation leading early-stage incubation rounds of funding with 79 deals, generating a very impressive USD256M. To put that into context, more deals have been done in the US into very early-stage InsurTechs that may not even have a minimum viable product than has been invested into every single Indonesian InsurTech, which has only seen USD247M invested total. Indeed, as of 2022, Japanese InsurTechs across all lifecycles had 'only raised' USD267M in total.

France has done more earlier stage deals than the UK (where the UK is the second largest contributor of InsurTech investment across all life-cycle stages).

Most active nations in early-stage incubation InsurTech funding

Country	Total amount invested (USD)	Deal flow volume
US	257.58	79
France	48.87	18
UK	29.1	16
India	39	13
Germany	14.26	7
Canada	18	7
Singapore	13.18	7
Italy	10.29	5
Switzerland	9.75	4
South Korea	0.76	4
China	9.47	4
Australia	2.28	4
Spain	9.75	4
Netherlands	13.38	4
Chile	2.23	3
Nigeria	2.75	3
Indonesia	5.2	2
Poland	1.58	2
Brazil	7.95	2
Bangladesh	1.4	2
Sweden	1.13	2
Ireland	2.51	2
Malaysia	<0.1	2
Egypt	1	1
Luxembourg	<0.1	1
Mexico	1	1
Kenya	3.7	1
Estonia	1	1
Jordan	0.12	1
Ukraine	<0.1	1
Japan	1.18	1
Mali	0.5	1
Slovakia (Slovak Republic)	1.03	1
Finland	<0.1	1
Israel	8	1
El Salvador	2	1
Uganda	<0.1	1
Cote D'Ivoire	0	1
Russian Federation	2	1
South Africa	1	1
Puerto Rico	4.5	1
Mauritius	2	1
Hong Kong	4.5	1
Vietnam	<0.1	1
Tunisia	1	1
Pakistan	1.3	1
Grand Total	**536.25**	**219**

In terms of noteworthy individual deals, it is probably most pertinent to mention the early-stage incubation deals that are the largest. As previously mentioned the vast majority of raises in this phase are USD0.5M-USD5M. There are however rare cases where astronomical (for the stage expectation) raises occur. Historically, there have been larger raises: MiCare raised USD60M as an early-stage incubation InsurTech. SingaporeLife raised USD52M and Oscar Health managed to raise USD40M. And at the end of 2022, India's Even (a healthcare membership company that allows members to access primary and preventative care at any partnered hospital) raised USD15M.

At this point, it is worth quickly drawing attention to the phenomena in InsurTech that is the incubator model (not to be confused with the accelerator model which we will cover in a later report). While not unique to InsurTech, the sheer number of InsurTechs who have been through incubator facilities in one shape or another is quite astounding. Incubators typically focus their attention on start-ups that are in product development phases and in some cases are yet to have a developed business model. The InsurTech community is blessed with organisations such as F10, FinTech innovation lab, Vittoria Hub and the InsurTech Gateway leading the charge in this area. These incubation facilities help InsurTechs and entrepreneurs to develop their businesses by providing a full-scale range of services that range from training, advice, counsel, free office space, access to incumbents and investors in some cases in exchange for (sweat) equity. The InsurTech incubator community have done a fantastic job of giving ambitious start-ups the best chance of success as they begin their journey.

Before moving onto case studies of InsurTechs that fit the early-stage incubation model, we do want to draw the reader to one final thought. The investment behaviour of many VCs has, to date, possibly dampened activity in this particular lifecycle that we might have otherwise seen from traditional angels, pre-seed and seed investors. Certainly up until the beginning of 2022, institutional VC capital was (relatively) easy to come by for a significant number of InsurTechs. So much so that we rarely saw debt funding raises, and observed a tremendous amount of equity capital raises instead. The larger 'elephant hunter' VCs played in increasingly earlier rounds of InsurTech capital raising when times were most buoyant and, as a result, their equity raise structures would often leave first-mover investors with very little to show for after subsequent raises and dilution practices. Despite observing an enormous amount of early-stage incubation activity (relative to the other three cycles we have pinpointed), one cannot help but feel that more strategic early-stage investing by traditional early-stage investors could have taken place if it wasn't for the sheer volume of equity capital being offered by larger VCs (in some cases scaring angels and pre-seed investors away). We are now in a much more sophisticated space where many investors are returning to 'their lane', and observing an increasing number of debt (facility) raises which will hopefully over time welcome earlier-stage investors back to the table with less fear of seeing their own capital evaporate.

REPORT PARTICIPANTS

INSURTECH CASE STUDIES

- **Mulberri**
  Mulberri is an AI-powered embedded business insurance platform purpose-built for payroll providers, professional employer organizations and their brokers.
- **Micruity**
  Micruity is building the infrastructure to power a retirement income revolution: lifetime income solutions for retirement savings plans in North America.
- **OTONOMI**
  Otonomi is a smart contracts-enabled parametric platform that transforms cargo insurance policies into fast, cost-effective, and transparent digital products.
- **SnapHealth**
  SnapHealth is empowering patients and brokers alike, with tools to shop for and utilize health insurance.
- **Fursure**
  Fursure is building one of the first financial platforms for pet parents, helping owners pay for critical health care. It offers a suite of resources, from a rewards debit card to a national pet insurance marketplace, that helps pet parents smartly budget, save, and pay for veterinary care.

THOUGHTS FROM INVESTORS

- **Brian O'Reilly, Greenlight Re Ventures**
  Founding member of Greenlight Re Innovations, Brian shares with us his view on strategic investments and capacity support of early stage InsurTechs.

DEAL OF THE QUARTER

- **Kita**
  Kita is a carbon insurance specialist; helping to reduce risk in carbon credit transactions with insurance products that safeguard the quality and performance of carbon purchases.

THOUGHT LEADERSHIP

- **Gopi Rangan, Sure Ventures**
  Founding partner at Sure Ventures, Gopi shares with us his view on early stage investing into InsurTech and his view on how this space is evolving.

VIEW FROM THE INDUSTRY

- **Deepon Sen Gupta (Gallagher Re, Strategic Advisory)**
  Global Head of Strategic Advisory, Deepon shares his view on how incumbents view innovation, and InsurTech more generally. He also includes for us his expectations for the future.

ECOSYSTEM PARTNER

- **Insurtech Gateway**
  Insurtech Gateway is a venture builder and investor, which aims to fill the space between insurance and innovators from new sectors and niche segments - providing expertise, resources and funding to shape new risk solutions, de-risk their launch and ready them for adoption.

THE DATA CENTRE

- **This quarter's data highlights**

INSURTECH CASE STUDIES

Early-stage incubation—Mulberri

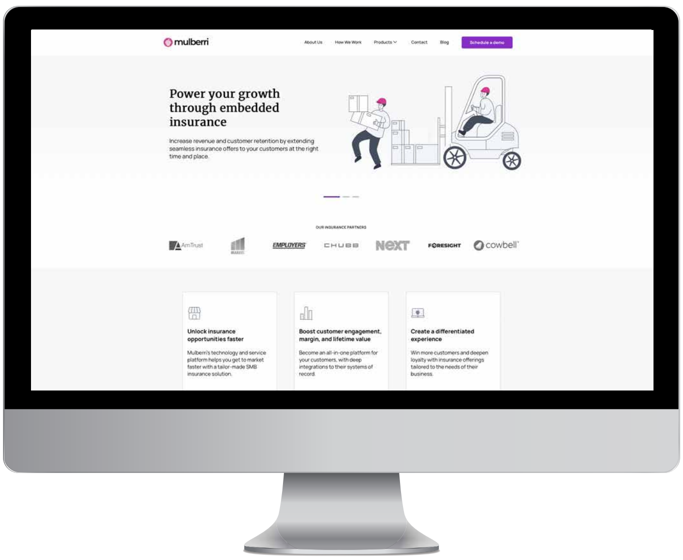
mulberri

Mulberri is an AI-powered embedded business insurance platform purpose-built for payroll providers, professional employer organizations and their brokers. By serving the unique needs of these organizations and the small and medium businesses they serve, Mulberri is redefining the insurance lifecycle.

Launched in 2021, Mulberri's mission is to use technology to connect businesses and carriers and help them make intelligent data-driven decisions. Mulberri's platform allows buyers to compare and bind policies on the platform directly.

Mulberri's purpose-built platform encompasses smart submission intake, API-enabled quote, and bind, data-driven insurance management, and simplified post-bind servicing.

> "Mulberri is simplifying business insurance - while bringing it fully into the 21st century".
>
> "We are proud to play a part in the digitization of the insurance industry and excited to drive the industry toward more intelligent data-driven decisions."
>
> **Hamesh Chawla**
> CEO and Co-founder of Mulberri



Mulberri's platform directly integrates with popular software like Salesforce, Prism HR, and ClientSpace to ingest client information automatically. Mulberri organizes this information in an intuitive Customer Relationship Manager (CRM) for easy management. By offering a Single Entry Multi Carrier Interface and integrating with third party data sources, the platform greatly reduces the data entry effort and simplifies the buying process.

Mulberri's platform supports all Property & Casualty lines, including workers' compensation, cyber liability, general liability, business owner's policy, professional liability, and employment practices liability. Mulberri has several API-enabled carriers on its platform today and plans to continue adding more over time.

Last year, Mulberri raised a USD4M seed investment led by a consortium including Hanover Technology Investment Management, MS&AD Ventures, and Altamont Capital Partners. It has used the capital to enhance the platform, expand infrastructure and technology, and accelerate its data science capabilities to support its customers. Moving forward, Mulberri will continue to enhance its platform by building capabilities that deliver risk modeling and tailored insurance products, catering to the specific needs of micro and small businesses.

Recent company highlights include:

- Licensed in all 50 states
- Experience working with small and large payroll providers and brokers
- Funded by respected VC institutions
- Accomplished team made up of scientists, engineers, and insurance experts from Next, Cisco, Equinix and PwC

Early-stage incubation—Micruity

MICRUITY

Micruity is building the infrastructure to power a retirement income revolution: lifetime income solutions for retirement savings plans in North America. Their platform enables plan sponsors to offer lifetime income products inside their defined contribution savings plans, transforming retirement savings into retirement income strategies.

As of 2020, it was estimated that fewer than 30% of households will have enough income from a corporate pension to fund their retirement. That number drops to 16% for Millennials, and 8% for Gen Z. With a retirement savings gap in the trillions of dollars - and growing - there is a retirement crisis on the horizon. Micruity is rethinking retirement planning to make income strategies more accessible.

The passage of the SECURE Act in 2019 was a catalyst for retirement savings and income strategies in the US by removing barriers to plan sponsors who recognized the need to incorporate income planning in their defined contribution plans. With SECURE 2.0 in 2022, there has been an acceleration of interest in lifetime income products as part of a more holistic approach to retirement savings.

Micruity connects the income product manufacturers - life insurers and asset managers - with the defined contribution plans administrators, records keepers and other third party systems to power a seamless experience that offers portable guarantees to plan members.

The Micruity Advanced Routing System (MARS) is an end-to-end infrastructure for the retirement income ecosystem. It connects the plan participants and eliminates the need for one-to-one relationships, enabling efficient scaling of retirement income products through a single, seamless integration. Modular programming and APIs deliver quick set up for product pathways, integrating product data into external applications. Whether it is plan portability or payout functionality, MARS supports the entire lifecycle of the product.

"Defined contribution plans were designed as retirement savings plans, but today many retirees rely on these plans as their sole source of retirement income, leaving them vulnerable to market corrections outside their control. Annuities and systematic withdrawal programs are an attractive alternative that can take some of the guesswork out of retirement planning and help us close the retirement insecurity gap."

Trevor Gary
Co-founder and CEO

In addition to Micruity's data infrastructure, the company hosts a collection of pre-built apps to support plan participants looking to get a glimpse at expected future income, digitally collecting all the data required to issue in-good-order annuity certificates, and tools to modify installment withdrawals.

Micruity has raised nearly USD10 million in funding from RetireTech focused investors and strategic partners and currently supports 15 products across eight product manufacturers, including Allianz Life, Fidelity Investments, Pacific Life and State Street Global Advisors.

Early-stage incubation—OTONOMI

OTONOMI

Otonomi is a smart contracts-enabled parametric platform that transforms cargo insurance policies into fast, cost-effective, and transparent digital products.

Powered by proprietary technologies in data-activated triggers, smart contracts, and integrated digital wallets, we reduce claim resolution times from 45 days to 45 minutes, lowering admin costs by 75%. Our algorithmic underwriting model and advanced risk scenario capabilities unleash new markets while achieving unparalleled profitability.

Otonomi offers a unique and innovative Parametric Cargo Delay Insurance product, designed to protect shippers from ongoing problems in the Supply Chain - a USD50B protection gap in the industry.

OTONOMI'S PRODUCTS

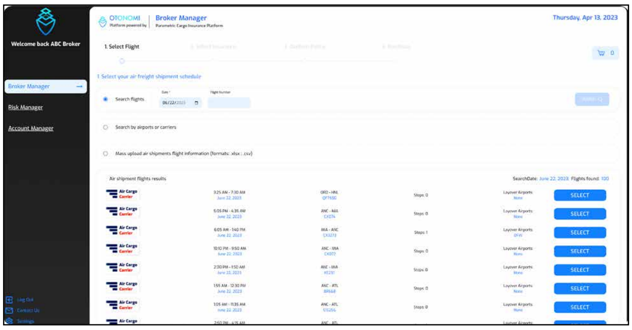
Every year, an average of 61% of cargo flights suffer shipment delays.

Our Cargo Delay Insurance compensates shippers of any critical cargo, for delays and loss of use for any delay greater than 12 hours. Initially, we are rolling out our coverage for Air shipments and we will be expanding into Ocean and Ground transport in the near future.

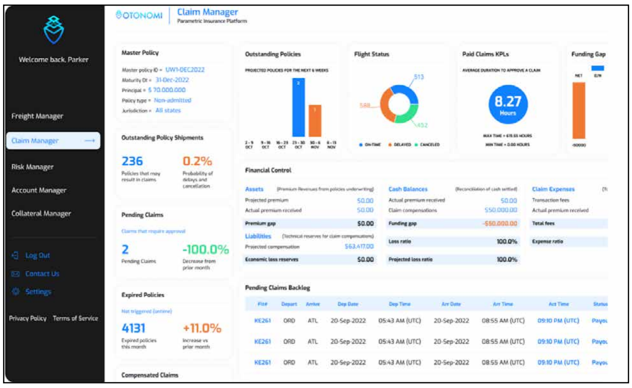
1. Our platform requests shipping dates, flight information, amount of coverage desired, and "insured" ACH information for fast and transparent premium payment and claim settlement.
2. After purchasing the policy, the shipper can print the policy and will automatically receive a certificate of insurance via email.
3. Our platform then tracks the shipment, and in the event of a 12-hour delay or more, automatically alerts the insured of the delay, and claims payment will be sent via ACH within 48 hours.
4. Claim payments can be used to cover increased costs of delays, loss of use, diminished value, property damage deductible, applied to underinsured property, and cover any contractual/ penalty obligations.

We are launching our product this Spring and are reaching out to a few select distribution partners that would be interested in offering, testing, and rolling out our product to insureds.

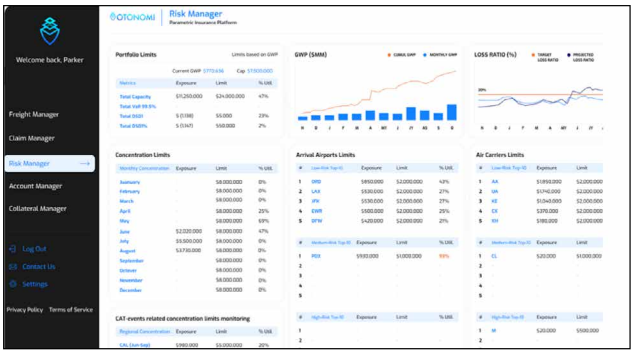
- **Freight Manager:** Unparalleled customer experience for logistics companies.



- **Claim Manager:** With our parametric model, we offer simple monitoring of policies that can be reviewed in a snap while providing full transparency to both the insurers and the clients. Claims get resolved in 45 minutes instead of 45 days.



- **Risk Manager:** We collect billions of proprietary data in logistics, aviation and climate to build fast and secure data management infrastructure. Our statistical and machine learning algorithms unleash unseen quantitative underwriting dynamic pricing with competitive loss ratios.



WHY CHOOSE OTONOMI?

Here is the summary of the reasons why you should use Otonomi:

- No deductible
- Our parametric products bring operational and financial efficiencies across multiple industries
- Insure shipments easily in a few clicks on the freight scheduling page, provided by our insurance brokers partners
- Limits up to USD100,000 per conveyance
- Quoting, binding and policy issuance takes minutes
- Full control of claim payments

INDUSTRY FOCUS

A large number of sectors can benefit from our coverage, but really any shipments should be protected against delays!

Delays for goods and assets protected including, but not limited to (assets exclusions may apply):

Reefers | **Luxury Goods** | **Parts**

Perishables | **Event Logistics** | **Livestock**

"The US economy is showing signs of disinflation but the effects of the global reset have continued to be felt across the supply chain.

At Otonomi, we are firming up our footprints in unchartered territories when it comes to providing a complete overhaul of the autonomous provision of insurance, in addressing the problems of an industry screaming for innovation. It's an amazing opportunity for the logistics customers as they are leveraging aggressive tech and predictive analytics to recoup vital capital and protect their liability risks."

Yann Barbarroux
CEO of Otonomi

FUNDRAISING

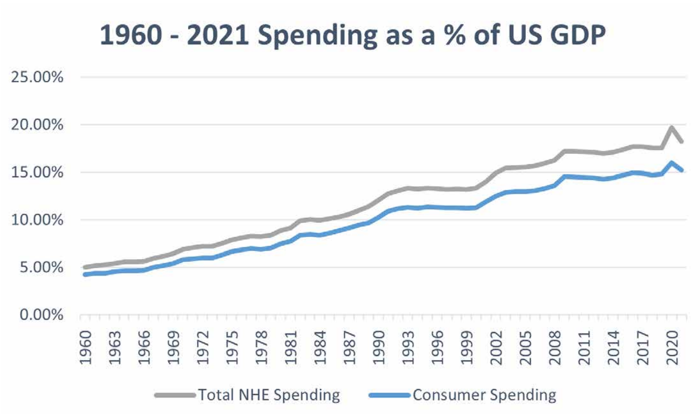
Otonomi closed in October 2022, a USD3.4M funding round led by ATX Ventures, followed by GSR Ventures, Greenlight Re Innovations, Punja.VC, Altari Ventures, Soundboard Venture Fund, Blackhorn VC, Bering Waters, REFASHIOND Ventures and a number of specialized angels and syndicates.

STRATEGIC PARTNERSHIP

In March 2023, Otonomi announced the partnership with Greenlight Innovation Syndicate 3456 to act as a platform provider for a Parametric Cargo Insurance Program! Otonomi powers the operating platform of Greenlight Re Innovations's parametric insurance program that helps mitigate the USD10B gap left by global supply chain delays across industries.

Early-stage incubation—SnapHealth

Amidst skyrocketing healthcare costs, SnapHealth is empowering patients and brokers alike, with tools to shop for and utilize health insurance. In 2019, US patients spent USD 3.8 trillion on healthcare. A majority of US citizens believe that healthcare costs are unreasonable, with 67% expressing their dissatisfaction with the current state of affairs, according to a study by the Kaiser Family Foundation. The US healthcare system is complex due to many stakeholders focusing on their own needs, which cause inefficiencies and misalignment between siloes. Patients want a better, more accessible, and affordable healthcare system, which is where SnapHealth comes in. They use technology to bridge the gaps between systems and empower patients from coverage to care.



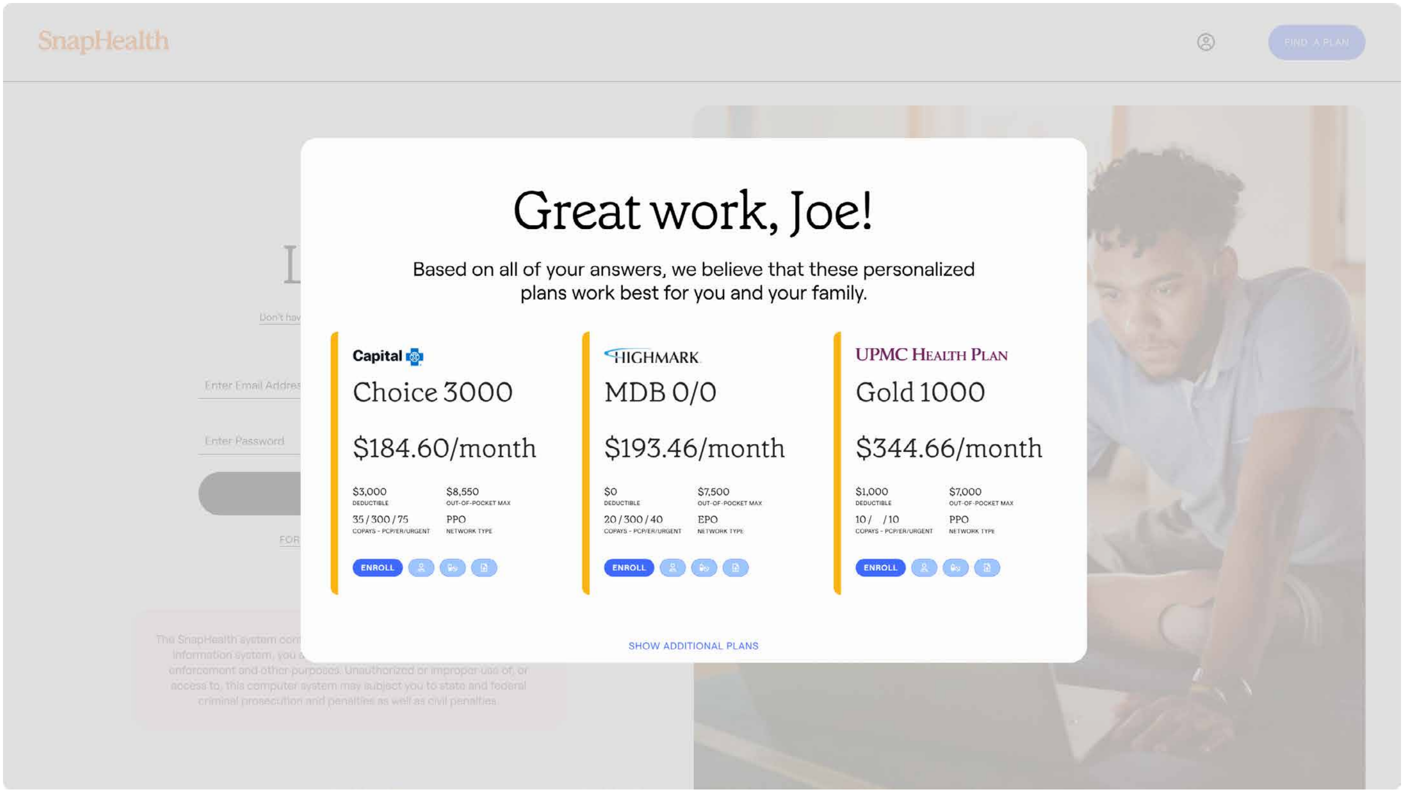
SnapHealth's success is rooted in the experiences of PA Health Advocates, a health insurance agency led by a leadership team with more than ten years of experience assisting consumers and advocating with policymakers. After the founder was double-billed for the birth of his son, he shifted his focus. He moved from financial advising to helping families navigate both obtaining and utilizing their health insurance. Since then, his team has become known as fixers and healthcare advocates, stepping in where others either couldn't or wouldn't.

SnapHealth is taking the over 1,000 experiences that PA Health Advocates fixed and making the same solutions available digitally for consumers. The company's tools provide decision support for individuals and brokers, including a self-guided onboarding process to buy insurance. Using 10 years of broker-compiled use cases, SnapHealth algorithmically provides an instant recommendation of the three most suitable health insurance plans for a family to review and enroll. For brokers engaging individuals across the US, SnapHealth is building tools to assist them in quoting existing clients as early as 10.1 of each year, giving them more time than traditionally afforded during the 11.1–12.15 Individual Market Open Enrollment Periods.

As an earlier stage InsurTech, SnapHealth's funding began with USD 112,000 from the founder himself, and a USD 10,000 grant from the Ben Franklin Technology Partners after participating in their TechCelerator Program in 2021. Ben Franklin also awarded SnapHealth a USD 125,000 investment in October 2022, further supporting the launch of their digital minimum viable product's initial rollout in Pennsylvania.

For SnapHealth, the future means taking the independent use cases that they have worked on firsthand with patients and wrapping those solutions into a digital environment. The company aims to chart the path of least resistance when patients need help with anything from coverage to care. By empowering patients with education and tools, SnapHealth believes that healthcare in the US can be affordable, accessible and effective.

> "SnapHealth is driven to make healthcare simple, accessible and affordable for patients by developing tools for all parties involved in the healthcare system. We are excited about the future."
>
> **Joshua Brooker**
> Founder



Early-stage incubation—Fursure

Fursure is building one of the first financial platforms for pet parents, helping owners pay for critical health care. It offers a suite of resources, from a rewards debit card to a national pet insurance marketplace, that helps pet parents smartly budget, save and pay for veterinary care.

Fursure was founded in San Francisco in 2020 by Catherine Dennig and Keji Xu, former senior product manager at Facebook and youngest solutions architect at Amazon, respectively. The company has since grown to a team of nine full-time and fully remote employees across the globe.

The pet industry in the US is booming, with more than 185 million pets and a market worth USD120 billion that is expected to surpass USD277B by the end of the decade. Despite the industry's growth, a staggering 97% of pets are uninsured, leaving pet owners exposed to unforeseen expenses. Fursure's mission is to alleviate financial stress by providing pet parents with the financial tools and education to make better decisions for their furry friends.

In 2022, they launched the Fursure Card, the first rewards debit card for pet parents, that helps pet owners budget, save and pay for vet care. As a result, Fursure has helped more than 60,000 pet parents navigate the complicated world of pet insurance and financial planning as it pertains to their pets.

Fursure is preparing to launch its own insurance product later this year, which aims to revolutionize the current claims payment process. Fursure Pet Insurance's key differentiator is its rapid claims reimbursement technology, called Fursure Vet Pay, which ensures customers no longer endure weeks of waiting for claim checks or pay out-of-pocket for accidents and illnesses. With an exceptional customer service team, which boasts an impressive 90 NPS score, and its commitment to transparency, Fursure aims to deliver the most straightforward and hassle-free pet insurance product on the market.

Catherine Dennig and Keji Xu, Fursure's co-founding team, met at Princeton in 2011 and shared a passion for making insurance more approachable. Catherine's personal experience with the high cost of pet treatment and Keji's upbringing without health insurance fueled their drive to create a better insurance experience. In 2022, Forbes recognized their innovation in consumer tech and named them among the 30 Under 30. Catherine was also named the 2021 Princeton University Tiger Entrepreneur Award winner.

Prior to Fursure, Catherine led product teams on News Feed and Ads teams at Facebook. She helped build and launch Ad Credit, growing it from zero to over USD100M in revenue, now a sustainable growth lever for Facebook. Before that, she started a company called Nofomo while at Princeton.

Keji, meanwhile, was the youngest Cloud Solutions Architect at the time hired at Amazon Web Services, specializing in machine learning with Series A and Series B companies. Before that, he received an engineering degree in computer science at Princeton University.

"We've seen amazing advancements in pet food, but it's time for a new era of innovation," said Dennig.

"Pet health has now surpassed pet food as the fastest growing segment of pet spend, but there has yet to be a single destination that supports pet parents as they manage their pet's health and finances. That's why our team is building the first-ever financial platform designed to help pet parents smartly budget, save and, most importantly, pay for care."

Catherine Dennig
Co-founder

Raise

In October 2022, Fursure raised USD3M in a Seed+ round led by MaC Ventures, with participation from Sure Ventures, Scrum VC, Western Tech Investment (WTI), Slope Fund, Winklevoss Capital, Streamlined Ventures, Upside Partnership and world-class angels.

With this latest investment, Fursure has raised a total of USD6.6M in funding, following its first Seed round co-led by Streamlined Ventures and Moxxie Ventures in 2021. The impressive fundraising history is a testament to Fursure's unique product offering and unmatched value in the pet market, as well as its CEO Catherine Dennig's expertise in seeking out investors grounded in the seed stage. The latest investment will enable Fursure to further establish itself as the leading pet parent financial platform by developing unique pet healthcare products that meet customer needs and fill gaps in the market.

THOUGHTS FROM INVESTORS

BRIAN O'REILLY

Head of Innovations – Greenlight Re

1. **Brian, wonderful to have you with us for the first report of 2023, before we dive into your observations and thoughts on InsurTech and investing, would you be so kind to share your professional background with us?**

   My career started in the US as an actuary with a couple of super regional carriers (ICW Group and Accident Fund) before coming to Greenlight Re in 2013. I've done a little bit of everything in the actuarial function over the years; including pricing, reserving, capital modeling and cat modeling. In 2018, we set up Greenlight Re Innovations. I was on the founding team here and have been leading the unit since 2020.

   In this role I've been supporting our portfolio companies from both an underwriting and investment standpoint and my perspective changes multiple times a day, changing out an underwriting hat for an investment hat and vice versa. We've grown our team from three to six over the last three years as our portfolio has grown and matured. Five of us are based in the Cayman Islands, and in 2022 we hired our first employee in London to support our newly launched InsurTech Syndicate at Lloyd's, Syndicate 3456.

2. **Can you please tell us about Greenlight Re Innovations? Both as a company, and how you allocate funds/invest? What is the relationship with the core reinsurance practice?**

   Greenlight Re Innovations was initially set up in 2018 with a fairly broad mandate around engaging with start-ups.

   We invest from the balance sheets of our reinsurance companies and we can provide reinsurance capacity via our carriers in the Cayman Islands or Dublin. We can also provide insurance capacity via our dedicated InsurTech syndicate at Lloyd's, Syndicate 3456.

   Our first cohort of investments involved MGAs, as well as technology and claims start-ups. Over time, we recognized that our ability to both invest and provide capacity to start-ups was a significant differentiator and started to see a lot more opportunities come our way. For the last three years or so, we have been leveraging this strategy.

   Generally, we look to support investment opportunities that directly link to our core reinsurance portfolio and are accretive to the company. As a smaller reinsurer, it is difficult to build deep expertise in smaller classes of business. We have been able to access business through Greenlight Re Innovation that is less volatile, produces accretive underwriting profit with long-term minded partners. Taking a long-term view as both an investor and capacity provider also helps align the incentives of both parties.

A key differentiator of ours is the team structure. Our investment team has two qualified CPCU's, three qualified actuary and the sixth has been actively supporting our underwriting team for years. We all look at prospects as underwriting opportunities first in our triage process. To advance internally, we need to be confident that this potential investment will also provide unique underwriting opportunities to what we traditionally see.

We see our Innovation efforts as a way to create a differentiated portfolio that gives us access to classes of business reinsurers generally do not see. We've been able to leverage our investment to access experts in areas we previously have not had exposure. By partnering with different underwriting teams, we are able to create a healthier underwriting portfolio.

In 2022, we launched Syndicate 3456, a Syndicate in a Box at Lloyd's focused exclusively on InsurTech, to better support our current and prospective partners. This has further strengthened our offering to start-ups and given us more flexibility to support partners in different jurisdictions.

3. How would you describe the evolution of the InsurTech investment environment in your experience.

The InsurTech investment environment has been through a variety of changes over the last five years or so. When we started our unit, there was a prevailing narrative around disruptive innovation where many new entrants were trying to challenge the foundational value chain that had been in place for many years. There was a view that there was a significant opportunity to drive efficiencies through direct-to-consumer offerings. These models have been challenged by high acquisition costs, lower than expected retention and, most importantly, heightened loss ratios.

While there is a place for these models in the market, the fact is incumbent markets have had a significant head start on data, segmentation and distribution relationships. These new business models are targeting the most efficient areas of the insurance industry and have had difficulty making a significant dent while maintaining profitability.

One challenge that will not change is that buyers of insurance, for the most part, still see insurance as a grudge purchase and don't want to spend too much time on understanding insurance or the buying process.

That being the case, the majority of investment in the InsurTech space remains focused on the distribution side and getting access to customers in the most cost-efficient way. While there is a focus on distribution, we are seeing an increased focus on underwriting economics so that it's not just about acquiring customers, it's acquiring the 'right' customers.

4. 2022 saw a dip in global InsurTech investments, why do you think this was?

The venture capital market broadly was affected by a handful of macroeconomic factors including but not limited to:

- interest rate increases
- special purpose acquisition company (SPAC) demand decreases
- unsustainable valuations
- funds taking large markdowns of their portfolio
- public tech company valuations being cut down

Compounding the general challenges in the venture capital market, InsurTech companies were affected by additional challenges including but not limited to:

- inappropriate valuation metrics which led to unsustainable valuations
- general insurance market profitability which led to a challenged reinsurance market
- underperformance of public InsurTech companies
- overspending on marketing and customer acquisition

5. **And what are your expectations/predictions for 2023?**

There is a market consensus that there is a hard (re)insurance market. We expect this to have a variety of trickledown effects on the InsurTech market.

Capacity - Capacity is and will continue to be skeptical of InsurTech start-ups performing on the underwriting side. There will still be support for companies that have a truly unique differentiation, but I expect there to be more scrutiny and pressure on economics and underwriting authority. Overall, this is good for the industry as underwriting performance needs to be sustainable long-term.

Vertical expansion – We are seeing companies who have a product or service that is not insurance, but they can enhance with an insurance product, warranty or guarantee. We like that the purchase is not a grudge purchase and is enhancing the underlying product or service. We recently supported a company, Weather Promise, that is partnering with travel agencies and tour operators to enhance the travel experience with a guarantee that will pay out if the weather was worse than expected on your holiday.

Co-Development – We expect to see closer connections between start-ups, carriers and reinsurers. Bringing industry knowledge and experience to start-ups early in their lifecycle has been invaluable in derisking the start-ups go-to-market strategy.

Cooling of growth expectations – Insurance industry veterans have long warned that fast growth is often correlated with unprofitable business. Given the capacity sentiment above, I'm expecting start-ups to self-discipline and prove out their underwriting thesis, potentially at the expense of growth.

6. **Given we are at this inflection point in InsurTech investing, what are the main/major lessons you think we should learn from the last five years while looking forward?**

Managing the stakeholder balance/imbalance – Over the last five years the core stakeholders in the InsurTech value chain have been accruing different types of value. Customers are expecting a differentiated offering with quicker, faster, better service. This has sometimes been at the expense of underwriting capital. We've also seen restrictive underwriting guidelines limit growth to the frustration of investors. At various stages of the last five years, each of these constituents has been "winning" while the others are losing. This is long-term unsustainable given all three constituents need to be served adequately. There is no magic bullet solution, here but I believe there have been hard lessons learned by each party that have helped them better understand the tradeoffs of stakeholders in the value chain. As Greenlight Re is generally both an investor and a capacity provider, we are in a strong position to manage any imbalances.

Underwriting Expertise is critical – Historically InsurTechs were approaching industry outsiders and telling them that the industry has been doing everything wrong. While the insurance industry is far from perfect, we see industry experience as table stakes and place a high premium on the underwriting knowledge of team, particularly in traditional classes of business. Our most successful investments have been in InsurTechs with deep insurance expertise.

Traditional insurance metrics need to be KPI's - We expect to see more focus and interest from investors on traditional insurance metrics like loss ratio, frequency, severity, rate changes, hit rates, quote rates and decline rates. These are often discussions had with insurance partners, but investors should understand what impact these metrics have on business models.

7. As an investor, what do you look for in an InsurTech?

Companies come from a variety of backgrounds and we are not prescriptive on companies fitting an exact profile, however, we do place value on a handful of characteristics and traits.

Team Profile – In the early stages the team experience or 'founder-market fit' is one of, if not the most important things we look for. What unique experience, insight, or pain point have the founders identified that they are equipped to solve for? We place a premium on insurance market expertise, especially those with a track record.

Partnership Mindset – We look at any prospective opportunity as an investment of both our underwriting capital and investment capital. We try to focus early on in discussions on if and how much they value our partnership and they understand the start-up execution risk we would be taking on by supporting a start-up with no track record. It is surprising how often we've had discussions framed around "what can you do for me" rather than "what can we do together". We like to talk about what happens if things go wrong and how we fix them before even starting a program.

Value-add co-investor base – It is important for us to have investors that bring different expertise and value to our partner companies. We see ourselves as the insurance experts on the cap table, but we have less experience in other parts of venture building (e.g., developing digital marketing strategies).

8. Looking forward, what types of InsurTech companies are you looking to meet with?

Inefficient classes of business – We like InsurTechs that focus on areas or classes of business that have high expense ratios. There is a greater opportunity for value capture in these spaces as loss ratio expectations are lower and they can have additional margin of error with a scalable expense base.

Specialty MGAs - We are very interested in leveraging Syndicate 3456 at Lloyd's to support specialty MGAs. We've been quite active with Lloyd's Lab and the Lloyd's product launchpad and are keen to help companies engage with Lloyd's as well. We've been able to support new products like battery insurance and vacation rental home insurance through the Syndicate already. We have the ability to underwrite Non-Admitted business in the US as well as a broader set of risks in other jurisdictions. Examples would include; drones, agribusiness, product recall, gig economy, micromobility, supplemental benefits.

Embedded Insurance – We like embedded insurance for a lot of reasons as these offerings can have lower acquisition costs, generate less volatile results, and are an overall value-add to end customers. This feeds into the vertical expansion theme I mentioned earlier.

9. **Greenlight Re has been very active in the early-stage investment world into InsurTechs, why did you make that decision? Do the InsurTechs themselves need something different from you?**

We have been active in the early-stage investment world. We have made 30 investments to date, including 10 new investments in 2022.

When we first embarked on the journey there were a couple of principles as well as guardrails that we felt were important to operate by. We wanted to limit our downside risk, but still be a meaningful and influential partner. Combining these two made it clear that the early stage was the best place for us to start exploring. Our team did a lot of outreach in the early days, primarily focused on problem areas we were aware of from our own actuarial and underwriting experience.

One of the common refrains we heard from start-ups was that they were getting a lot of investor interest, but were having much more difficulty in obtaining underwriting capacity. This was great validation for a business model where we could leverage both equity capital and underwriting capital to support early-stage start-ups.

With all of our portfolio companies we have open and consistent communication lines about what is happening in the business which has helped us course correct earlier than we might have otherwise with a traditional MGA/reinsurer relationship.

At a minimum we will have monthly meetings, but for the most part we are in much more regular contact with our partner companies. While we are hands on in some ways, we are very conscious of knowing where our knowledge and expertise is relevant and helpful.

10. **Many of the companies that you and Greenlight Re have invested in have been very successful, could you give us a brief overview of the InsurTech portfolio companies that really stand out to you, and why? Do the companies you invest in need to be strategically supportive of your reinsurance operations?**

Openly – Openly has done an exceptional job in making the sales process for insurance agents easier with quick bindable quotes for high net worth individuals.

Sana Benefits – Sana has developed modern health plans that work better for small businesses and employees with best in class customer support, competitive pricing and no network restrictions, allowing you to use the doctor that you want.

battleface – battleface has built a global tech platform that unbundles travel insurance. Using API, distribution partners can build and embed their own products that are best suited for their customers and platforms. The firm supports all of it products with internally developed 24/7 services.

Safely – Safely is providing property managers with bad guest protection coupled with a comprehensive insurance policy protecting property managers and homeowners with episodic liability and property damage protection when homes are being used as a vacation home.

Shepherd - Shepherd is changing the construction insurance space by providing a unique experience for brokers with speedy indications, differentiated underwriting data and unique tech integrations to improve risk profiles of customers.

11. **We are often asked whether or not investment capital into InsurTech is evaporating, or at least harder to come by – as an investor who is very active in this space, what would your response to this type of question be? Do you think investors in the future will need to bring InsurTechs more than just capital, i/e. balance sheet opportunities, like you do?**

Capital and interest have not evaporated. While investments in 2022 are down year over year relative to 2021, they are still elevated relative to pre-2021 levels. Insurance is such a large industry and (re)insurers have done a poor job in internal innovation that external innovation will continue to be critical for the industry. I've yet to hear someone in the insurance industry say: "There isn't anything else we can improve in the process". This is both the problem and opportunity and, yes, I expect to further see business models similar to ours.

12. **And finally, if you were to give some advice to an InsurTech looking to raise investment capital, or at least break into our industry, what advice would you give?**

Seek out advisors early – There are many experienced individuals in our industry that are both eager and open to help early-stage companies refine their value proposition. Many will open up their network to you, which is extremely valuable.

Engage with the accelerators – There are multiple InsurTech specific accelerators (Global Insurtech Accelerator, InsurtechNY, Brokertech Ventures, Plug and Play, Gener8tor) and also generalist accelerators (Techstars, Y Combinator, 500 start-ups). They do a great job of knowing who the players are in the early-stage ecosystem and can help provide feedback on your offering as well as connect you with the prospective partners. They often have competitions and can help you get in front of a lot investors over a short period of time.

Do your homework on investors – Try to answer the question "Why would _______ be interested in my company?". You can get a sense from the prior experience of the investor, or the firm they work with, or synergies other portfolio companies, or publicly stated theses of investors.

DEAL OF THE QUARTER

Kita's focus is helping drive financing to enable high quality carbon projects to scale, with the aim of removing more CO_2 from the atmosphere.

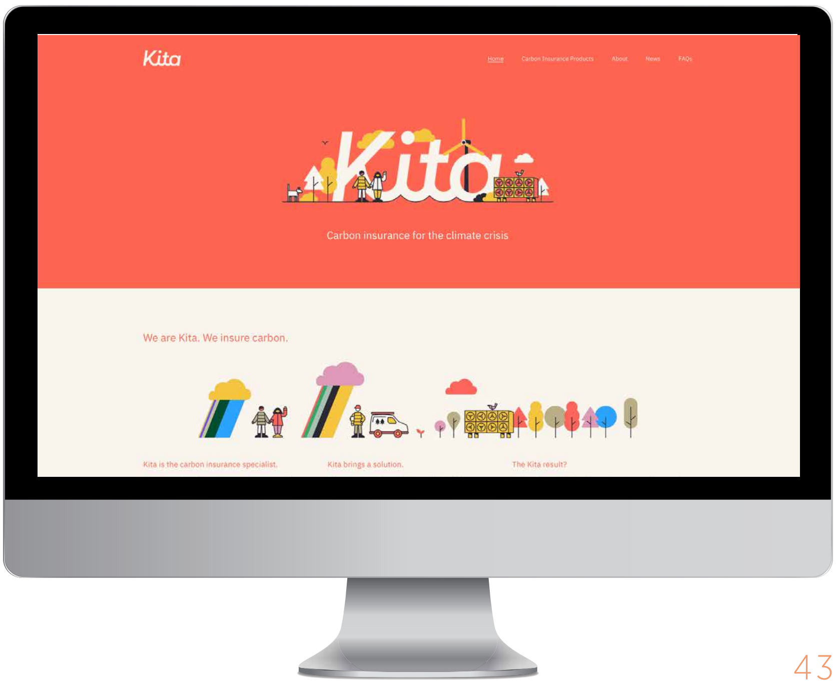
Deal of the quarter—Kita

Kita is a carbon insurance specialist; helping to reduce risk in carbon credit transactions with insurance products that safeguard the quality and performance of carbon purchases. Kita acts as a pathfinder; opening the way for serious, global capital to invest at scale in the critically underfunded but hugely essential carbon removal sector. It goes without saying that the first step of tackling the climate crisis should be reducing or removing emissions altogether. But this alone isn't enough. For unavoidable emissions and to counter historic emissions, it is vitally important that we are actively removing existing CO_2 from the atmosphere.

Kita was founded in December 2021 by Dr Paul Young, Thomas Merriman and Natalia Dorfman, as part of the Carbon13 climate tech venture builder in Cambridge. Unlike other accelerators, which aim to support businesses with the potential to make huge amounts of money or to disrupt an established system, Carbon13 is solely focused on start-up ideas that have the potential to remove a significant amount of CO2 from the atmosphere. The three co-founders found their way to Carbon13 out of a desire to use their business expertise (across insurance, strategy, technology, data science and product management) to contribute to the fight against climate change. During the intensive three-month scheme, the team deduced that rather than develop a specific carbon removal technology or experimental technique, they could have the most impact by creating a service that underpinned the entire sector and built confidence in the growing carbon removal market, driving more finance towards carbon projects.

So, Kita was established: insuring carbon credits and thereby protecting buyers, sellers and intermediaries across the carbon market. By reducing risk and increasing transparency, insurance can act as a highly effective catalyst for more investment.

Pivotally, Kita's approach enables forward-purchasing of carbon credits: Forward purchases can finance carbon removal projects years before a verified carbon credit is ready to be retired against a net zero claim. At present, we're stuck in a quandary where the urgency of the crisis requires massive investment, yet there aren't enough carbon removal projects to meet demand, corporate buyers are worried about the risks and therefore not enough is being done to move at the pace needed. Kita can remove barriers to action by de-risking forward purchases and giving investors the confidence to act now.



Kita's in-depth risk model accounts for a range of factors (from the track record of the developer to the geopolitical situation in the project region to the historic data related to land use) and utilizes satellite imagery and other innovative technologies to track the ongoing progress of a project. These categories are combined and weighted to estimate the risk of under-delivery (the probability and severity of a loss) and policies are underwritten in relation to these measurements. By transferring risk off the balance sheet and on to a third party, more companies can access the carbon removal credit market – securing high integrity net zero strategies without high risk, while scaling the carbon removal solutions that the world needs at the pace required.

"To prevent the worst impacts of climate change, we must remove gigatons of CO2 from the atmosphere annually for the remainder of the 21st Century. This is a scale-up task at unprecedented speed, and it requires de-risking and access to capital for carbon removal solutions. Insurance can act as a fundamental enabler."

Natalia Dorfman
CEO and Co-founder

Kita has so far raised two rounds of funding. In February 2022, the company raised GBP 350,000 (USD 427,000) at pre-seed level from Insurtech Gateway, Carbon13 and ClimateVC, plus angel investors. Following this raise, the company increased headcount and secured regulatory approval from the FCA (with support from Insurtech Gateway), was approved as a Lloyd's of London coverholder and onboarded insurance partners, including Chaucer Group. The latter partnership sees Chaucer Group providing lead underwriting capacity to Kita, with follow capacity from Munich Re Syndicate and RenaissanceRe. A string of other achievements followed, with Kita being awarded grants from the European Space Agency and UK Research and Innovation. A major source of pride is Kita's recent nomination by PDIE Group for the Earthshot Prize 2023.

In February 2023, Kita raised a further GBP4 million (USD4.89 million) in an oversubscribed seed round, led by Octopus Ventures. Additional funding was provided by all three existing investors and new investors Chaucer Group and Hartree Partners. Kita is using this investment to build its team, scale its underlying technology-based risk modelling and build on the success of their first insurance product, Carbon Purchase Protection Cover. Kita is currently developing their second product and continuing to build a wider portfolio of carbon insurance products to cover the full spectrum of risks in the carbon markets ecosystem.

By transferring risk off the balance sheet and on to a third party, more companies can access the carbon removal credit market.

THOUGHT LEADERSHIP

> The opportunity for start-ups to transform industries such as insurance and to provide access to better financial safety nets — the peace of mind it will enable — is massive.

GOPI RANGAN
Sure Ventures

Gopi Rangan is the founding partner at Sure Ventures, a Silicon Valley based venture capital firm investing in early stage start-ups. He invests with a mission to enable peace of mind. He is also the host of The Sure Shot Entrepreneur podcast and teaches entrepreneurship courses at INSEAD.

1. Gopi, wonderful to have you with us for the first report of 2023, before we dive into your observations and thoughts on InsurTech and investing, would you be so kind to share your professional background with us?

As a regular reader of the Insurtech Quarterly since your first edition was published many years ago, I am delighted to have the opportunity to include Sure Ventures in your quarterly report.

I am the founding partner at Sure Ventures, an early-stage venture capital firm based in Silicon Valley. We are a pre-seed to seed stage VC firm and invest with a mission to enable peace of mind. InsurTech is our main area of focus, but we also invest in aging, care, fintech, neurodiversity and other related sectors.

I am also a faculty at INSEAD where I teach entrepreneurship courses, and a subject matter expert on corporate innovation and corporate venture capital at McKinsey & Co. and Bain & Co. Lastly, I host The Sure Shot Entrepreneur, which is ranked in the top 1.5% among 3 million podcasts by Listen Notes.

2. Overall, how would you describe and categorize 2012 to 2022 (in InsurTech terms) from the perspective of a prominent InsurTech investor?

Since 2012, many high-quality entrepreneurs chose to build solutions to modernize legacy industries like insurance and banking. Pioneers of InsurTech investing such as AmFam Ventures and RPM Ventures supported start-up founders in the early years. Insurance industry became the primary focus for technologists, no longer an afterthought. By 2018, InsurTech was a well-recognized start-up subsector. The trend further intensified during the pandemic when digital transformation at large insurance corporations accelerated. The long overdue change created many opportunities for new start-ups. Dizzying levels of hyper growth attracted venture capital funding in InsurTech to a peak in 2021, and gave birth to a handful of unicorns.

Toward the end of 2021, later stage start-ups and young public companies in InsurTech struggled. Poor unit economics exposed unsustainable growth driven by 0% interest rate. The struggle intensified with macroeconomic changes in 2022: rising interest rates, increase in inflation and decrease in venture capital funding. As the year progressed, fundraising became difficult for start-ups at series A and later stages. Unfortunately, a few good InsurTechs also felt the heat. Start-ups fought hard by delaying fundraising, reducing burn, extending runway and searching for a path to profitability. By the end of 2022, the downturn forced widespread layoffs and down-rounds.

The year 2023 started with cautious optimism. We will see fewer digital veneers and copycat MGAs, and more real innovation. I am excited to actively invest in this market.

3. 2022 saw a dip in global InsurTech investments, why do you think this was?

The significant drop in venture capital funding in 2022 was caused by decrease in the number of large funding rounds at valuations >USD500M. On the one hand, I would like to see a healthy late-stage market re-emerge. As start-ups evolve from contrarian ideas to mainstream businesses, a thriving public market is critical for growth. On the other hand, I am less concerned about the early stages. Funding at pre-seed and seed stages is the true origin of innovation, as fierce independent thinking prevails at early stages. Founders need only a few early believers. Since seed round sizes are small and information is sparse, reporting is seldom accurate. I personally see a healthy pipeline of innovative start-up ideas at early stages. I am confident the positive trend will continue.

4. And what are your expectations/predictions for 2023?

2023 will be the year of collaboration. Corporations and venture capital firms will learn to work closely with each other. Previously, large corporations got carried away by the glamor of launching new corporate venture capital programmes and wasted resources on endless proof-of-concept experiments resulting in no commercial value. Business leaders who are serious about innovation will trust a couple of professional VCs to manage early-stage investments and nurture relationships with them to identify new market trends. Organizations will change from chasing shiny objects to thoughtfully integrating external innovation at a pace that is digestible by internal teams. When VCs facilitate such collaboration, start-ups will not be considered disruptors but opportunities for viable partnerships.

Real world use cases for artificial intelligence will finally arrive. Having invested in AI for a decade, I see a perfect storm of legacy infrastructure in technology debt and demand for modern experiences by customers. Agency management, distribution, policy administration, underwriting, claims processing, fraud detection, process automation and every other aspect of insurance will be transformed. For example, customers of Joshu and Trustlayer leverage game-changing technology to outperform in markets where traditional carriers and brokers fail to modernize.

I am an optimist. However, on a practical note, some things will change only at a glacial pace. Lack of transparency has plagued the insurance industry for decades. It will be a multiyear journey, but new data, changes in regulations and fairness for customers will eventually improve. Don't expect rapid changes in one year.

5. **In light of the fact that we are at this inflection point in InsurTech investing, what are the main/major lessons that you think we should learn from the last five years while looking forward?**

Let's look at the three main groups.

First, venture capital investors made two types of mistakes. They naively believed that two engineers in a garage could build a website and disrupt the insurance industry (It ain't happening!). Some VCs were horrified by complicated regulations and rejected InsurTech entirely. Wise VCs will learn that insurance is a noble industry, acting as the backbone of our economy. A balanced approach will lead to building business as a force for good. Eventually, all VCs will discover that even a niche sector in insurance is a multiple billion-dollar market opportunity. Since none of the top insurance companies invest in research and development, the door is wide open for start-ups to introduce new ideas. InsurTech will produce many lasting businesses that will transform our lives.

Second, in insurance, unlike in industries such as ecommerce, growth in sales cannot repair loss ratios. Honeycomb is an excellent example of a well-run start-up. The company has both stellar unit economics and record-breaking growth. Wise founders will learn to build businesses with a strong foundation of solid unit economics starting with the first policy sold.

Third, large corporations have realized that successful strategic partnerships create more value than the financial upside of risky early-stage investments. Wise leaders in insurance will focus on viable commercial partnerships with start-ups at Series A and later stages, will aggressively pursue M&A as a strategy to boost inhouse technology capabilities and stay close to early-stage start-ups by establishing strong relationships with VCs.

6. **As an investor, what do you look for in an InsurTech?**

Fresh thinking. Surprisingly, outsiders who are willing to challenge assumptions considered sacred by industry traditions create revolutionary changes. Their naïveté is a strength, not a weakness. Fursure is a good example. While incumbents push sub-par products through same old distribution channels, co-founders Catherine and Keji envisioned building a comprehensive financial platform for pet-parents. They are hiring insurance experts to create a new pet-insurance product.

Don't get me wrong. I respect experience. The founder of Insurate has a deep understanding of high-risk commercial insurance and is therefore able to build innovative solutions. The founders of Surround Insurance were senior executives at Liberty Mutual. They challenged the status quo to build embedded insurance around your lifestyle instead of specific assets. In every case, the founders have a rare, innovative mindset unlike their peers who are mayors of the comfort zone.

Another area I keenly watch is blue-ocean solutions to mitigate new types of risk. Juno is building a category-defining child insurance product. Koop's insurance for autonomous vehicles will accelerate the adoption of advanced robotics. Markets neglected by incumbents are my opportunity.

7. **Can you please tell us about Sure Ventures? Both as a company and how you allocate funds/invest?**

I launched Sure Ventures with the conviction that just as fintech is changing banking, start-ups will transform insurance. Sure Ventures was one of the first seed stage VC firms with InsurTech as the primary focus.

My limited partners were initially skeptical and asked why InsurTech. It was an unproven sector thesis. I argued that the industry collects USD5 trillion in gross written premiums, not a trivial niche. Measuring, managing and mitigating risk has an impact on a daily basis on people and businesses. Although demand is ubiquitous, customer satisfaction scores are abysmal. It was time for advanced technologies to change the status quo.

I look for start-ups like Blitzz to bring new tools to insurance. Guidewire entered into a partnership to proliferate video-based engagement. Hi Marley developed a conversational AI platform many years before generative AI became popular. Customers who were early adopters of such advanced technologies have leapfrogged their peers. We will see many waves of innovation in InsurTech over the next couple of decades.

Relationships with a few large corporations in insurance and other industries form a strong fabric of Sure Ventures. I spent the early years of my career in corporate ventures as a champion for start-ups to build successful commercial partnerships. Win-win scenarios for start-ups and large companies created lasting impact for my investments. We will double down on the strategy and look for new partnerships with large insurance companies.

As of today, we have invested in 25 start-ups in 15 cities in the US. The opportunity for start-ups to transform industries such as insurance and to provide access to better financial safety nets — the peace of mind it will enable — is massive. We envision replicating our success in insurance in other industries that are ripe for innovation.

8. **Sure Ventures is predominantly an early-stage investor into InsurTech, why did you make that decision? What are the main differences between early and later stage investing? Do the InsurTechs themselves need something different from you?**

Relationships with founders at early-stage start-ups are so strong that they turn into lifelong friendships. When I invested and served on boards at Series A and Series B start-ups, I rarely formed such deep connections. I craved more; I wanted to earn the trust of the founders to receive the first phone call from them both to celebrate victories and discuss setbacks. For example, Fred Blumer, founder and CEO of Mile Auto, and I met as strangers and have become close friends. Do you have difficulty forming meaningful friendships as an adult? Be an early believer. It works. As a result of investing earlier and the tight relationships with founders, I will also be able to generate exceptional returns for my investors.

Having lived and worked in Silicon Valley for more than 20 years, I am fortunate to have an exceptional network. Therefore, I am able to help founders find high quality investors, initial customers and early employees beyond InsurTech. Founders of PAXAFE took my help to shape their narrative while they were at Creative Destruction Lab's accelerator cohort. When the vision was clear, I introduced them to Sunil at Ubiquity Ventures. He immediately saw that its AI technology uniquely measures supply chain risk and offered to lead their first round of VC funding. Coterie found its first distribution partner through my network. The common complaint by InsurTech founders is that they struggle to educate outsiders on the nuances of the insurance industry. As an early believer, I help others onboard more easily. I am not successful every time. But I will try hard for every start-up in my portfolio.

9. Can you tell our readers about the importance of early-stage investing?

At Sure Ventures, 90% of our investments are in pre-revenue start-ups. According to an analysis by Wing VC, in 2021 less than 20% of seed stage VCs invested in pre-revenue start-ups compared to 76% in 2013.

Early-stage investing is the true art of venture capital. Many investors claim to take risks, but they don't. I consider it a privilege to have the opportunity to unleash potential in brilliant founders who are in pursuit of solving important problems. It is the best job in the world for me.

High probability of failures makes early-stage investing volatile. Almost all good ideas look like bad ideas initially. Parsing through the noise of hundreds of start-ups to find a few gems is challenging. Even successful companies struggle at various stages. Near-death experiences are quite common. After crossing all the hurdles, investors must patiently wait for many years to realize returns.

Despite the challenges, early-stage investing is rewarding in many ways. Founders and investors who actively seek to partner with strangers succeed. Limiting business partnerships to preexisting relationships is a recipe for failure. Early-stage investment is the fuel for business creation.

10. We are often asked whether or not investment capital into InsurTech is evaporating, or at least harder to come by – as an investor who is very much in this space, what would your response to this type of question be?

I see many high-quality InsurTech start-ups at the seed stage. Unfortunately, I am unable to invest in all of them. Sometimes, I face conflict of interest or just don't have the bandwidth to manage more relationships. The vast market needs more seed stage-focused firms like Sure Ventures. I welcome my peer VCs to join the InsurTech ecosystem.

Pre-seed and seed stage start-ups will continue to attract investors, but founders must know that easy fundraising days are gone.

11. Looking forward, what types of InsurTech companies are you looking to meet with?

I am interested in meeting founders very early in their journey, sometimes even when they have not quit their jobs. Anything post Series A is not a fit for me.

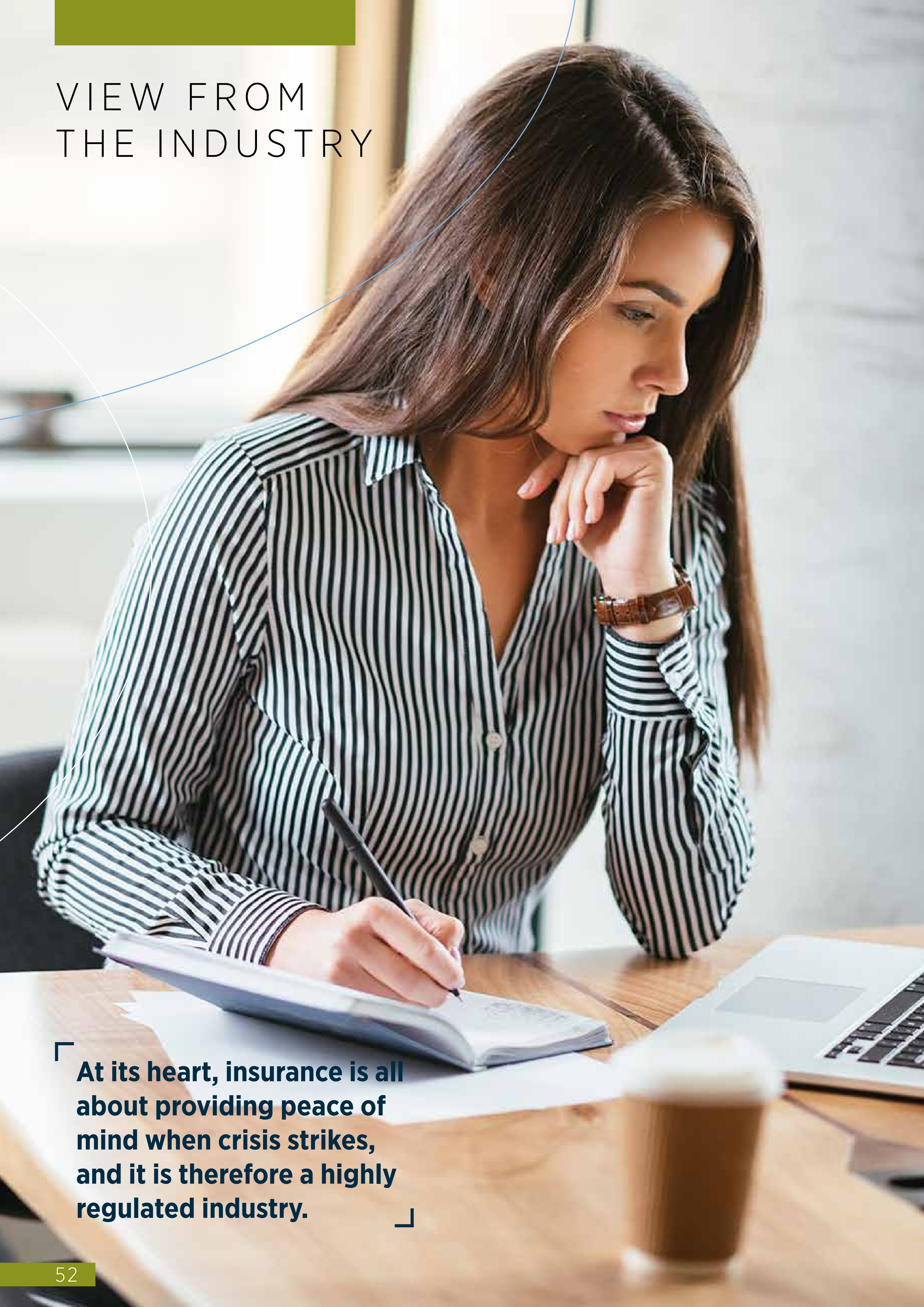
The best founders are ambitious and deeply care about solving a problem they have identified. A quick flip of a business for a safe return is not exciting for me. I am interested in transformational changes in the industry or creation of a new industry sub-sector, even if the probability of success is low.

12. And finally, if you were to give some advice to an InsurTech looking to raise investment capital, or at least break into our industry, what advice would you give?

Only talk to investors appropriate for your stage. If you generate 20x returns in eight years, the outcome must be meaningful for the investing firm. Incentives are misaligned when you are outside their sweet spot. Research your investors just like you would customers. If they don't accept the risk at your stage, they will appreciate neither the traction achieved nor your goals for the future. I can't guarantee successful funding. But the process will be efficient if you selectively choose investors who actively invest at your stage.

The insurance industry naturally encourages long-term thinking. Tenured people in the insurance industry may be risk averse yet they will welcome you with an open mind. The industry inherently believes in creating prosperity by caring for the safety of neighbors. InsurTech is the perfect home for ambitious entrepreneurs who seek sustainable impact.

VIEW FROM THE INDUSTRY



At its heart, insurance is all about providing peace of mind when crisis strikes, and it is therefore a highly regulated industry.

DEEPON SEN GUPTA
Gallagher Re, Global Head of Strategic Advisory

Deepon joined Gallagher Re in 2021 and has a broad range of corporate and advisory experience in insurance, corporate strategy, M&A and private equity. He was previously Group Chief Strategy Officer at Neon, a USD500 million GWP Lloyd's platform, where he was responsible for new business initiatives such as M&A and capital raising.

1. **Deepon, wonderful to have you with us for the first report of 2023, before we dive into your observations and thoughts on InsurTech and investing, would you be so kind as to share your professional background with us?**

   I started my career in investment banking, specialising in insurance M&A. I then moved on to become Chief Strategy Officer of a Lloyd's of London underwriting platform where, in addition to onboarding new underwriting teams, I was responsible for investment decisions in new MGAs.

   I joined Gallagher Re 18 months ago to head up Global Strategic Advisory, a new team created in response to the ever-growing demands of our clients to address an increasingly complex risk landscape. Alongside my excellent broking colleagues, my team is responsible for creating and implementing strategies that help C-suite clients drive towards their strategic objectives and enhance their overall value proposition.

   With regards to InsurTech specifically, I have been a start-up mentor for Plug & Play's InsurTech accelerator programme and am also an angel investor (which includes an investment in an InsurTech incubator).

2. **Can you share some examples of why InsurTech clients approach Gallagher Re's Strategic Advisory team for advice?**
   Many of our clients are InsurTech MGAs who recognise that their success is reliant on continued availability of capacity - so they are looking for strategies to diversify their capacity panels and/or secure long-term capacity relationships. This potentially includes the creation of their own balance sheets which allow them to be in control of their own destiny. Previously, some InsurTechs were apprehensive about having their own balance sheets because of the potential to be valued by investors on a 'book value' basis – but in a capital and capacity constrained market, having your own balance sheet focuses the mind on generating profitable underwriting returns and shows a strong alignment of interest with capacity partners.

3. Overall, how would you describe and categorize 2012 to 2022 (in InsurTech terms) from the perspective of a prominent investment expert?

At its heart, insurance is all about providing peace of mind when crisis strikes, and it is therefore a highly regulated industry. A decade ago, we saw lots of tech entrepreneurs seeking to bring “new world” thinking to the often antiquated and inefficient insurance industry. Many of the longer-established InsurTechs focussed on a glossy user experience to achieve customer growth but continue to run loss ratios in excess of 100%. Once you add in acquisition costs and admin expenses, they are significantly loss-making for both investors and (re)insurance partners. Whilst there is certainly a lot to be said for embracing technology across all aspects of the customer journey, there is an increasing recognition that there needs to be a realistic pathway to profitability when investing in InsurTechs today. This can be evidenced by the significant (90%+) share price falls of the listed InsurTechs, proving that investors’ evolving expectations are not yet being met and InsurTechs are still trying to adapt to the new normal.

4. 2022 saw a dip in global InsurTech investments, why do you think this was?

Prior to 2021, many unproven and underwhelming InsurTechs were able to raise significant amounts of capital but 2022 changed that. 2022 was a year of significant uncertainty and continuous flux involving rapid inflation, rising interest rates and general geopolitical volatility. Whilst staff costs have generally trended upwards in recent years due to the war-for-talent, rising inflation has exacerbated the rate of cash burn relating to non-staff costs for InsurTechs as well and therefore reduced the runway available before their next funding round. Meanwhile, at a time when additional capital is increasingly required, the supply of investor capital has been constrained. In the UK, interest rates were at 0.25% in January 2022 compared to 3.5% at the end of December 2022. With the goalposts constantly shifting month-by-month last year, it was difficult for investment committees to commit to funding a deal. It also meant that investors were finally able to access decent returns in other sectors in a way that they haven’t been able to since 2009 and therefore pushed the level of scrutiny up for deploying capital.

5. **And what are your expectations/predictions for 2023?**

   In a nutshell, the bar for 2023 is definitely higher than last year. I think the collapse of SVB will have a slow but material impact on the InsurTech market – over the last year, InsurTechs have focussed on cutting expenses (in order to conserve capital already raised) and potentially sought to raise venture debt. Either of these actions would extend an InsurTech's runway before needing to raise further capital from a constrained equity market and risk a dreaded "down-round" (i.e. raising equity at a lower valuation than the previous funding round). However, SVB's collapse takes a key source of debt funding away from InsurTechs and leaves them with less runway before having to rely on equity investors for follow-on funding.

   It will also be interesting to see if reinsurers continue to provide the significant levels of support to InsurTechs as they currently do or whether they start to pull back given highly attractive opportunities elsewhere in the market. If reinsurers do pull back, this could exacerbate upcoming funding issues for InsurTechs (particularly as overrider income from reinsurers helps to offset an InsurTech's cost base). Nevertheless, I think companies that have a genuine USP and credible pathway to sustainable profitability will continue to attract capital.

6. **What lessons should investors in InsurTech be aware of when thinking about investing in 2023 and beyond?**

   It is well known that InsurTechs can easily achieve rapid premium growth, particularly in a highly commoditised personal lines market – it just requires lowering your price compared to competitors. However, that typically comes with adverse risk selection and I think that's what many InsurTechs have experienced in recent years (evidenced by abnormally high loss ratios). Despite the chequered financial performance of InsurTechs, they successfully continued to attract funding. This was partially driven by investors chasing yield opportunities in a low interest rate environment and also by tech-oriented investors applying tech-style funding philosophies (and valuations). However, investors are increasingly focussing on obtaining a return on their capital and understanding payback period. Rather than just being hypnotized, by the size of the Total Addressable Market, investors are now keen to see a genuine need for an InsurTech's existence and recognise that operating in underserved niches may be more sustainable as a business model than operating in the mass market.

7. **What should investors be looking at when investing in early-stage ventures? Should they be worried by share price underperformance of more mature, publicy-listed InsurTechs?**

   Early-stage investing is crucial to introducing innovation into the insurance industry. However, business plans are being increasingly scrutinised and investors are looking harder at models and fundamentals. Investors are very nervous about investing significant capital in unproven models, particularly with the horizon being so unclear at the moment, so there is more stress-testing that takes place today. On the larger end, the IPO markets have shown limited interest in public InsurTechs (e.g. Root's share price is down 99% compared to its IPO price) so investors need to have realistic "exit valuation" assumptions, which will inevitably impact whether they think an investment is worthwhile or not – and this will have a knock-on impact on investing decisions all the way from late-stage back to early-stage investments.

8. **Will investment capital continue to be available for InsurTechs going forwards?**

   I don't think investment capital is evaporating – but it is harder to come by. Investors have higher expectations that they want tangible returns on their investment, quicker. They are less forgiving with aspirational business plans and want InsurTech executives to think carefully about how their capital will be deployed, particularly taking into account the ever-changing landscape in which InsurTechs operate.

9. **Looking forward, what types of InsurTech companies do you think will be successful raising capital?**

   Put simply, those with a genuine USP – there are numerous examples of InsurTechs who are doing things differently, whether distributing differently or offering a new product, ultimately accessing new clients in underserved markets, and thereby growing the overall size of the market. It's not about being different for the sake of being different, it's doing so to have a sustainable and competitive edge.

10. **And finally, if you were to give some advice to an InsurTech looking to raise investment capital, or at least break into our industry, what advice would you give?**

    Investors are more demanding these days and they want to be confident that entrepreneurs have thought of all of the angles before investing - so be well-prepared with a detailed and credible business plan. Furthermore, stress-test your plans under various scenarios – including business-specific but also broader macro scenario planning – and prepare well for pitches. Finally, be prepared for investors to perform extensive due diligence so start approaching them well in advance of needing to raise investment capital (and start business planning even earlier).

Early-stage investing is crucial to introducing innovation into the insurance industry.

ECOSYSTEM PARTNER

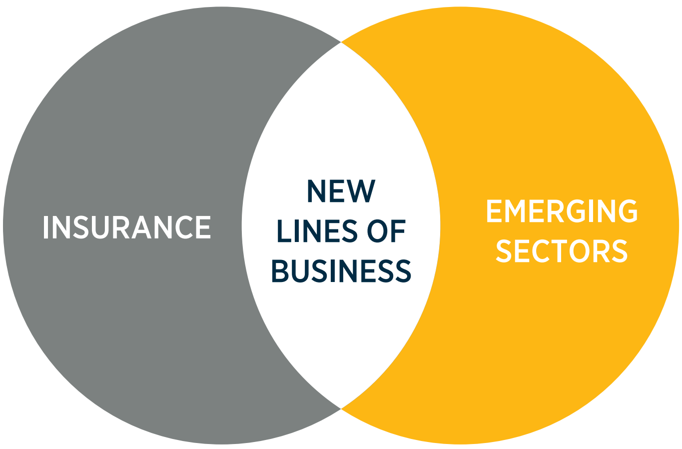
Ecosystem partner—Insurtech Gateway

Discovering New Growth

In the first phase of InsurTech there has been an absence of insurance expertise in both the early stage InsurTech teams and Venture Capital Funds that support them. Risk innovation needs insurance expertise at the earliest stages of product and business design.

Insurtech Gateway is a venture builder and investor, which aims to fill the space between insurance and innovators from new sectors and niche segments - providing expertise, resources and funding to shape new risk solutions, de-risk their launch and ready them for adoption.

Since 2016, Gateway has supported non-insurance innovators in sectors such as digital assets, autonomous vehicles and climate adaptation to launch fledgling businesses. In emerging sectors like the 'Gig and Sharing economy' the operators have unique needs. New products enabled by development in technology and data connect them to insurance.



In 2022, Gateway made more InsurTech investments than any VC or corporate group in Europe. The same year it was nominated 'Innovator of the Year' by Insurance Times for a third time and 'Hottest Seed Fund' by the European tech community Europa.

Gateway is on track to deliver GBP1 billion of new underwriting by 2028.

"The Gateway portfolio stands out for two reasons. Firstly, the concepts are interesting and new to the sector. Secondly, the profitability of the underwriting has been the primary goal in the early stages of proving."

Ecosystem partner + Seed Fund investor

Collaborative funding

So how does Gateway work? Insurance partners invest in one of Gateway's Seed Funds. These funds support the operational costs of founding teams, through the early stages of product development, regulation and initial pilot preparation.

The funds often co-invest alongside leading sector innovators from outside insurance who are able to offer strategic and distribution support. For example, an e-commerce company may co-invest with the Gateway Seed Fund in the development of a new e-commerce risk product business.

Co-investment through funds is the simplest and most effective way to connect insurers with new growth partners at the early stages. It aligns interests and shows intention to get to an agreeable outcome for all parties.

As pilot projects develop and businesses scale, further opportunities quickly emerge for profitable underwriting and follow-on investment.

Gateway also prepares test products in its venture builder and hosts the first live pilots under its insurance licenses. Soon after, the start-ups get their own license. This helps to maximize early learning in record time. The portfolio of 25 product companies are currently live in 97 countries.

1

TECH FOUNDERS

Attracting innovators with transformational ideas (600+ per year).

Reviewing opportunities and selecting portfolio companies.

2

AUTHORISED LAUNCH PLATFORM

The launch platform cuts the cost of the market entry, enabling founders to incubate, launch and scale-up technology businesses.

Hubs in London and Sydney.

3

DE-RISKING PROGRAMME

Bespoke guidance to hit key product-market fit proof points.

Support with product definitions, distribution and partnerships.

4

THE GATEWAY FUNDS

The funds allow start-ups to demonstrate transformative insurance metrics early, providing its investors with strategic opportunities and investment returns.

5

SCALE UP

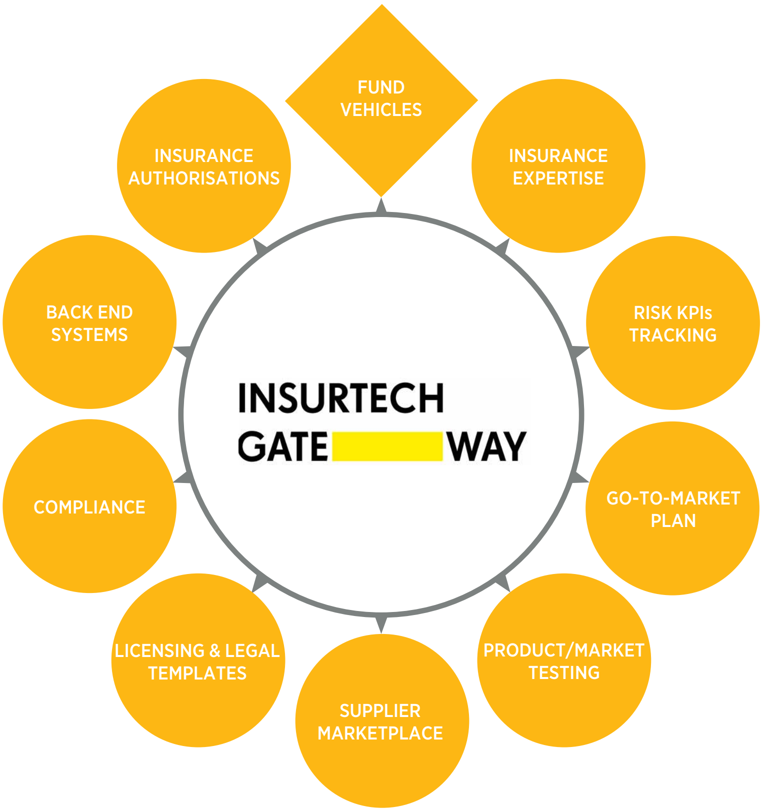
Attracting world class VC co-investors and international partnerships.

The origins of the Gateway model

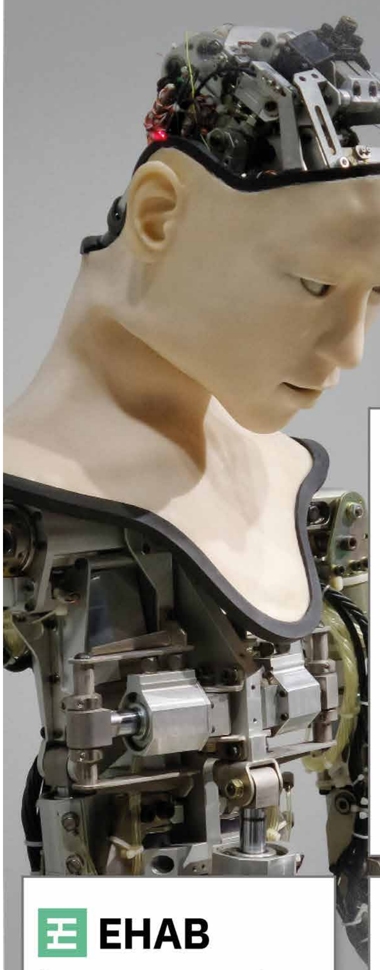
The vision was to create an evergreen platform that could launch hundreds of products around brilliant, talented people from outside of insurance. A new ecosystem with long-term value.

This is an Open Innovation Platform. An approach to meeting the modern needs of business and society at a pace of collaboration more familiar to businesses like Amazon than to the traditional insurance industry.

The key is to place the required capabilities on the outside of the business, making them readily available to potential new innovators and collaborators. Gateway placed its insurance authorizations, insurance and product testing experience on the outside of the business, and made them available to potential Founders from the very first conversation, so that the discussion could quickly shift to one of launching, testing and validating assumptions. And soon the growing portfolio were able to share their experiences with each other.

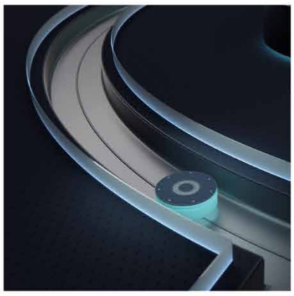


WELCOME TO THE FUTURE.



bluezone
Life insurance for people with chronic illness.

Bondaval
Micro bonds for inventory payment security.



ChAI
Insuring commodity price risk against volatile markets.

coincover
Cryptocurrency and digital asset insurance.

Collective.
Insurance and benefits for gig workers.

EHAB
Parametric insurance with hyper local weather data.

FloodFlash
Parametric flood insurance for SME.

SUPERHOG
Short term rental screening backed by insurance.

Humn
Dynamic pricing for fleet insurance.

ibisa
Increasing financial resilience and tackling climate change.

Kita
Insurance for carbon credits to accelerate de-carbonisation.

Loadsure
Digital insurance for spot freight.

NAYMS
Regulated marketplace for on-chain insurance.

Gateway is feeling optimistic about the future. In today's cautious climate, readers might think that sounds mad. But the secret is that Gateway has been incubating these businesses for many years.

Over the past six years, while the sector has been pursuing renewals and distribution, the Gateway team have been digging deep into emerging sectors and risk areas (see examples below). What it didn't anticipate is that these Founders would represent such large emerging sectors.

Characterizing emerging risks (and how to manage them)

There are two major challenges with Open Innovation in any sector. The first is to attract brilliant people with an understanding of the future risk needs of an emerging sector; or in insurance terms, an unserved new line of business. The second is to give them ready-access to the key resources required to shape a product or service, then to test and iterate. And that translates to licenses, investment, underwriting capital and governance. And more importantly the space and time to iterate and solve the product-market fit.

In 2016, Gateway built a venture studio and launch platform with their own independent insurance authorization. Then it started sending out messages to the various tech and impact communities that insurance was open for innovators of all sorts.

It's not easy being founder-first in a sector like insurance. Even the most brilliant technical and entrepreneurial founders on the outside don't understand the first thing about how insurance really works. They understand it's tedious administration, a grudge purchase or it needs a system overhaul.

Gateway filters new founding teams and concepts around three questions

1. Could a new risk product advance this {new} sector towards their own goals? Does it represent a sustainable competitive advantage?
2. Could this lead to a large and profitable risk book?
3. Are the founders, team and strategic partners the right mix and committed to the journey?

The treasure is buried everywhere (if you know where to look)

Gateway is continually speaking with sector innovators outside of insurance about their risk needs, and looking for teams ready to step out and solve them with our help. It has identified three key needs of these innovators.

Insurance Agility

Increasing the technical agility of the insurance sector to connect to innovative, high growth clients. For example, connected cars, smart cities and decentralized clients who have specific needs and an abundance of risk data and location data, each requiring a bespoke and embedded solution.

Tech Adoption

New energy, mobility, digital currency, low carbon, decentralized models and smart contracts. These radically evolving sectors all need help to de-risk and protect customer experiences to build trust and wider user adoption.

Climate and Impact

Reducing or preventing the underlying risks associated with catastrophic events to create more accessible and sustainable markets and communities. In some of these cases, the risks are perceived as so high, behaviour change is the only way to make some of these risks insurable. In others, the risks are so new or underserved - and the initial sample size so small - that the insurer is unable to set a sensible price. For example, extreme weather, chronic illness, post-disaster historically underinsured communities.

The portfolio looks for fellow innnovators as clients. When Gateway asks a new sector innovator what their problems are, more often than not, they center around risk. Either at a product, delivery or marketplace level. When Gateway started speaking to founders from digital assets (crypto currency, wallets, NFTs) or low carbon technologies (in energy, batteries, mobility, carbon exchanges) it saw very common challenges faced by new categories. The problem of newness.

Newness is actually only appealing to a very small portion of people. Most people want something to be tried, tested, rolled out and iterated many times before they try it. In other words, new stuff is risky stuff. And the innovators' problem is one of market adoption.

What are the challenges faced by teams exploring emerging and complex problems like climate innovation or clean energy transition? These innovators are not going to come to you, but they are interested in what you have to offer. You have to go to them, explain how risk works, and see how you can adapt to their needs.

InsurTech Gateway Leadership Team

CEO: Richard Chattock

Founder/Director: Robert Lumley

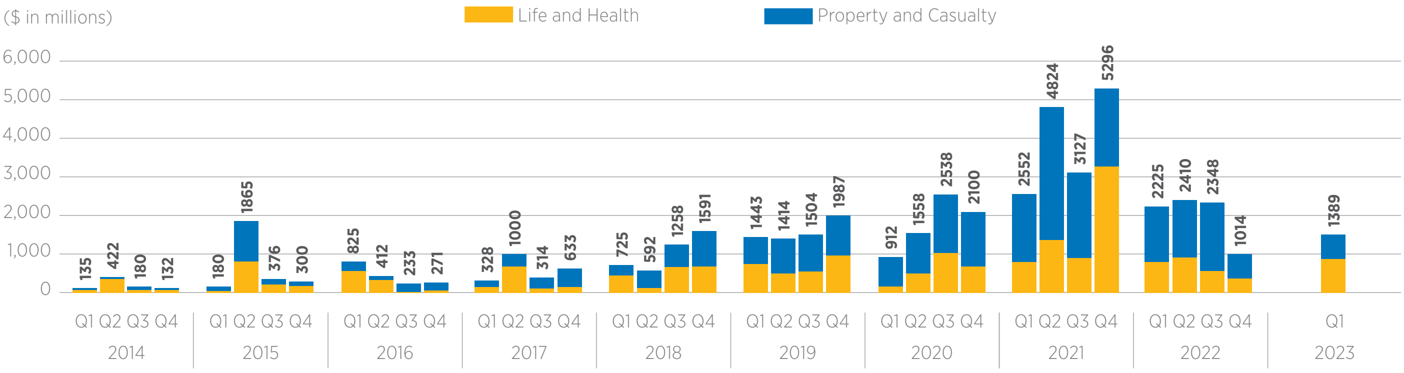
Founder/Director: Stephen Brittain

insurtechgateway.com

THE DATA CENTRE

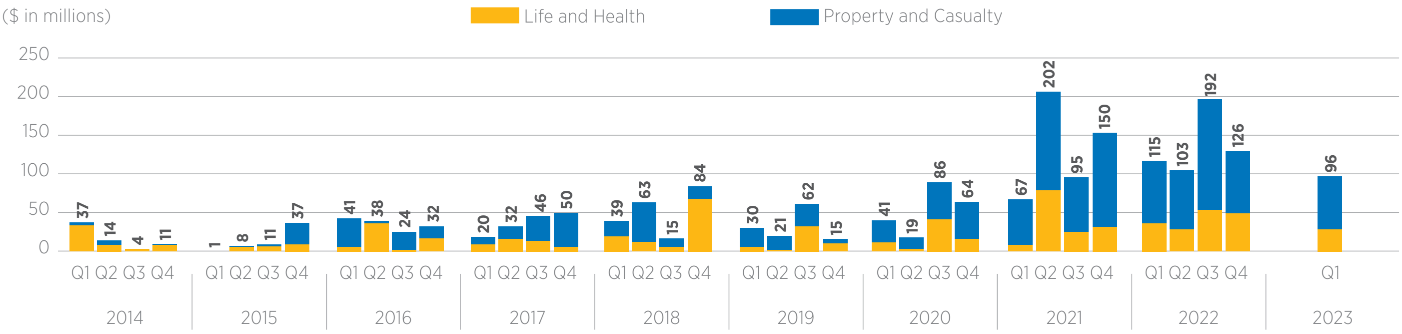
InsurTech by the Numbers

Quarterly InsurTech Funding Volume — All Stages



DATA COUNT	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
P&C	10 7 16 8	17 13 16 21	44 18 33 29	26 37 29 45	44 46 40 41	58 49 52 40	72 54 74 75	107 119 80 101	106 92 89 71	76
L&H	9 15 14 15	11 19 15 20	16 17 6 13	17 32 21 11	24 27 17 23	29 20 31 35	24 20 30 28	39 43 33 41	37 40 51 35	30

Quarterly InsurTech Funding Volume — Early Stage Incubation



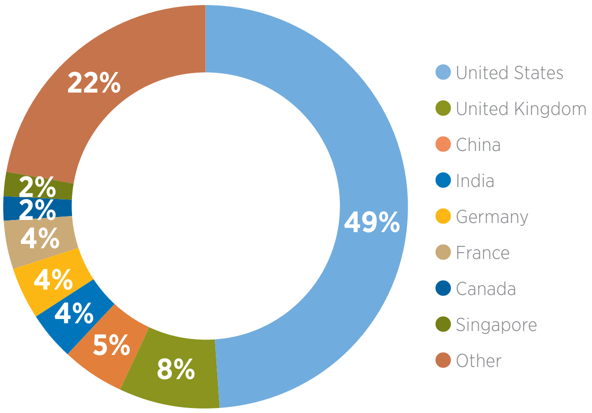
DATA COUNT	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
P&C	4 3 5 5	9 6 5 12	30 9 18 16	12 14 15 14	17 25 12 13	24 18 25 8	31 13 24 26	50 53 17 40	38 31 45 45	29
L&H	3 6 9 4	4 5 3 15	5 7 2 4	9 13 10 5	11 8 6 7	11 5 14 7	8 2 10 11	9 16 7 11	14 13 22 11	11

While Gallagher Re uses CB Insights data for much of our numerical analysis, we do also have our own methodology for collecting, cataloguing and presenting global InsurTech investment data. As such, for those analysts comparing this report side by side with the latest CB Insights 'State of Insurance' report, you will notice some small numerical discrepancies. This is simply a reflection of slightly different methodological protocol and historical reporting between the two companies.

InsurTech by the Numbers

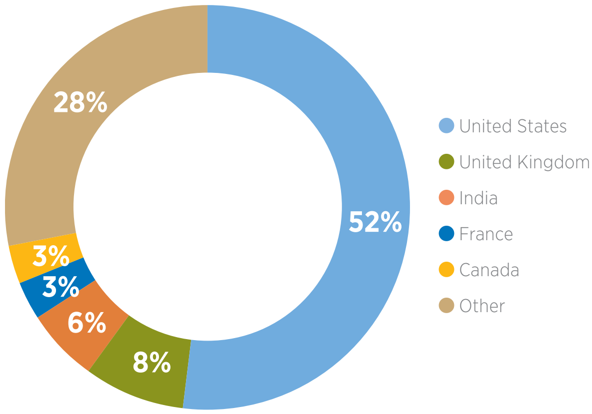
Quarterly InsurTech Transactions by Target Country

2012 — Q1 2023



2012 — Q1 2023 Transactions: 2,876

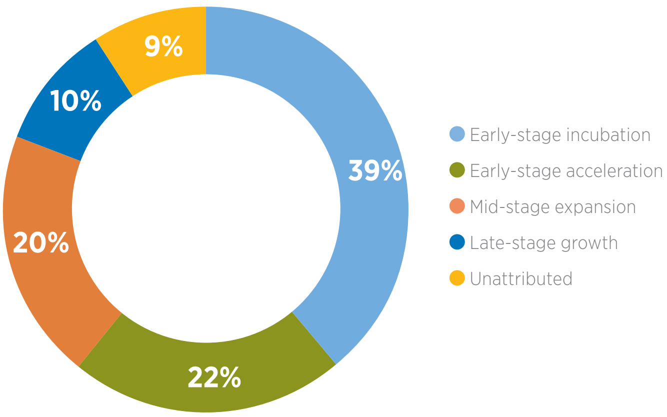
Q1 2023



Q1 2023 Transactions: 106

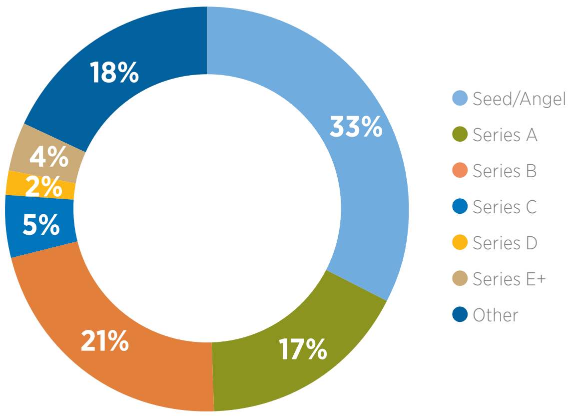
Quarterly InsurTech Transactions by Investment Stage

2012 — Q1 2023 Overview Focus Stages



2012 — Q1 2023 Transactions: 2,876

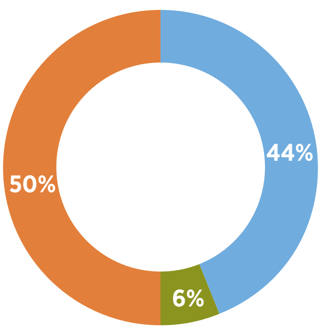
Q1 2023: Detailed Stages



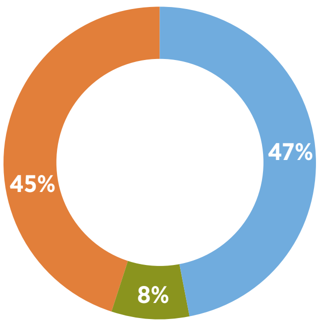
Q1 2023 Transactions: 106

P&C InsurTech Transactions by Subsector

2012 — Q1 2023



Q1 2023



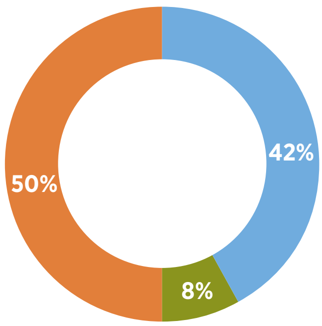
B2B Carrier Distribution

2012 — Q1 2023 P&C Transactions: 1,906

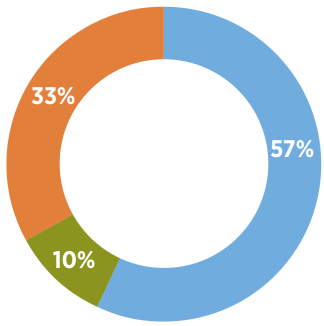
Q1 2023 P&C Transactions: 76

L&H InsurTech Transactions by Subsector

2012 — Q1 2023



Q1 2023



B2B Carrier Distribution

2012 — Q1 2023 L&H Transactions: 970

Q1 2023 L&H Transactions: 30

Q1 2023 InsurTech Transactions—P&C

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
1/3/2023	SarvaGram	35.0	49.0	• Elevar Equity • Elevation Capital • TVS Capital • Undisclosed Investors	• SarvaGram provides personal finance and financial services. The company offers personal loans, gold loans, home loans, consumer durable loans, durables commerce, farm loan, business loan, mechanization, equipment commerce, insurance, and investment solutions for home, farm, and small business loans. SarvaGram was founded in 2018 and is based in Mumbai, India.
1/3/2023	Wunderite	7.2	10.4	• Alex Finkelstein • Andrew Krantz • Boston Seed Capital • Brian Hetherington • BrokerTech Ventures • Heffernan Financial Services • John Wepler • Scott Addis • Spark Capital • Techstars Boston Accelerator • Trustco • Ty Harris	• Wunderite provides an online platform that automates insurance applications. It collects data to provide transparency to stakeholders and actionable insight to decision-makers. It was founded in 2018 and is based in Bourne, Massachusetts.
1/3/2023	Qoala	5.4	85.4	• BRI Ventures • Centauri Fund • Central Capital Ventura • Daiwa PI Partners • Eurazeo • Flourish Ventures • Genesia Ventures • Indogen Capital • KB Investment • KB Kookmin Bank • Mandiri Capital • MassMutual Asia • MassMutual Ventures • MDI Ventures • Mirae Asset Venture Investment • responsAbility Investments • Salt Ventures • SeedPlus • Sequoia Capital India • Surge	• Qoala provides insurance technology solutions that aim to socialize insurance through a combination of new product development supported by machine learning-based claim processes. It operates in Indonesia, Malaysia, and Thailand and offers various insurance protections, ranging from health to motor vehicle, property, personal accident, and other needs that can be accessed quickly, easily, and transparently through the Qoala application or website. The company was founded in 2018 and is based in Jakarta Selatan, Indonesia.
1/3/2023	Aclaimant	2.5	31.2	• Aspen Capital Group • BrokerTech Ventures • EBSCO Capital • KEC Ventures • Mercury Fund • Moderne Passport • Next Coast Ventures • Paycheck Protection Program • Royal Street Ventures • RRE Ventures • Undisclosed Investors	• Aclaimant develops a platform to engage the employee, employer, and insurance carrier in making workplace incidents an equal responsibility. The company was founded in 2013 and is based in Chicago, Illinois.
1/3/2023	ForMotiv	1.7	9.4	• DreamIt Ventures • InsurTech NY • Plug and Play Accelerator • Plug and Play Ventures • PROOF • Undisclosed Angel Investors • Undisclosed Investors • Vestigo Ventures	• ForMotiv provides an end-to-end platform for reducing online risk. The company improves customer experience by measuring end-user behavioural biometrics to detect future outcomes like fraud, delinquency, profitability, and abandonment as users engage with digital applications. The company was founded in 2018 and is based in Philadelphia, Pennsylvania.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
1/5/2023	InsuranceDekho	36.5	270.0	• Alstroemeria Investments • Avataar Venture Partners • Avatar Ventures Corp. • CarDekho • Goldman Sachs Asset Management • Investcorp • LeapFrog Investments • N Laxmi Narayan • Shridham sons • TVS Capital • Undisclosed Investors • Vineet Dhingra • West Street Infrastructure Partners III	• InsuranceDekho provides an insurance comparison platform. Its platform helps users compare motor vehicle and health insurance plans online. The company was founded in 2017 and is based in Gurugram, India.
1/5/2023	Liberate	7.0	7.0	• Eclipse Ventures	• Liberate is a software-as-a-service (SaaS) platform for the property and casualty insurance industry to automate claims and underwriting journeys. It caters its services to insurers, agencies, and more sectors. Its solutions include subrogation automation, digital claim settlement, and automated underwriting settlements. The company was founded in 2022 and is based in Palo Alto, California.
1/5/2023	Fenris Digital	--	3.8	• 757 Angels • BrokerTech Ventures • InsurTech NY • Larry Rosenberger • MassChallenge • Paycheck Protection Program • Plug and Play Accelerator • SixThirty • Tyson's Angels Group • Undisclosed Investors • Virginia Venture Partners	• Fenris Digital operates as an insurance data technology company. It provides predictive scoring, insights, and data enrichment for lifecycle improvement and risk intelligence to improve decision-making. The company was founded in 2016 and is based in Richmond, Virginia.
1/6/2023	TONI Digital	12.5	18.7	• Credit Suisse Entrepreneur Capital • PostFinance • Undisclosed Investors	• TONI Digital provides insurance services that help simplify the insurance value chain, provide cost advantages, and implement automated services. Its services re-organize the traditional insurance value chain and focus on lean and automated processes, enabling customer, partner, and internal systems to have cost advantages. The company was founded in 2017 and is based in Zurich, Switzerland.
1/9/2023	Superscript	54.9	82.4	• Atami Capital • Base Capital • Beazley • BGL Group • Concentric • EarlyMarket • Lloyd's Lab • London Co-Investment Fund • Nire Capital • Seedcamp • The Hartford • UK Future Fund	• Superscript provides business insurance services. The company offers general, management, and professional insurance coverage. It offers insurance products such as public liability insurance, business interruption insurance, cyber insurance, healthcare professional insurance, and more. It was founded in 2014 and is based in London, United Kingdom.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
1/9/2023	EvolutionIQ	7.0	29.9	• Altai Ventures • Asymmetric Capital Partners • Brewer Lane Ventures • First Round Capital • FirstMark Capital • Foundation Capital • Google • Guardian Life Insurance Company of America • New York Life Ventures • Plug and Play Accelerator • Principal Financial Group • Reliance Standard • Sedgwick • Undisclosed Investors	• EvolutionIQ offers claims guidance platform for insurance carriers. It enables claim handling for complex lines of coverage and offers a deep partnership between skilled professional adjusters. EvolutionIQ is formerly known as DeepFraud AI. The company was founded in 2019 and is based in New York, New York.
1/9/2023	Bank Sathi	4.0	4.7	• Aditya Agarwal • Aditya Talwar • Anuj Ahuja • Bhaswat Agarwal • Dinesh Godara • HEM Angels • Inflection Point Ventures • Kailash Biyani • Kotak Securities • Kunal Shah • LetsVenture • LiquiLoans • Manish Dabkara • Mukul Rastogi • Mukund Modi • Rajendra Lora • Recur Club • Ritesh Malik • Sameer Rastogi • Sunil Singhania • Undisclosed Investors • Varun Alagh • We Founder Circle	• Bank Sathi uses algorithms to provide access to financial advice and products to its users based on their profiles and past transactions. It aims to promote the role of financial advisors in decision-making while buying retail loans, credit cards, and insurance products via its application. The company was founded in 2018 and is based in Bengaluru, India.
1/10/2023	Propeller	6.4	6.5	• BrokerTech Ventures • Undisclosed Investors	• Propeller provides Insurance services. It operates as a virtual agent or MGA, currently focused on the surety bond market. The company utilizes a proprietary surety platform with the ability to instantly underwrite and issue surety bonds, creating efficiencies for all members of the value chain. Propeller was founded in 2020 and is based in Houston, Texas.
1/10/2023	Crop Guard	3.0	3.0	• Reach Capital • Undisclosed Investors	• Crop Guard is a financial services company that provides insurance services. The company was founded in 2022 and is based in San Francisco, California.
1/10/2023	Utocat	1.9	4.7	• BNP Paribas • Bpifrance • CIC • Euratechnologies • Fintech Go • Leap Ventures • Métropole Européenne de Lille • Paris&Co • Super Capital VC • Undisclosed Angel Investors	• Utocat develops blockchain software for managing the registration and finance management process of unlisted securities by automating the transfer process. It offers solutions such as wealth advice, savings, and other services. The platform caters its services to various sectors including finance, insurance, banking, and more. The company was founded in 2014 and is based in Lille, France.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
1/10/2023	Assuraf	0.1	0.1	• Catalyst Fund	• Assuraf is an InsurTech company. It provides an integrated insurance platform to end users and to the insurance value chain that helps unlock data across systems to launch and access products and provide a connected experience for policyholders. The company was founded in 2018 and is based in Dakar, Senegal.
1/10/2023	PaddyCover	0.1	0.1	• Catalyst Fund • Catapult: Inclusion Africa	• PaddyCover offers a mobile platform for consumers to find pay-as-you-go insurance in Nigeria and Africa. It works with insurers and customer aggregators to facilitate the discovery and payment of insurance packages. The company specializes in home, health, and vehicle insurance. PaddyCover was founded in 2018 and is based in Lagos, Nigeria.
1/11/2023	hi.health	6.4	6.5	• 8VC • Calm/Storm Ventures • Fin Capital • Haymaker Ventures • Nina Capital • Seedcamp • Speedinvest	• hi.health is a health application that focuses on reimbursement for private health insurance. It takes care of processing, billing, and customer services. The company combines insurance and secure payment methods. hi.health was founded in 2018 and is based in Vienna, Austria.
1/11/2023	XILO	4.0	6.1	• Act One Ventures • BrokerTech Ventures • Forum Ventures • New Stack • Plug and Play Accelerator • ValueStream Ventures	• XILO offers a customizable digital form for insurance agencies. It integrates insurance raters, management systems, acord forms, and more. It helps insurance agencies to automate attracting, quoting, and selling customers across multiple channels. The company was founded in 2017 and is based in San Diego, California.
1/11/2023	billy	--	3.5	• Coelius Capital • Global Village • Hustle Fund • Laguna Canyon • MetaProp • Plug and Play Ventures • Shadow Ventures	• billy is an insurance and risk management platform built for construction and real estate. billy was founded in 2020 and is based in New York, New York.
1/12/2023	Joyn Insurance	17.7	17.7	• Avanta Ventures • Cohen Circle • ManchesterStory Group • OMERS Ventures • SiriusPoint	• Joyn Insurance is a licensed producer and general agent and insurance enterprise that underwrites commercial insurance in the small and middle markets. It caters its services to real estate, wholesale, manufacturing, services, retail, and contractors. The company was founded in 2020 and is based in Sacramento, California.
1/12/2023	eMaxx	1.2	36.1	• Undisclosed Investors	• eMaxx Assurance Group of Companies is an InsurTech focused on the commercial property and casualty insurance market through its various operating companies. eMaxx Insurance Services offers commercial property and casualty insurance programmes as a retailer, wholesaler, program administrator, and managing general agent. eCaptiv is a Vermont-sponsored captive insurance company with group captive property and casualty insurance programs. eRisk Solutions provides loss prevention and safety, claims investigational and oversight along with litigation management programmes to affiliated companies and third parties. eTechnology Services offers underwriting, loss prevention, training, and telematics technology platforms for the insurance vertical. The company was founded in 2008 and is based in Peabody, Massachusetts.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
1/16/2023	Cerchia	1.4	1.4	• High-Tech Grunderfonds • Undisclosed Investors • ZILHive	• Cerchia offers digital solutions and blockchain-based tools. The company aims to enable the direct transfer of event risk between protection buyers and protection sellers. Cerchia was founded in 2020 and is based in Zug, Switzerland.
1/17/2023	Sensible Weather	--	22.0	• Certares • Derive Ventures • EP Golf Ventures • Group 1001 • Infinity Ventures • National Science Foundation • PGA of America • Undisclosed Investors • Walkabout Ventures • Wonder Ventures	• Sensible Weather is a climate risk technology company that de-risks weather for both travel partners and consumers. The company offers a partner-branded Weather Guarantee service that automatically reimburses travelers when bad weather impacts their in-trip experience. Through proprietary climate data and a risk analytics platform, the company can calculate Weather Guarantee pricing in real-time. Sensible Weather was founded in 2019 and is based in Santa Monica, California.
1/23/2023	Coverdash	2.5	2.5	• AXIS Digital Ventures • Bling Capital • Cameron Ventures • Expansion VC • Garret Koehn • Greg Hendrick • Steve Shenfeld • Tokio Marine Holdings • Undisclosed Angel Investors	• Coverdash is a fully-digital commercial insurance agency that aims to make insurance accessible to small businesses of all shapes and sizes through its embedded technology. It provides insurance services for freelancers, e-commerce, and small businesses. The company was founded in 2022 and is based in New York, New York.
1/24/2023	Cygnvs	55.0	110.0	• Andreessen Horowitz • Bill Marcoux • Dowling Capital Partners • Eos Venture Partners • Richard Booth • Stone Point Capital • Tom Hutton • Undisclosed Investors	• Cygnvs is a provider of a guided cyber crisis response platform. It offers an encrypted tool for online security. The company manages cyber crisis management for its clients. Cygnvs was founded in 2021 and is based in Los Altos, California.
1/24/2023	Rhino	4.5	137.0	• Addition • Emergent Ventures • ff Venture Capital • FJ Labs • Kairos Ventures • Lakehouse Ventures • Lakestar • Paycheck Protection Program • Picus Capital • Red Dog Capital • Tiger Global Management • Undisclosed Investors • Wing Venture Capital	• Rhino provides deposit insurance to help satisfy users' security deposit requirements. It replaces upfront deposits with a low monthly fee, creates access for renters, and has fewer vacancies for landlords. Rhino aims to address housing affordability across the state. The company was founded in 2017 and is based in New York, New York.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
1/26/2023	Betterview	--	16.4	• 500 Accelerator • 500 Global • 645 Ventures • Alumni Ventures • Arab Angel Fund • Arena Ventures • Chestnut Street Ventures • Compound • EMC Insurance Group • Guidewire Software • Lando Ventures • Maiden Re • ManchesterStory Group • MetaProp • Nationwide Mutual Insurance Company • Nationwide Ventures • Paycheck Protection Program • Pierre Valade • Plug and Play Accelerator • Plug and Play Ventures • Router Ventures • Runway Venture Partners • Teamworthy Ventures • Undisclosed Angel Investors • Winklevoss Capital	• Betterview is a company that offers a property intelligence and risk management platform. It provides features such as monitoring, property issues detection, automation flags, and others. The company also delivers wildfire, hurricane, and hail risk insights and a catastrophic (CAT) response system that helps customers recover from tragedy and predicts the potential damages to individual properties with computer vision. It was founded in 2014 and is based in San Francisco, California.
1/27/2023	Pathpoint	12.5	48.5	• Caffeinated Capital • Chubb • Founders Fund • Hiscox Holdings • SciFi VC • Undisclosed Investors	• Pathpoint is a provider of software solutions to help brokerages and carriers digitally transact excess and surplus (E&S) risk. It offers general liability, cyber liability, commercial packages, and more. It focuses on industries such as air conditioning and HVAC, construction, carpenters, handypeople, interior construction, machinery and equipment, healthcare, and more. The company was founded in 2017 and is based in San Francisco, California.
1/27/2023	CarEdge	1.8	6.0	• Flybridge Capital Partners • Long Journey Ventures • NextView Ventures • Undisclosed Investors	• CarEdge operates a platform to buy, sell, insure, and protect car. Its services offerings include car buying help, car selling help, extended warranty, electronics warranty, insurance, finance, and refinance. CarEdge was formerly known as Your Auto Advocate. The company was founded in 2020 and is based in Kensington, Maryland.
1/30/2023	Hnry	22.7	34.5	• AirTree Ventures • Angel HQ • Athletic Ventures • Equity Venture Partners • ICE Angels • Icehouse Ventures • Kiwibank Fintech Accelerator • Left Lane Capital • Notion Capital	• Hnry is an online service that helps freelancers do their taxes, and provides professional insurance on a pay-as-you-go basis. Its services include tax payments, invoicing, tax filings, expenses, payments, and more. Hnry was founded in 2016 and is based in Pipitea, New Zealand.
1/30/2023	reThought Insurance	10.5	27.9	• ArcTern Ventures • Hudson Structured Capital Management • IA Capital Group • ManchesterStory Group • Menlo Ventures • Plug and Play Ventures • Prototype Capital • Streamlined Ventures • Telstra Ventures • Undisclosed Investors	• reThought Insurance operates a managing general agency intended to offer commercial flood insurance. Its services mainly focus on forming strategic relationships with insurers, reinsurers, and other capacity providers in order to offer insurance through its underwriting methodology and risk assessment technology. The company was founded in 2017 and is based in Broomfield, Colorado.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
1/30/2023	justInCase	4.3	14.9	• 500 Accelerator • 500 Global • AI.accelerator • Coral Capital • DeNA • Global Brain • Globis Capital Partners • ITOCHU Corporation • LINE Ventures • Naoki Aoyagi • Plug and Play Japan • SBI Investment • Shinsei Corporate Investment • Undisclosed Investors	• justInCase provides insurance services. It offers insurance services such as cancer insurance, smartphone insurance, and more. The company was founded in 2016 and is based in Chuo-ku, Japan.
1/30/2023	Baobab	3.3	7.5	• Alexis Pantazis • Augmentum Fintech • Christopher Oster • Discovery Ventures • Emilios Markou • Hanno Fichtner • Jan Beckers • La Famiglia • Marco Adelt • Martin Kissinger • Michael Riegel • Philippe Mota • Project A Ventures	• Baobab offers cyber-insurance services intended to offer compensation for expenses, fees, and legal costs arising due to cyber breaches. Its services help to protect businesses from existing and emerging cyberthreats using technology, knowledge, and insurance. The company was founded in 2021 and is based in Berlin, Germany.
1/30/2023	Mundi	0.1	123.9	• AlleyCorp • Andbank • Base10 Partners • FJ Labs • FJ Labs • Gaingels • Gilgamesh Ventures • Lingotto • Monex Ventures • Operator Partners • Silicon Valley Bank • Undisclosed Angel Investors • Undisclosed Investors • Union Square Ventures • Upper 90 Tech	• Mundi is a financial tech platform aimed at facilitating trade between international markets. It offers international factoring, cargo insurance, and currency exchange. The company was founded in 2020 and is based in New York, New York.
1/30/2023	Brick Seguros	--	--	• Newlin VC • Undisclosed Angel Investors • Verve Capital • WOW Participacoes	• Brick Seguros is an insurance platform. It offers customer reviews and information in one place and around-the-clock assistance as needed, enabling small and medium-sized car rental companies to avoid fraud and save time and money. The company was founded in 2021 and is based in Curitiba, Brazil.
1/31/2023	BOXX Insurance	14.4	25.4	• Cyber Mentor Fund • Lloyd's Lab • SixThirty • Undisclosed Investors • Zurich Insurance Group	• BOXX Insurance provides integrated cybersecurity and insurance solutions for small-to-medium-sized businesses. The platform creates technologies, data science, and specialized underwriting to deliver protection, and prediction facilities. The platform caters its services to banking, insurers, retailers, e-commerce, mobile operators, and telecom sectors. The company was founded in 2018 and is based in Toronto, Canada.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
2/1/2023	Risilience	26.0	34.2	• Castor Ventures • IQ Capital • National Grid Partners • Quantum Energy Partners • University of Cambridge	• Risilience develops a data analytics platform to help companies in risk management. It offers climate and enterprise risk management solutions to translate risk science into business insights and provide insights into financial impact for corporate businesses. The company was founded in 2021 and is based in Cambridge, United Kingdom
2/1/2023	OnSiteIQ	10.0	16.8	• Anthemis • Bullpen Capital • MetaProp • MetaProp NYC • Paycheck Protection Program • Plug and Play Accelerator • ValueStream Ventures • Vertical Venture Partners	• OnSiteIQ is an online platform to allow construction companies to inspect a site through 360-degree imagery to track progress and perform safety analysis. It offers floorplan mapping, monitoring and reporting, verification, and more. It was founded in 2017 and is based in New York, New York.
2/1/2023	Fluffy	0.4	0.6	• QVentures • Techstars • Techstars London Accelerator • Undisclosed Angel Investors	• Fluffy is a pet insurance platform. It offers insurance coverage for veterinary fees, treatments, third-party liability, and more. It offers pet training and healthcare services. The company was founded in 2021 and is based in London, United Kingdom.
2/2/2023	Vertical Insure	2.0	7.9	• Daren Cotter • Dundee Venture Capital • Greenlight Re Innovations • Groove Capital • Rally Ventures • Undisclosed Angel Investors	• Vertical Insure is an embedded insurance platform for vertical SaaS (Software as a service) platforms. The company offers customized insurance options that are built around businesses and their customers. its offerings include event insurance, pet emergency insurance, faith insurance, and more. The company was founded in 2022 and is based in Minneapolis, Minnesota.
2/7/2023	Zeitview	55.0	110.7	• DJI Innovations • Energy Transition Ventures • Euclidean Capital • FLIR Systems • Hearst Ventures • Launchpad LA • Pritzker Group Venture Capital • Razi Ventures • Rothenberg Ventures • SkyFund • SV Angel • The Pritzker Group • Union Square Ventures • Upfront Ventures • Valor Equity Partners • Y Combinator	• Zeitview provides drone services and inspection software to support the transition to renewable energy and sustainable infrastructure. It also provides property, solar, wind, telecom, and utility insights, serving the construction, property management, commercial real estate, solar, insurance, roofing, wind, telecom, and utilities sectors. Zeitview was formerly known as DroneBase. The company was founded in 2014 and is based in Los Angeles, California.
2/7/2023	Ushur	50.0	92.0	• 8VC • Aflac Ventures • Iron Pillar • Pentland Ventures • Plug and Play Accelerator • Plug and Play Ventures • Third Point Ventures	• Ushur provides a customer experience automation platform. The platform digitally transforms enterprise workflows by automating back-end processes and customer conversations. It caters to industries such as insurance, healthcare, and banking. The company was founded in 2014 and is based in Santa Clara, California.
2/7/2023	Moonrock	--	1.4	• Andrew Hillier • Apollo Partners • Paul Cousins • Philip Oldcorn • Richard Bryant • Russell Kilpatrick	• Moonrock offers a range of coverage options for the drone market. It also offers coverage for drone use in sectors such as surveying, film and television, agriculture, delivery, and construction industries. The company was founded in 2015 and is based in London, U.K.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
2/9/2023	Coincover	30.0	39.7	• Angels Invest Wales • Ashley Cooper • Avon Ventures • CMT Digital • Development Bank of Wales • DRW Venture Capital • Element Ventures • FinTech Collective • Foundation Capital • Hambro Perks • InsurTech Gateway • Paul Teather • Phil Buck • Susquehanna Private Equity Investments • Tech Nation Fintech • Valor Equity Partners • Volt Capital	• Coincover offers security solutions for digital assets. Its products include theft recovery, disaster recovery, and validator key recovery solutions. It aims at protecting and safeguarding cryptocurrency investments, technologies, and companies. The company was founded in 2018 and is based in Cardiff, United Kingdom.
2/13/2023	FairSplit	0.1	0.1	• Techstars Miami	• FairSplit provides severance benefits insurance services designed for employees. It protects both businesses and employees from the financial stress of layoffs. The company was founded in 2021 and is based in Miami, Florida.
2/14/2023	InsuranceDekho	73.5	270.0	• Alstroemeria Investments • Avataar Venture Partners • Avatar Ventures Corp. • CarDekho • Goldman Sachs Asset Management • Investcorp • LeapFrog Investments • N Laxmi Narayan • Shridham sons • TVS Capital • Undisclosed Investors • Vineet Dhingra • West Street Infrastructure Partners III	• InsuranceDekho provides an insurance comparison platform. Its platform helps users compare motor vehicle and health insurance plans online. The company was founded in 2017 and is based in Gurugram, India.
2/14/2023	OpenEyes	18.0	23.0	• Insight Partners • MoreVC • Pitango Venture Capital	• OpenEyes is an insurance company. It offers commercial automotive insurance that helps to reduce the risk of an accident. Using OpenEyes's technology, fleet managers and safety officers can identify the sources of risk in their fleet, empowering them to implement practices that reduce the frequency of accidents. The company was founded in 2019 and is based in New York, New York.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
2/15/2023	wefox	55.0	1379.3	• ACE & Company • AngelList • CE Innovation Capital • Davidson Technology Growth Debt • Decisive Ventures • EDBI • Eurazeo • FinTLV • G Squared • Global Tech Ventures • Goldman Sachs • GR Capital • Harbert European Growth Capital • Horizons Ventures • IDInvest Partners • Jupiter Asset Management • Lena Meyer-Landrut • LGT • LGT Capital Partners • Lightrock • Merian Chrysalis Investment Company • Mountain Partners • Mubadala • Mubadala Capital • Mubadala Ventures • Mundi Lab • Mundi Ventures • OMERS Ventures • Partners Group • Salesforce Ventures • Samsung Catalyst • Samuel Skoblo • SBI Investment • Seedcamp • Sound Ventures • Speedinvest • Target Global • Undisclosed Investors • Victory Park Capital	• wefox operates as a digital insurer focused on personal insurance products. It enables customers, insurance brokers, and insurance providers to transact and manage insurance products digitally. The company was founded in 2014 and is based in Berlin, Germany.
2/15/2023	Naked	17.0	31.6	• DEG • Hollard Insurance • Hollard Investments • International Finance Corporation • Naspers • Yellowwoods	• Naked uses an artificial intelligence-based algorithm to bring down the cost of car insurance, by removing the business process such as call centres. It develops a fraud algorithm that claims to reduce inconvenience and helps to approve certain claims instantly. The company was founded in 2016 and is based in Johannesburg, South Africa.
2/15/2023	Sealution	1.4	1.5	• Techstars Eastern Pacific Accelerator • Undisclosed Investors	• Sealution provides a generic connectivity hardware and software platform, connecting all kinds of an existing and new internet of things (IoT) and sensor devices on the ship. The company offers vessel performance management, cargo care and protection, crew integrity protection, collection data used for preventive maintenance, and reselling to relevant data aggregators. It was founded in 2020 and is based in Sint-Martens-Latem, Belgium.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
2/16/2023	Pier	18.5	74.0	• BTG Pactual • Canary VC • International Finance Corporation • Mercado Libre Fund • Monashees+ • Raiz Investimentos • Undisclosed Investors	• Pier provides a digital insurance distribution platform. It offers mobile insurance and auto insurance. The company was founded in 2018 and is based in Sao Paulo, Brazil.
2/22/2023	Kita	4.8	5.3	• Carbon13 • Chaucer • Climate VC • Echelon Capital • Hartree Partners • InsurTech Gateway • Lloyd's Lab • Octopus Ventures • Tech Nation Net Zero	• Kita is developing parametric insurance products that remove carbon delivery risk from buyers. It offers carbon removal insurance to reduce opaque transactions in the voluntary carbon markets. It was founded in 2021 and is based in Guildford, United Kingdom.
2/23/2023	Oka	7.0	7.0	• Aquiline Capital Partners • Firstminute Capital	• Oka provides insurance that will replace credits if destroyed or invalid and aims to deliver security, confidence, and protection in an unregulated and opaque market. It offers insurance solutions for companies and organizations engaging in the carbon credit market. The company was founded in 2023 and is based in Park City, Utah.
2/27/2023	Flock	38.0	58.7	• Anthemis • CommerzVentures • Dig Ventures • Downing Ventures • Foresight Ventures • Lloyd's Lab • London Co-Investment Fund • Newable Ventures • Octopus Ventures • Plug and Play Ventures • R/GA IoT Venture Studio • Seed+Speed Ventures • Social Capital • Tech Nation Fintech	• Flock is an insurance company for commercial motor fleets. It provides fleets of vehicles with insurance that enables and incentivizes safer driving. The platform builds a risk intelligence platform for commercial motor fleet insurance. The company partners with brokers, telematic providers, underwriters, and automotive original equipment manufacturers. Flock was founded in 2015 and is based in London, United Kingdom.
2/27/2023	TuMeke	1.0	4.2	• GSR Ventures • Metagrove Ventures • OneValley Ventures • OVO Fund • Pirque Ventures • Reach Ventures • Stanford Angels & Entrepreneurs • Tuesday Capital • Undisclosed Investors	• TuMeke offers a risk assessment platform that uses computer vision to extract 3D joint positions from 2D cameras to automate ergonomic risk evaluations. The platform includes a phone and web app that work together to allow teams to collaborate across locations, get automatic recommendations on postures to investigate, and a dashboard to track performance over time. The company primarily serves the manufacturing, warehousing, and industrial industries. The company was founded in 2019 and is based in San Mateo, California.
2/28/2023	Certificial	--	5.8	• apexanalytix • Cameron Ventures • Cofounders Capital • Fin Capital • IA Capital Group • Nationwide Ventures	• Certificial offers an intelligent insurance verification and monitoring platform for agencies, brokers, and businesses. It combines certificate issuance and compliance management to eliminate risk, ensure compliance, and reduce costs. The company was founded in 2019 and is based in Holly Springs, North Carolina.
3/1/2023	Assurified	2.5	2.8	• Undisclosed Investors	• Assurified is a technology company operating in stealth mode. The company was founded in 2021 and is based in Wilmington, Delaware.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
3/5/2023	Click-Ins	7.5	9.5	• Adar Capital Partners • Insurtech Israel • Jerusalem Venture Partners • Mobilion Ventures • Plug and Play Accelerator • Scharf Group • Shlomo Group • Summus Global • Universal Motors	• Click-Ins detect and predict fraud for insurance and car companies. The platform helps to predict fraud at the point of sale as well as point of claim using an approach that uses intelligence techniques including link analysis, open-source intelligence, text analytics, and signal and image processing. The company was formerly known as Get Me Ins. It was founded in 2014 and is based in Netanya, Israel.
3/6/2023	Over-C	1.2	8.2	• Ayre Ventures • Ingenious Investments	• Over-C offers software platform that provides digital transformation solution using big data and analytics to deliver detailed insights. It provides a digital platform for high-footfall, high-risk venues to reduce costs for operators and losses for insurers giving them transparency, confidence and control of frontline activities. The platform enables decision making in the areas of risk management, compliance, and the customer experience. It empowers organizations to capture and act on risk, operations and environmental insights in one place. Over-C was founded in 2011 and is based in London, United Kingdom.
3/8/2023	SOCRadar	5.0	5.0	• 212 Ventures	• SOCRadar delivers a digital risk protection platform for organizations against cyber-attacks. It provides solutions such as credentials and data leak detection, web monitoring, phishing domain detection, and much more. The company's products include AttackMapper, ThreatFusion, and RiskPrime. Its primary clients are in the financial, retail, e-commerce, healthcare, insurance, and energy sectors. SOCRadar was founded in 2018 and is based in Middletown, Delaware.
3/8/2023	Denim Social	2.3	13.3	• FINTOP Capital • Hermann Companies • iSelect Fund • Paycheck Protection Program • Undisclosed Investors	• Denim Social provides social media management and marketing automation software for customers in banking, insurance, mortgage, and wealth management. Its platform features include content curation, retargeting, team management, publishing, advertising, and compliance. Denim Social was founded in 2020 and is based in Clayton, Missouri.
3/9/2023	UpdatePromise	17.1	25.1	• GCP Capital Partners • Undisclosed Investors	• UpdatePromise is a technology provider for communication solutions to automotive insurers, repairers, and dealerships throughout North America. Founded in 2009, the UpdatePromise flagship automated messaging system has impacted thousands of businesses and their consumers, delivering unparalleled experiences accumulated through over 200 million text messages throughout the United States. UpdatePromise was founded in 2009 and is based in Chino, California.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
3/10/2023	Hedvig	31.1	107.7	• Adelis Equity Partners • Anthemis • Cherry Ventures • CommerzVentures • D-Ax • Holta Invest • Jonas Kamprad • Mathias Kamprad • Neptunia Invest • Nicklas Storakers • Nineyards Equity • Nordic Secondary Fund • Novax • Obvious Ventures • Philian Invest • SEB • Sophia Bendz • Sven Hagstromer • Tacito Partners	• Hedvig provides insurance services. The company offers homeowners insurance services that includes home, accident, travel, and car insurance and more. It focuses on simplifying the way users report damage and receive compensation. Hedvig was founded in 2016 and is based in Stockholm, Sweden.
3/10/2023	LineSlip	5.6	5.6	• Panoramic Ventures	• LineSlip provides a framework that extracts and structures data locked in quotes, proposals, and other insurance documents. It features business intelligence solutions for insurance quotes, data management, policy management, risk assessment, and performance management. The company was founded in 2015 and is based in New York, New York.
3/10/2023	Visor.ai	4.7	4.8	• Data Pitch • FinTech 365 • innovation Station • Lince Capital • M4 Ventures • Newzone • Poland Prize • Portugal Tech NYC • Protechting • Smart Open Lisboa • Undisclosed Investors • UpRamp Fiterator	• Visor.ai develops a chatbot that helps businesses automate their online customer service with continuous automated replies. It caters to the requirements of banks and insurance companies such as account opening, credit card payment, insurance claim reporting, insurance bill payment, and more. The company was founded in 2016 and is based in Lisbon, Portugal.
3/14/2023	Digital Agriculture Services	2.0	2.0	• Commonwealth Scientific and Industrial • Research Organisation • Firemark Ventures • Ruralco • TELUS Ventures • Undisclosed Investors	• Digital Agriculture Services (DAS) is a SaaS technology company that delivers location intelligence for financial services. It offers a unified system of data, insights, software, and CRM integrations. It caters to the AI-powered rural, agri and climate risk intelligence market that assists users including farmers, lenders, insurers, commodity traders and rural suppliers. It also caters to financial institutions and agri companies, including banks, insurers, government, statutory bodies and digital-focused leaders. Digital Agriculture Services was founded in 2017 and is based in Melbourne, Victoria.
3/15/2023	Obie	13.6	27.4	• Battery Ventures • FundersClub • Innovation Fund America • Liquid 2 Ventures • MetaProp • NAR REACH • Second Century Ventures • Soma Capital • Thomvest Ventures • Undisclosed Investors • Y Combinator	• Obie operates as a platform that connects commercial real estate brokers with investors and offers materials, transaction documents, and analytical tools all in one place. Obie was founded in 2017 and is based in Chicago, Illinois.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
3/15/2023	The Climate Box	0.3	0.4	• Label Investments • The Yield Lab • Undisclosed Angel Investors	• The Climate Box offers farmers and agricultural companies a toolkit for frost risk management, including software that predicts frosts and educational tools. It provides microclimatic frost damage assessment, analytics, risk assessment and control, and more. The company was founded in 2019 and is based in Montevideo, Uruguay.
3/16/2023	Fairmatic	46.0	88.0	• Aquiline Capital Partners • Assaf Wand • Battery Ventures • Bill Tai • Bridge Bank • Foundation Capital • Jerry Yang • Oren Zeev • Undisclosed Investors • Zendrive	• Fairmatic offers a business vehicle insurance platform that promotes safe driving with a performance-based pricing structure. It offers a way to monitor driving events and offers improvement tips. The platform calculates a safety score based on the driver's risky actions, including talking on the phone, driving excessively, rapid acceleration, and hard braking. This score shows part of the safety-related components of insurance pricing. It identifies the drivers who require assistance and gives tools to help users improve their driving habits. Fairmatic was formerly known as Straight Up Insurance Services. The company was founded in 2019 and is based in San Francisco, California.
3/16/2023	West Hill Global	13.5	20.8	• Eos Venture Partners • IQ Capital • Undisclosed Investors	• West Hill Global provides outcome-based solutions for the insurance industry. Its software solves problems with the property claim process.
3/22/2023	Kin Insurance	15.0	405.1	• 500 Accelerator • 500 Global • AllegisCyber Capital • AllegisNL • Alpha Edison • Aquarian Holdings • August Capital • Avanta Ventures • Avenue Capital Group • Chicago Ventures • Commerce Ventures • Elmspring Accelerator • Flourish Ventures • Geodesic Capital • Group 1001 • Hudson Structured Capital Management • M25 • Omnichannel Acquisition • Polsky Center for Entrepreneurship • Portage • PROOF • QED Investors • Runway Growth Capital • Senator Investment Group • Skyline Capital • Undisclosed Angel Investors • Undisclosed Investors • University of Chicago	• Kin Insurance creates homeowners insurance for digital natives, providing a way to buy homeowners insurance in minutes on a phone without talking to anybody. Kin Insurance was formerly known as Bright Policy. The company was founded in 2016 and is based in Chicago, Illinois.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—P&C

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
3/23/2023	Diesta	--	--	• Plug and Play Accelerator • Restive Ventures	• Diesta operates as an insurance reconciliation and distribution platform. It uses automation to manage admin expenses, speed up payment processing, and provide users with data on their payments and business. The company was founded in 2022 and is based in London, United Kingdom.
3/27/2023	KOBA Insurance	1.0	2.5	• Birchal • Ensurance • Hunter Equity Group • InsurTech Gateway Australia • Undisclosed Angel Investors	• KOBA Insurance provides car insurance solutions. Its product includes KOBA Rider which gets attached to the car, and through the mobile application, it allows the users to have continuous insurance coverage based on the actual usage of the vehicle. The company was founded in 2020 and is based in Docklands, Australia.
3/28/2023	Roojai	42.0	69.0	• HDI Global • International Finance Corporation • Primary Group"	• Roojai is an insurance broker, specializing in online insurance. It offers critical illness insurance, cancer insurance, cardiovascular disease insurance, mosquito-borne disease insurance, hospital cash plan insurance personal accident insurance, and many more. The company was founded in 2016 and is based in Jakarta Selatan, Indonesia.
3/29/2023	Koala	2.2	4.1	• InsurTech Gateway • Playfair Capital • Slimmer • Sterling Oak Group • Techstars • Techstars Ventures • Uneti Ventures	• Koala offers travel insurance products and services. It incorporates comprehensive travel insurance and facilitates easy reimbursement for trip cancellations, disruptions, and medical emergencies. It also offers travel insurance products that provide coverage in case of unexpected expenses abroad. Koala was founded in 2018 and is based in Paris, France.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—L&H

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
1/1/2023	Pledge Health	0.5	0.5	• WTIA Founder Cohort Program • Y Combinator	• Pledge Health provides a payment platform for healthcare providers to automate patient invoicing and payment collection. It verifies patient insurance benefits, automates invoicing and reminders, collects patient payments, and offers secure integration. It was founded in 2022 and is based in New York, New York.
1/3/2023	Insurello	2.7	31.7	• Björn Melinder • Bo Mattsson • DHS Venture Partners • Eva Redhe • Inventure • Johan Siwers • Lars Bergstrom • Lars Lindgren • Luminar Ventures • Nordstjernan • Per Emanuelsson • Schibsted Growth • Undisclosed Investors • Wave Ventures	• Insurello educates people about their insurance and manages as well as maximizes their claims through a simple digital solution. It operates an insurance management platform to help customers find insurance payments. The company was founded in 2016 and is based in Stockholm, Sweden.
1/4/2023	HealthCoin Exchange	0.1	0.1	• Undisclosed Investors	• HealthCoin Exchange provides online insurance services to both businesses and individuals. It offers a range of healthcare insurance services including prescription medication. The company was founded in 2021 and is based in Concord, North Carolina.
1/5/2023	Monitaur	4.6	7.4	• Cultivation Capital • Hub Angels Investment Group • MTech Capital • Plug and Play Ventures • Presidio Ventures • Rockmont Capital Partners • Silicon Valley Bank • Studio VC • Techstars Boston Accelerator • Techstars Ventures	• Monitaur operates as an artificial intelligence (AI) governance software company. It offers risk modeling, fraud detection, sales and marketing, remote patient monitoring, talent acquisition, and more. It serves the insurance, financial services, health and life science, human resource and recruitment, and other sectors. The company was founded in 2019 and is based in Duxbury, Massachusetts.
1/5/2023	Vitraya	4.1	5.6	• Cactus Venture Partners • Eklavya Juneja • J&A Partners • Season Two Ventures • Sheeta Arora • Start-upXseed Ventures • Xceedance	• Vitraya develops a claims settlement platform that enables automated payouts and settlement between insurers and hospitals. It integrates smart contracts and blockchain and also auto-screens documents against policy codes. It helps the end users interact and sign off on a settlement contract. The company was founded in 2019 and is based in Mohali, India.
1/9/2023	Clinikk	3.0	7.0	• 500 Global • 500 Southeast Asia • Anjali Bansal • Anjali Joshi • Emphasis Ventures • EMV Capital • First Principles Capital Management • Google for Start-ups Accelerator • JioGenNext • Kunal Shah • MassMutual Ventures • Rohit MA • Stanford Angels India • Times Internet • Undisclosed Investors • WEH Ventures	• Clinikk aims to safeguard families' interests and help them navigate the healthcare maze. It provides a single point of contact for any healthcare need. It offers Clinikk smart plans that include free and unlimited doctor consultations, specialist consultations, prescribed lab tests, and medicines, health insurance, and more. The company was founded in 2016 and is based in Bengaluru, India.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—L&H

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
1/12/2023	Financial Agency	--	--	• Future Venture Capital • Jfrontier	• Financial Agency supports the digitization of the insurance industry and offers a digital Business Process Outsourcing (BPO) platform for insurance distribution through its digitized communication system, insurance consulting system, and professional insurance consultants. The company was founded in 2007 and is based in Tokyo, Japan.
1/12/2023	Ouch!	--	0.4	• Temokin • Vynn Capital • Undisclosed Investors	• Ouch! operates a mobile app that helps users manage their insurance policies. Its platform helps to find the optimum insurance plan in different sectors like life, motor, health, travel, and home, as well as assists in purchasing, managing and claiming. The company was founded in 2019 and is based in Kuala Lumpur, Malaysia.
1/19/2023	iLife Technologies	17.0	21.0	• AME Cloud Ventures • Brewer Lane Ventures • Cherubic Ventures • Fin Capital • Foundation Capital • Plug and Play Accelerator • SCOR Ventures • U.S. Small Business Administration	• iLife Technologies offers a life insurance sales platform that reduces users' time to close while increasing revenue. It offers a life insurance marketing hub, customer relationship management, electronic health records, online approvals, a content library, and more. The company was founded in 2019 and is based in Irvine, California.
1/23/2023	Dayforward	25.0	45.0	• AXA Venture Partners • HSCM Ventures • Juxtapose • Munich Re Ventures • Tusk Ventures	• Dayforward develops a life insurance platform. It creates personalized policies online and contact-free that help users to purchase life insurance for their families online. The company was founded in 2019 and is based in New York, New York.
1/25/2023	Angle Health	58.0	62.5	• Aloft VC • Blumberg Capital • Correlation Ventures • Crew Capital • Liquid 2 Ventures • Mighty Capital • Mindset Ventures • Portage • PruVen Capital • SixThirty • TSVC • Undisclosed Investors • Waseem Daher • Wing Venture Capital • Wormhole Capital • Y Combinator	• Angle Health provides health insurance plans and benefits to members, employers, and brokers. It builds an AI-powered technology platform and regulatory infrastructure. The company was founded in 2021 and is based in San Francisco, California.
1/27/2023	Medihive	7.6	7.6	• ResMed • VentureWave Capital	• Medihive is a software and clinical solutions company. It helps to remove friction from patient pathways across healthcare, insurance, MedTech, and many more industries. It offers the MedTech platform Webdoctor.ie. It primarily focuses on pharmacy, insurance, and consumer solutions. The company was founded in 2014 and is based in Dublin, Ireland.
2/1/2023	MedSmart	1.2	1.2	• Astorya.vc	• MedSmart develops e-health and insurance solutions for practitioners and complementary health at the service of patients. It facilitates the automatic remote transmission of reimbursement requests for this care not covered by Social Security. The company was founded in 2020 and is based in Neuilly-Sur-Seine, France.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—L&H

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
2/9/2023	Yodawy	16.0	24.5	• Algebra Ventures • ASI Ventures • Asia Africa Investment Consulting • Athaal • C Ventures • Dallah AlBaraka • Delivery Hero Ventures • Global Ventures • Middle East Venture Partners • P1 Ventures • Undisclosed Investors	• Yodawy offers a medication ordering and pharmacy benefits platform. Its mobile app utilizes an artificial intelligence-powered cloud-based approval engine to offer services including pharmacy delivery, insurance approvals, and digital prescriptions. The company was founded in 2018 and is based in Giza, Egypt.
2/13/2023	Vitaance	2.4	5.8	• Antai Business Angels • Astorya.vc • Calm/Storm Ventures • Emerge Accelerator • Extension Fund • Hansmen Group • K Fund • Kindred Capital • Kindred Ventures • ScaleUp Spain • Shilling VC • SoftBank • Undisclosed Angel Investors	• Vitaance is an insurtech company focused on life insurance. The company creates insurance products through technology that aims to improve peoples financial, emotional, and physical wellbeing. The company was founded in 2021 and is based in Barcelona, Spain.
2/14/2023	Curacel	3.0	4.0	• AAF Management • Atlantica Ventures • Babs Ogundeyi • Blue Point Capital Partners • Co-Creation Hub • Consonance Capital • Consonance Investment Managers • Dubai100 • Elefund • Facebook Accelerator • Forbes Digital Start-up Accelerator • Google for Start-ups Accelerator: Africa • Google for Start-ups Accelerator: Black Founders • James Park • Kepple Africa Ventures • Olive Tree Capital • Olugbenga Agboola • Pioneer Fund • Start-upbootcamp AfriTech • Tencent Holdings • Undisclosed Angel Investors • Y Combinator	• Curacel provides cloud-based tools to help users sell insurance with their products to build trust and increase customer loyalty. It provides products such as grow, claims collection, claims detection, auto claims, and grow travel. It serves the logistics, financial technology, and e-commerce industries. The company was founded in 2019 and is based in Lagos, Nigeria.
2/16/2023	PlanSight	7.4	12.6	• H2M Capital • Undisclosed Investors	• PlanSight develops a technology platform to compare various insurance plans. The platform helps in the collaboration between brokers and carriers assisting brokers to organize their RFP process and compare options. The company was founded in 2017 and is based in Midvale, Utah.
2/16/2023	Goose Insurance Services	3.0	4.7	• Axis Insurance • Google Cloud Accelerator Canada • Impression Ventures • ManchesterStory Group • Plug and Play Accelerator • Real Ventures	• Goose Insurance Services offers insurance services to consumers through a mobile application. It offers travel, life, and cancer insurance and develops a platform for choosing and purchase of insurance. Goose Insurance Services was founded in 2017 and is based in Vancouver, Canada.

Note: Blue font denotes current round investors.

Q1 2023 InsurTech Transactions—L&H

		Funding ($M)			
Date	Company	Round	Total	Investor(s)	Description
2/17/2023	Clinify	1.5	1.6	• Halo Health • Thin Air Labs • Undisclosed Angel Investors • Undisclosed Investors	• Clinify offers a centralized and standardized Electronic Medical Record (EMR) system. It assists providers to submit health insurance claims directly to Health Maintenance Organizations (HMOs) while processing payments. The company was founded in 2020 and is based in Lagos, Nigeria.
3/1/2023	Arintra	--	0.5	• Google for Start-ups Accelerator: Women Founders • Surge • Y Combinator	• Arintra operates as an artificial intelligence (AI) autonomous medical coding platform. The company offers a website application that captures patient details before they meet the doctor, uses this information to generate the doctor's documentation, and processes it to create the insurance claim for billing. It was founded in 2020 and is based in Austin, Texas.
3/2/2023	VivaWell	1.6	1.6	• Harvard Alumni Entrepreneurs Accelerator • Undisclosed Angel Investors • Undisclosed Private Equity Investors	• VivaWell offers a preventive and personalized health prevention and wellness platform for health insurance for corporations and individuals. It provides various services such as health, wellness, business services, and technology. The company was founded in 2021 and is based in Tlalnepantla de Baz, Mexico.
3/2/2023	aJust Solutions	0.1	0.2	• Undisclosed Investors	• aJust Solutions simplify the insurance claims and appeals process for policyholders. It helps clients who have been denied claims appeal for such claims. The company handles healthcare insurance claims related to pharmacy, chiropractic, acupuncture, dermatology, physical therapy, and occupational therapy. aJust Solution was founded in 2021 and is based in Menlo Park, California.
3/7/2023	Opkit	1.0	1.1	• Global Founders Capital • Mischief • Rex Salisbury • Socially Financed • Y Combinator	• Opkit provides a health insurance verification platform. It helps automates most of the steps involved in insurance verification and automatically repeats this process for existing patients prior to each follow-up appointment. The platform plugs into health electronic systems and then provides dashboards that illustrate which surgeries are the most expensive for the center. Then, the purchasing software gives recommendations on what customers should buy to limit costs. Opkit was founded in 2021 and is based in New York, New York.
3/10/2023	Sift Healthcare	6.8	22.0	• Allos Ventures • First Trust Capital Partners • Gaingels • IKS Health • Jeff DeAngelis • Paycheck Protection Program • Plug and Play Accelerator • Rock River Capital Partners • Start-up Health • Undisclosed Investors • Wind River Financial • Winnebago Capital Partners	• Sift Healthcare offers a healthcare analytics platform. Its platform uses data sources, both structured and unstructured, to reduce claim denials, increase patient collection rates, and capture insights. It serves clients operating in the healthcare sector. It was formerly known as SiftMD. The company was founded in 2017 and is based in Milwaukee, Wisconsin.
3/13/2023	LuckyIns	--	3.1	• Changxing Chenke Xingrui • Cowin Capital • Hengqin Life • Huimeng Insurance • Tamarace Capital	• LuckyIns is an insurance intermediary life insurance Saas system developer. The company was founded in 2012 and is based in Shenzhen, China.

Note: Blue font denotes current round investors.

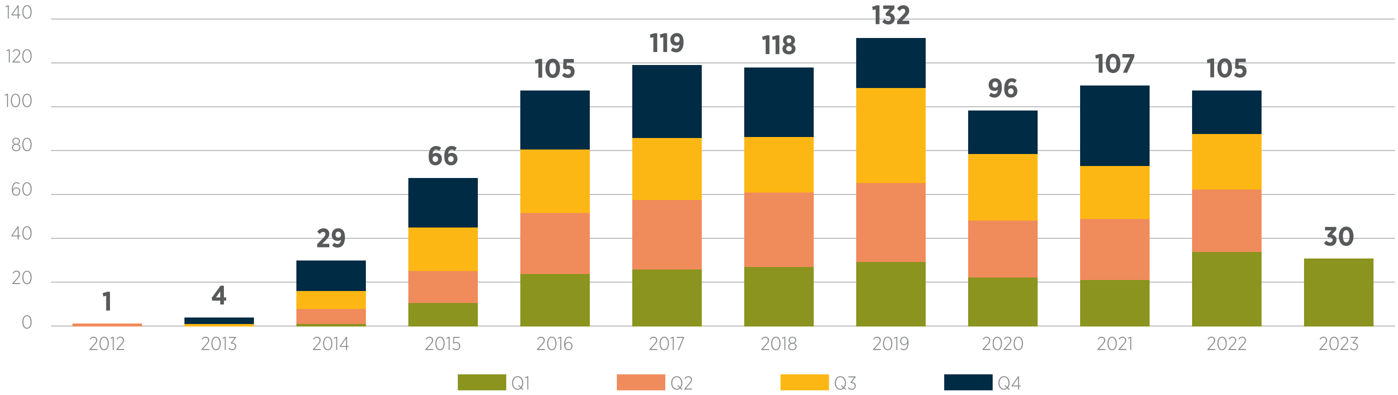
Q1 2023 InsurTech Transactions—L&H

Date	Company	Funding ($M) Round	Funding ($M) Total	Investor(s)	Description
3/15/2023	Clever Care Health Plan	42.0	139.0	• AV8 Ventures • Brighton Health Group • CommonSpirit Health • Figure Eight Investments • Global Founders Capital • GV Capital • Health Velocity Capital • Norwest Venture Partners • Point32Health Foundation • PruVen Capital • Redesign Health • Windham Venture Partners	• Clever Care Health Plan provides medicare services offering insurance plans that cover both Western and Alternative medicine providers. Its plans offer natural treatments such as acupuncture, herbal remedies, exercise including tai chi, and qi gong, and treatments such as cupping and moxibustion, helping members to enhance their physical and mental health. The company was founded in 2019 and is based in Huntington Beach, California.
3/20/2023	Ringmaster	1.9	11.9	• Edison Partners • Undisclosed Investors	• Ringmaster Technologies' healthcare expertise and technological applications improve connectivity and enable administrative efficiencies. Ringmaster was founded in 2018 and is based in Boca Raton, Florida.
3/21/2023	Gravie	179.0	342.6	• Aberdare Ventures • AXA Venture Partners • FirstMark Capital • GE Ventures • General Atlantic • Georgian • Paycheck Protection Program • Revelation Partners • Securian Ventures • Split Rock Partners • Undisclosed Investors	• Gravie provides employer-sponsored health benefit solutions that help consumers and employers maximize the new insurance marketplace. It takes the administrative work away from employers and helps consumers select and buy insurance coverage, providing ongoing customer support, troubleshooting with health plans, analysis of healthcare spending, and management of all healthcare affairs on a customized platform. Gravie was founded in 2013 and is based in Minneapolis, Minnesota.
3/28/2023	Zorro	11.5	11.5	• 10D Ventures • Pitango Venture Capital	• Zorro provides employers with a platform for managing benefits, offering a top-down predictable budget and benefits allowance per employee or group of employees. It offers an insurance management solution that streamlines the process of managing benefits, from enrollment to claims processing. The company was founded in 2022 and is based in New York, New York.
3/31/2023	Wellth	20.0	37.2	• AltaIR Capital • AXA Venture Partners • Beta Bridge Capital • B-Fore Capital • Boehringer Ingelheim Venture Fund • CD Ventures • DaVita Venture Group • DreamIt Ventures • Frank Williams • I2BF Global Ventures • Leonard Schaeffer • New York Life Ventures • NFP Ventures • Partnership Fund for New York City • Plug and Play Accelerator • Rock Health • SignalFire • Start-upbootcamp Digital Health • The Social Entrepreneurs' Fund • Tigerlabs • Yabeo Capital	• Wellth operates as a digital health company. The company provides solutions such as medication adherence, care plan adherence, and quality metric optimization. It offers software products for insurers and healthcare providers. The company was founded in 2014 and is based in Los Angeles, California.

Note: Blue font denotes current round investors.

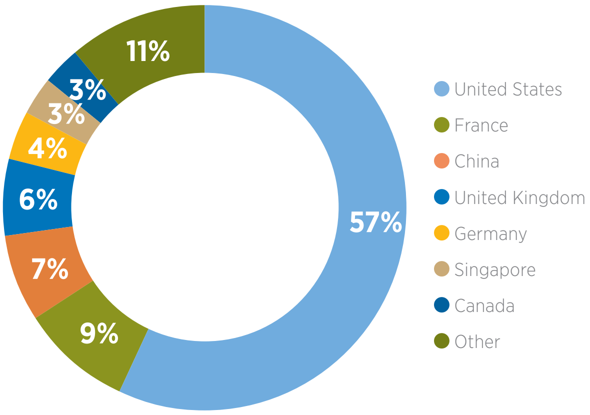
InsurTech by the Numbers

Private Technology Investments by (Re)Insurers



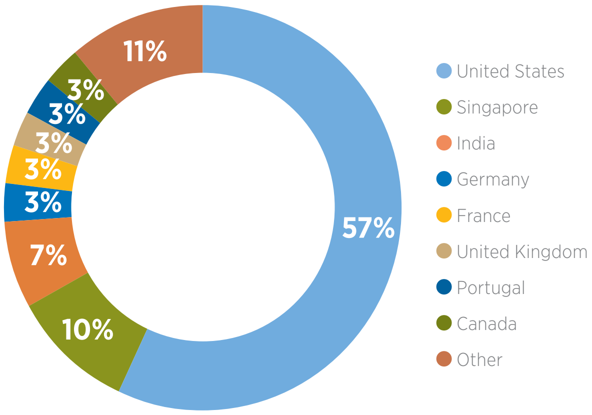
Private Technology Investments by (Re)Insurers by Target Country

2012–Q1 2023



2012 — Q1 2023 Transactions: 912

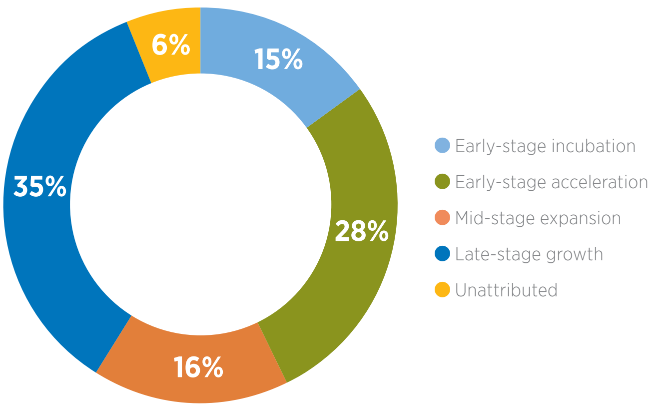
Q1 2023



2012 — Q1 2023 Transactions: 30

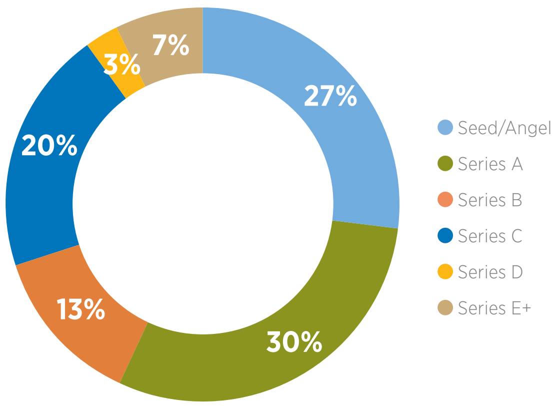
Private Technology Investments by (Re)Insurers by Investment Stage

2012–Q1 2023



2012 — Q1 2023 Transactions: 912

Q1 2023



2012 — Q1 2023 Transactions: 30

Q1 2023 Private Technology Investments by (Re)Insurers

Date	Company	Funding ($M) Round	Funding ($M) Total	(Re)Insurer Investor(s)	Description
1/5/2023	PreAct	14.0	28.2	• State Farm Ventures	• PreAct develops a pre-collision automotive safety technology that helps reduce fatalities and injuries from automotive crashes. It predicts and prepares a vehicle and its occupants for an imminent crash to reduce severe injuries and deaths. It caters to automotive, trucking, robotics, and more. The company was founded in 2018 and is based in Portland, Oregon.
1/6/2023	Doorstead	21.5	37.6	• Avanta Ventures	• Doorstead develops a property management platform that guarantees property rate payment to the owner. It helps simplify property renting and rent collection systems and guarantees rent at a specific rate. Doorstead also helps house owners to list their properties and find specific buyers and start rent collection, using their tool. The company was founded in 2019 and is based in San Francisco, California.
1/9/2023	Qritive	7.5	7.5	• MassMutual Ventures	• Qritive develops diagnostic tools. It integrates artificial intelligence and helps clinicians examine microscopy images and text from patient data. It allows medical practitioners to identify cancer quickly with the help of natural language processing. It develops Pantheon an artificial intelligence (AI)-driven ecosystem transforming pathology. The company was founded in 2017 and is based in Singapore, Singapore
1/9/2023	Clinikk	3.0	7.0	• MassMutual Ventures	• Clinikk aims to safeguard families' interests and help them navigate the healthcare maze. It provides a single point of contact for any healthcare need. It offers Clinikk smart plans that include free and unlimited doctor consultations, specialist consultations, prescribed lab tests, and medicines, health insurance, and more. The company was founded in 2016 and is based in Bengaluru, India.
1/11/2023	Plantd	10.0	13.6	• American Family Ventures	• Plantd converts atmospheric carbon-do-oxide into building materials for residential homes. It transforms homebuilding through carbon-negative materials made from renewable grass. Its products use industrial hemp and renewable grass. Plantd was founded in 2021 and is based in Durham, North Carolina.
1/12/2023	Joyn Insurance	17.7	17.7	• SiriusPoint	• Joyn Insurance is a licensed producer and general agent and insurance enterprise that underwrites commercial insurance in the small and middle markets. It caters its services to real estate, wholesale, manufacturing, services, retail, and contractors. The company was founded in 2020 and is based in Sacramento, California.
1/23/2023	Dayforward	25.0	45.0	• AXA Venture Partners • HSCM Ventures • Munich Re Ventures	• Dayforward develops a life insurance platform. It creates personalized policies online and contact-free that help users to purchase life insurance for their families online. The company was founded in 2019 and is based in New York, New York.
1/23/2023	Coverdash	2.5	2.5	• AXIS Digital Ventures • Tokio Marine Holdings	• Coverdash is a fully-digital commercial insurance agency that aims to make insurance accessible to small businesses of all shapes and sizes through its embedded technology. It provides insurance services for freelancers, e-commerce, and small businesses. The company was founded in 2022 and is based in New York, New York.
1/31/2023	Sentra	30.0	53.0	• Munich Re Ventures	• Sentra develops a cybersecurity platform designed to enable cloud-driven organizations to help regain control and secure their data. It focuses on improving data security practices within the cloud, mitigating the risks of damaging data leaks. The company was founded in 2021 and is based in Tel Aviv, Israel.

Q1 2023 Private Technology Investments by (Re)Insurers

		Funding ($M)			
Date	Company	Round	Total	(Re)Insurer Investor(s)	Description
2/1/2023	Coverflex	16.3	22.3	• SCOR Ventures	• Coverflex provides a compensation process that helps companies to grow business and workforce management. Coverflex helps companies to manage every part of compensation such as salary benefits, insurance, meal allowance, and more. The company was founded in 2019 and is based in Lisbon, Portugal.
2/1/2023	Rehab for JAPAN	8.8	17.6	• Aflac Ventures	• Rehab for JAPAN provides rehabilitation services for elderly people. It allows clients to set goals and exercise programs based on the data provided through its software database. The company was founded in 2016 and is based in Tokyo, Japan.
2/2/2023	Carbo	5.5	5.5	• MAIF Avenir	• Carbo provides SaaS software to monitor and reduce easily your carbon footprint. Its application estimates carbon impact by calculating impactful expenses and helps to act against climate change. The company was founded in 2020 and is based in Paris, France.
2/6/2023	Carium	6.0	6.0	• American Family Ventures	• Carium provides a virtual care platform to empower patients and caregivers. It is a care experience platform (CXP) delivering advanced virtual care technology. It serves the health system, payors, physicians, and wellness organizations. The company was founded in 2018 and is based in Petaluma, California.
2/6/2023	CrediLinq.Ai	--	3.4	• MS&AD Ventures	• CrediLinq.Ai develops a credit lending platform powered by its proprietary artificial intelligence and machine learning algorithms. It aims to create a digital platform for businesses to get quicker access to growth capital. The company was founded in 2020 and is based in Singapore.
2/7/2023	Moderne	15.0	19.7	• Allstate Strategic Ventures	• Moderne is a software modernization company that focuses on automating code migration and remediation for composed software systems. It accelerates software development through continuous software modernization across an organizations codebase. The company was founded in 2020 and is based in Seattle, Washington.
2/7/2023	Car IQ	15.0	35.0	• Avanta Ventures	• Car IQ offers predictive analytics software for car dealerships. The company supports dealerships with internal processes such as inventory and also acts as a customer relationship management CRM tool for customer services. Car IQ was founded in 2001 and is based in San Fransisco, California.
2/7/2023	Ushur	50.0	92.0	• Third Point Ventures	• Ushur provides a customer experience automation platform. The platform digitally transforms enterprise workflows by automating back-end processes and customer conversations. It caters to industries such as insurance, healthcare, and banking. The company was founded in 2014 and is based in Santa Clara, California.
2/14/2023	Aspire	100.0	300.2	• LGT Capital Partners • MassMutual Ventures	• Aspire provides SMEs with business credit lines to help solve their working capital needs. It offers clients access to funding and financial tools to manage bank accounts, credit cards, invoicing, and expenses among others. Aspire was founded in 2018 and is based in Singapore.

Q1 2023 Private Technology Investments by (Re)Insurers

Date	Company	Funding ($M) Round	Funding ($M) Total	(Re)Insurer Investor(s)	Description
2/15/2023	Overhaul	38.4	137.7	• Avanta Ventures	• Overhaul is a supply chain management company that provides end-to-end visibility and risk management software solutions. The company offers a platform for risk management, optimization, integrations, and asset management for a company's supply chain. The services are for the technology, healthcare, retail and fast-moving consumer goods, perishables, alcohol and tobacco, and logistics industries. Overhaul was founded in 2015 and is based in Austin, Texas.
2/16/2023	Zylo	5.0	72.1	• MassMutual Ventures	• Zylo develops an enterprise management platform for cloud-based subscriptions. The platform permits users to gain visibility into hidden employee expenditures and manage contract renewals, understand the utilization of Software as a Service (SaaS) subscriptions across the organization to help capture sentiment and specific insights. The company was founded in 2016 and is based in Indianapolis, Indiana.
2/16/2023	Sikoia	6.0	8.3	• MassMutual Ventures	• Sikoia provides a customer data platform and application programming interface (API) marketplace for financial services. The company caters to fintech, lenders, and corporates. It was founded in 2021 and is based in London, United Kingdom.
2/17/2023	Pliant	27.7	48.4	• MS&AD Ventures	• Pliant provides virtual corporate credit card services through its mobile app. Employees can use these to pay for advertising or business trips. It allows users to put their card payment accounting on autopilot. The company offers fully digital card management and accounting software integrations combined with high limits, and card perks. Pliant was founded in 2020 and is based in Berlin, Germany.
2/21/2023	Scrut	7.5	10.5	• MassMutual Ventures	• Scrut is a risk compliance automation platform that helps small and medium enterprises (SMEs) comply with various information security standards and maintain a security posture. It focuses on automating risk assessment and monitoring. The company was founded in 2021 and is based in Bengaluru, India.
2/23/2023	Trust & Will	15.0	38.1	• Northwestern Mutual Future Ventures	• Trust & Will provides digital estate planning solutions. Its services include a trust-based estate plan, a will-based estate plan, and Guardian, which is an estate plan for parents with kids. The company was founded in 2017 and is based in San Diego, California.
3/3/2023	Span.IO	84.0	218.6	• Munich Re Ventures	• Span.IO creates a smart panel that replaces the electrical panel. The panel integrates with different energy resources and allows users to prioritize the areas that should be powered during outages and backup scenarios, and accommodates solar, storage, and EV-charging systems in a home. The company was founded in 2018 and is based in San Francisco, California.
3/8/2023	Silfab Solar	125.0	125.0	• Manulife Financial	• Silfab Solar designs and develops monocrystalline PV modules. It offers solar PV, bifacial, custom manufacturing solutions, and high-efficiency PV modules. The company was founded in 2010 and is based in Mississauga, Ontario.

Q1 2023 Private Technology Investments by (Re)Insurers

		Funding ($M)			
Date	Company	Round	Total	(Re)Insurer Investor(s)	Description
3/8/2023	Starfish Space	14.0	21.0	• Munich Re Ventures	• Starfish Space develops an orbital transportation infrastructure designed to provide in-space transportation and maintenance services. Its proximity operations software uses a combination of orbital mechanics and a low-thrust electric propulsion system, enabling satellite companies to relocate, deorbit and extend the life of satellites. The company was founded in 2019 and is based in Kent, Washington.
3/8/2023	EtherMail	4.0	7.0	• MS&AD Ventures	• EtherMail offers a web3 solution that allows companies to send the content directly to their asset holders based on blockchain-synced information. The company also helps companies to proactively mitigate the risk of communication fraud by informing users of breaches and vulnerabilities. EtherMail was founded in 2021 and is based in Schaan, Liechtenstein.
3/20/2023	AccuKnox	6.0	10.6	• Avanta Ventures	• AccuKnox is a cloud-native application security (CNAPP) platform that delivers comprehensive zero-trust security for networks, applications, and data across cloud, IoT, edge, and 5g environments. It offers network segmentation, firewalling, anomaly detection, advanced cloud workload protection, security observability, vulnerability scanning, and data security. The company was founded in 2020 and is based in Cupertino, California.
3/21/2023	Gravie	179.0	342.6	• AXA Venture Partners	• Gravie provides employer-sponsored health benefit solutions that help consumers and employers maximize the new insurance marketplace. It takes the administrative work away from employers and helps consumers select and buy insurance coverage, providing ongoing customer support, troubleshooting with health plans, analysis of healthcare spending, and management of all healthcare affairs on a customized platform. Gravie was founded in 2013 and is based in Minneapolis, Minnesota.

Q1 2023 Strategic (Re)Insurer Partnerships

Date	Company	(Re)Insurer Investor(s)	Description
01/05/23	Loadsure	• Tokio Marine Kiln	• Leading specialist international insurer Tokio Marine Kiln has undertaken this partnership with Loadsure to forward one of its core principles and support digital innovation within the market. Tokio Marine Kiln's capacity backing will enable Loadsure to expand its platform capabilities and geographic outreach and will support the insurtech's overall growth strategy.
01/10/23	DigitalOwl	• Reinsurance Group of America, Incorporated (RGA)	• DigitalOwl, an insurance technology company that utilizes artificial intelligence to interpret and transform medical records into a comprehensive and interactive Digital Underwriting Abstract, and Reinsurance Group of America, Incorporated (RGA), a leading global life and health reinsurer, announced a collaborative partnership designed to strengthen and streamline the underwriting process.
01/10/23	Vertafore	• Coterie Insurance	• Vertafore®, the leader in modern insurance technology, announced that Coterie Insurance has gone live on Vertafore's award-winning Commercial Submissions™ platform with BOP and general liability lines of business. As the first MGA on the platform, Coterie will provide independent agents with even more options to bind and quote small commercial insurance through a seamless, automated experience.
01/10/23	Pendella	• Assurity	• Pendella has announced a strategic partnership to bring affordable, online disability insurance to its customers through Assurity's API-driven disability insurance service. Pendella is on a mission to provide comprehensive life and disability insurance to its customers through a fully digital application and underwriting process. By partnering with Assurity, this goal is one step closer to fruition.
01/12/23	Haven Technologies	• GraceKennedy	• The partnership between Haven Technologies and the GraceKennedy Financial Group will focus on supporting the rollout of the InsurTech's platform for three GraceKennedy Creditor Life products to the insurer's current Antigua bancassurance partner.
01/12/23	Guidewire	• Assurant	• With more than 40 years of experience in lender-placed insurance and related services, Assurant is working to transform the way insurance is verified and processed with solutions that streamline data exchange. Assurant's Carrier Direct Endorsement℠ solution expedites claim check endorsements, while its HOIVerify℠ solution facilitates digital, no-touch homeowners insurance verification. Assurant's Ready for Guidewire integrations will enable Guidewire users to integrate to its Carrier Direct Endorsement and HOIVerify solutions.
01/23/23	SS&C	• Nippon Life India	• SS&C Technologies Holdings, Inc. announced Nippon Life India Asset Management (Singapore) Pte. Ltd., the offshore multi-asset, multi-strategy platform of Nippon Life India Asset Management Limited, has transitioned its operations onto the SS&C Eze asset management platform. The firm will now take advantage of the Eze Investment Suite ecosystem for its recently launched Fixed Income ETF, among other funds.
01/24/23	Covr Financial Technologies	• Smart Choice	• Covr Financial Technologies has partnered with Smart Choice to bring its digital insurance platform for independent agents, Covr Pro, to 9,500 Smart Choice agencies, allowing even more independent advisors to use Covr's leading digital solution.
01/24/23	Trellis	• Mile Auto	• Mile Auto, an Atlanta-based, pay-per-mile auto insurance company, and Trellis, an insurtech enabling financial institutions, fintechs, and other partners to offer embedded insurance through its Savvy platform, announced a new partnership.
01/24/23	Zendrive	• Progressive	• Zendrive, a mission-driven company making roads safer with data and analytics, announced that it is partnering with Progressive, one of the largest insurance carriers in the US and a leader in usage-based insurance (UBI), to expand its Insurance Qualification Lens (IQL) program. This addition to the program comes after Zendrive announced that it has expanded IQL's reach to an additional 50M users in the US by joining forces with leading consumer apps. Zendrive's network of top apps includes MoneyLion, Coin, Pogo, and dozens of others.
01/26/23	Majesco	• Boston Mutual Life	• Majesco, a global leader of cloud insurance platform software for insurance business transformation, announced Boston Mutual Life, a national provider of insurance solutions for individuals and at the workplace, has selected Majesco to modernize its core business platform and advance customer experience and engagement.

Q1 2023 Strategic (Re)Insurer Partnerships

Date	Company	(Re)Insurer Investor(s)	Description
01/27/23	Kita	• Chauncer	• Global specialty re/insurance group, Chaucer has announced its partnership with Kita, a carbon credit insurance specialist, to insure the delivery risk of carbon sequestration projects. Described as being the first of its kind, as well as Kita's first product, the Carbon Purchase Protection Cover will insure the buyer of forward purchased carbon credits against delivery risk, removing a significant protection gap.
01/30/23	Candid	• Swiss Re (iptiQ)	• UK-based insurtech Candid and Swiss Re's iptiQ have entered into a distribution partnership to provide affordable and accessible life insurance solutions to UK customers. This strategic partnership harnesses Candid's leading position in distributing life insurance products to UK customers and iptiQ's cutting-edge digital B2B2C insurance platform, combined with its underwriting expertise.
01/31/23	Relativity6	• Coterie Insurance	• Coterie Insurance, the small business insurance disruptor with a cutting-edge automated underwriting engine, and Relativity6, Inc., the best-in-class industry classification platform with accurate 6-digit NAICS predictions based on a real-time web search, announced that Coterie Insurance has selected Relativity6's API to provide predictions related to industry classifications.
01/31/23	CloudCover	• Munich Re	• CloudCover, an AI-generative cybersecurity threat prevention platform, has announced the inclusion of the USD 1 million Ransomware Warranty backed and insured by reinsurance giant, Munich Re. With ransomware attacks on the rise, including high-profile breaches in energy infrastructure, finance, and healthcare, offerings like the Ransomware Warranty have never been more necessary, CloudCover highlighted.
02/01/23	Millennial Shift Technologies	• Cowbell Cyber	• Cowbell, the leading provider of cyber insurance for small and medium-sized enterprises (SMEs), announced a partnership with Millennial Shift Technologies, a leading custom branded e-trading platform suite. The partnership will deliver Cowbell's groundbreaking cyber insurance programs, Cowbell Prime 100 and 250, on Millennial Shift's e-trading broker platform, mFactor.
02/02/23	• Talend • Artha Solutions	• Generali Thailand	• Talend, a global leader in data integration and data management and Artha Solutions, a premier data management solutions company, announced that Generali Thailand, a subsidiary of Generali, one of the largest global insurance and asset management providers, partnered with Talend and Artha Solutions to create a more data-driven organization while mitigating risk and staying compliant. Leveraging the Talend platform for Generali's compliance initiatives allows the insurer to foster a data-driven culture by democratizing data with scalable control and governance across the organization.
02/07/23	LegalZoom	• NEXT Insurance	• LegalZoom.com, Inc. (Nasdaq: LZ), the industry leader in online business formation and a leading platform in legal, compliance and tax solutions, and NEXT Insurance, a leading digital insurtech company transforming small business insurance, announced a partnership to better help small business owners create and protect their business online. NEXT's industry-leading, fully embedded insurance solution, NEXT Connect, allows small business owners to quickly and seamlessly get a quote for small business insurance and purchase a plan that works for them, all without ever leaving the LegalZoom platform.
02/07/23	Bunq	• Companjon	• Neobank Bunq has tapped Irish InsurTech start-up Companjon to provide its users with embedded insurance. Through the partnership, Bunq Easy Green customers will automatically be covered with an extended warranty and purchase protection on certain purchases they make with their Bunq card, according to a Tuesday (Feb. 7) press release.
02/07/23	Swiss Re	• SBLI (The Savings Bank Mutual Life Insurance Company of Massachusetts)	• SBLI (The Savings Bank Mutual Life Insurance Company of Massachusetts) announced it has partnered with Swiss Re to offer its customers Swiss Re's Automated Claims Experience solution, a state-of-the-art digital tool that guides beneficiaries through the claims process.
02/09/23	Crown Jewel Insurance	• Chaucer	• Crown Jewel Insurance, an insurtech and Lloyd's coverholder focusing on trade secret asset risk management, and Chaucer, a global specialty (re)insurer, have announced a partnership to provide insurance for companies' trade secrets. The product is the first of its kind, according to the companies. It offers protection for the loss in value a business can suffer if its trade secrets are stolen and made public or given to a competitor. Chaucer will provide lead underwriting capacity for the program, which will be brokered by Acrisure London Wholesale.

Q1 2023 Strategic (Re)Insurer Partnerships

Date	Company	(Re)Insurer Investor(s)	Description
02/27/23	Munich Re	• Thai Life Insurance	• Munich Re Automation Solutions Ltd announced that Thai Life Insurance Public Co. Ltd has selected its cloud-based automated underwriting solution, ALLFINANZ SPARK (SPARK), to streamline the process of its life insurance applications and improve its customers' buying experience. Thai Life Insurance will be adopting Munich Re Automation Solutions' ALLFINANZ SPARK, which is a SaaS-based automated underwriting and analytics digital service which clients can implement at a lower cost, integrate easily into their current systems and launch quickly.
02/28/23	Luminar	• Swiss Re	• Luminar (Nasdaq: LAZR), a leading global automotive technology company, and Swiss Re, one of the world's leading providers of reinsurance, announced a new exclusive partnership. The first step of the joint initiative is to analyze and quantify the on-road performance and safety improvements of consumer and commercial vehicles equipped with Luminar's lidar and proactive safety technologies, for both the industry and Luminar's new insurance program it plans to offer.
02/28/23	Vitality Global	• Prudential	• Prudential Financial, Inc. and Vitality Global, a leading health and wellbeing company offering smart InsurTech with the goal to build a healthier world, have entered a 10-year, expanded partnership. Under this agreement, Prudential will leverage Vitality's model to promote healthier lifestyles to complement its Total Wellness offering throughout Latin America.
02/28/23	Document Crunch	• AXA XL	• To help their contractor clients improve their contract management and negotiation practices, AXA XL and Document Crunch have teamed up to launch a Contract Review Benchmarking service. This new service uses industry data on key contract terms to provide AXA XL's Construction insurance clients with best practices and benchmarking comparisons, supporting their risk management efforts to minimize contractual liability.
3/7/2023	Devron	• Cover Whale	• Commercial trucking insurance provider Cover Whale has partnered with data science and machine learning technology company Devron to rapidly incorporate new and alternative data sources to better predict risk, provide coaching to drivers and align premiums. Cover Whale's Driver Safety Program leverages data science and AI to evaluate and mitigate risk to improve road safety. Devron's platform streamlines the process by unlocking access to additional datasets and eliminating the need, cost and privacy risk of moving data.
3/7/2023	ICEYE	• Swiss Re • Guy Carpenter	• Reinsurance firm Swiss Re, broker Guy Carpenter and insurtech ICEYE are all engaged in delivering a pilot parametric community flood insurance scheme for New York City neighbourhoods. The parametric trigger behind this flood insurance scheme is particularly innovative, as it leverages ICEYE's unique satellite data insights, as well as other data sources that can help to reduce basis risk and ensure the parametric insurance cover is tightly calibrated to actual flood experience.
03/09/23	• Blackrock Aladdin • Citi	• Singlife	• Homegrown financial services company Singlife has appointed Citi and BlackRock Aladdin® to provide it with a comprehensive technology platform to unify and transform its asset management capabilities across its front, middle and back-office offering. Citi and BlackRock Aladdin® previously entered into an alliance to leverage Citi's infrastructure and the Aladdin technology platform to enhance the entire securities services lifecycle for mutual clients. Singlife is one of the alliance's most significant mandates in Asia to date.
03/09/23	NetDiligence	• Relm Insurance Ltd.	• Relm Insurance Ltd. (Relm), a specialty insurance carrier serving innovative industries, announced a partnership with NetDiligence®, a leading provider of cyber risk readiness and response services, to deliver a suite of cyber risk monitoring solutions to policyholders via automated enrollment through NetDiligence's eRiskHub®.

Q1 2023 Strategic (Re)Insurer Partnerships

Date	Company	(Re)Insurer Investor(s)	Description
03/16/23	Netradyne	• Cover Whale	• Netradyne, an industry-leading SaaS provider of artificial intelligence (AI) and edge computing solutions focused on safety and driver coaching for commercial fleets, announced its partnership with Cover Whale Insurance Solutions, Inc., a leading commercial trucking insurance provider and fast-growing InsurTech. The partnership enhances Cover Whale's Driver Safety Program by using Netradyne's advanced AI safety technology to gain insights into driver behaviour, identify critical incidents on the road, and deliver real-time alerts.
03/21/23	Concirrus	• Applied Underwriters	• Nebraska-headquartered global risk services business Applied Underwriters and London-based technology firm Concirrus have sealed what was described as a long-term strategic alliance. It was announced that the partnership will focus on the development and provision of multiple product lines of "extraordinary technology-driven solutions" to insurers, reinsurers, and other risk-based entities worldwide, with Concirrus and Applied leveraging their respective tech innovations.
03/21/23	CompScience	• Nationwide • Swiss Re	• Nationwide, Swiss Re and CompScience announced that the three companies are teaming up to deploy computer vision models to identify potential workplace hazards and stop accidents from happening. CompScience's Intelligent Safety Platform, which uses a library of computer vision models to detect 50 plus behavioural and environmental hazards, has reduced worker's compensation claims by 23%, according to the company. CompScience will act as a managing general agent. Nationwide will underwrite, bind and service the workers' compensation policies. Swiss Re will provide data analytics and reinsurance.
03/24/23	Huize Holding Limited	• Ping An Health Insurance Company of China, Limited	• Huize Holding Limited, ("Huize", the "Company" or "we") (NASDAQ: HUIZ), a leading digital insurance product and service platform for new generation consumers in China, announced the signing of a new strategic partnership agreement with Ping An Health Insurance Company of China, Limited (Ping An Health Insurance). In addition, the two companies also announced the launch of "Chang Xiang An", a cost-effective long-term medical insurance product customized to meet consumers' long-term protection needs.
03/29/23	Waffle	• Nationwide	• To meet the demand associated with this shift, Nationwide and Waffle are teaming up to protect Waffle customers' homes and vehicles in minutes, all online. This partnership makes Nationwide the preferred auto and homeowner insurance carrier for Waffle and will include the direct integration of Nationwide's auto and home products onto the Waffle platform. Waffle has also been appointed by Nationwide to sell all of its Personal P&C products.

Additional Information

This report is a collaboration between Gallagher Re, Gallagher and CB Insights.

Production is led by the following individuals:

Dr. Andrew Johnston
Global Head of InsurTech
Gallagher Re

Irina Heckmeier
Global InsurTech Report Data Director
Gallagher Re

Gallagher Re

One of the world's leading reinsurance brokering and advisory firms, Gallagher Re is part of Gallagher, the global brokerage, risk management and consulting services firm.

Originally founded in 2013 as the co-venture 'Capsicum Re' with Gallagher, the business grew rapidly and became wholly owned by Gallagher in 2020. In December 2021, it completed the transformational acquisition of Willis Re, making Gallagher Re the world's third largest reinsurance broker with a team of over 2,400 colleagues trading from more than 70 offices across 31 countries including all the key global reinsurance hubs of North America, Europe and Asia.

Gallagher Re prioritises client advocacy above all else and offers clients a powerful combination of global and specialist expertise and distribution capability. By combining world-class analytics capabilities with reinsurance expertise, strategic advisory services and transactional excellence, Gallagher Re helps clients drive greater value from their businesses, negotiate optimum terms and make better reinsurance decisions. Its global client base includes all of the world's top insurance and reinsurance carriers as well as national catastrophe schemes in many countries around the world.

Gallagher

Insurance | Risk Management | Consulting

Gallagher is a global business insurance, risk management and consulting services company offering clients and customers innovation and tenacity over 130 countries.

We use our 90 years of intelligence and insight to protect what matters most: your business. We form lifelong partnerships with our clients and underwriters which, when combined with our world class data and analytics, helps our customers face their future with confidence.

CBINSIGHTS

CB Insights builds software that enables the world's best companies to discover, understand, and make technology decisions with confidence. By marrying data, expert insights, and work management tools, clients manage their end-to-end technology decision-making process on CB Insights.

GLOBAL AND LOCAL REINSURANCE

Drawing on our network of reinsurance and market specialists worldwide, and as part of the wider Gallagher company, Gallagher Re offers the benefits of a top-tier reinsurance broker, one that has comprehensive analytics and transactional capabilities, with on-the-ground presence and local understanding. Whether your operations are global, national or local, Gallagher Re can help you make better reinsurance and capital decisions, access worldwide markets, negotiate optimum terms and boost your business performance.

For more information, visit **GallagherRe.com.**

Die Gallagher Re GmbH ist ein unabhängiger Versicherungsmakler mit Sitz in München, HRB 172690, Versicherungsvermittlerregister D-P4UO-3BMWD-89.

Geschäftsführer sind die Herren Anthony John Melia und Dirk Spenner. Das Unternehmen hält keine direkte oder indirekte Beteiligung von über 10 % an den Stimmrechten oder dem Kapital eines Versicherungsunternehmens; umgekehrt hält kein Versicherungsunternehmen entsprechende Anteile an unserem Unternehmen oder an unseren Obergesellschaften.

Die Schlichtungsstellen für die außergerichtliche Beilegung von Streitigkeiten sind: Versicherungsombudsmann e.V., Postfach 08 06 32, 10006 Berlin, Ombudsmann Private Kranken- und Pflegeversicherung, Kronenstraße 13, 10117 Berlin.

Gallagher Re