

## Overview

### 1. The insurance and reinsurance industry has completed its 6<sup>th</sup> Risk Map

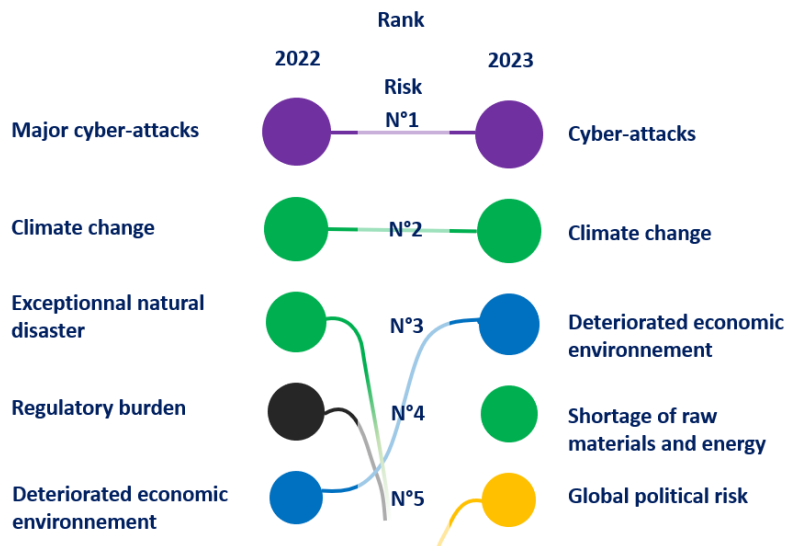
This barometer was drawn up by the Risk Analysis Commission of France Assureurs by interviewing the sector's senior executives at the end of 2022. For all identified risks, divided into six categories (economic, environmental, social and societal, technological, political and regulatory), the participants provided their assessment of the direct impact on the insurance or reinsurance company in terms of frequency and severity in the medium term. They also pointed out the main challenges faced by the profession.

A total of 568 participants, including 87 senior executives, from companies representing 97% of investments and 95% of turnover in France, contributed to the Risk Map 2023 edition.

### 2. Cyber-attacks, climate change and the deteriorated economic environment are the top three threats reported by the industry over the next five years.

The **risk of cyber-attacks** (4,1; 4,0)<sup>1</sup> remains at the top of the risk ranking for insurance and reinsurance companies. This risk has held this position since the Map first edition. However, its score has fallen slightly, both in frequency and severity, illustrating the implementation by the large market players of strict measures and protocols aimed at strengthening the security of information systems.

The **risk induced by the climate change** (3,7; 3,7) remains in second place. 2022 has been a particularly bad year, with repeated massive episodes of hail, storms, fires and a drought that could be the worst the industry has ever seen. The relative stability of the score compared to last year highlights the almost structural nature of this risk, which is becoming one of the main concerns of the insurance profession.



The **deteriorated economic environment** (3,6; 3,5) completes the risks podium, increasing in frequency. This risk has moved up two places compared to last year. The two previous years, marked by the shock/counter-shock of the health crisis, led to movements that are only gradually fading away. The inflationary shock, which motivated the shift in monetary policies since mid-2022, is at the origin of a rise in interest rates. These two economic and financial variables have an impact on the whole economy and, above all, on the insurance business.

<sup>1</sup> The score (frequency; severity) has a minimum of (0; 0) and a maximum of (5; 5).

