

Enhanced Credit Risk Monitoring for Insurers

The Challenge

Insurers must make efficient, high-stakes risk and underwriting decisions with imperfect visibility.

Reality Today:

Regulatory and internal expectations around credit risk management are evolving. Insurers are increasingly expected to evidence not only point-in-time assessments, but ongoing monitoring, credit migration visibility and portfolio-level oversight across policies.

- Require more sophisticated, timely monitoring of portfolio movements
- Limited coverage of obligor-level Probability of Default (PD)s on unrated / private counterparties
- Delayed or backward-looking signals
- Heavy reliance on manual underwriting
- Increasing regulatory pressure for independent validation

The Result:

Slower decisions. Hidden risk. Reduced confidence. Challenged to comply with regulatory requirements.

Are You Prepared?

- Can you assess unrated risk with confidence?
- Are you spotting deterioration early enough?
- Is your underwriting both fast and defensible?
- Are you using sophisticated data matching and monitoring tools?
- Can you stand up to regulatory scrutiny?

The Solution

Turn bank intelligence into insurance advantage

Enhance your monitoring framework rapidly — without system build. Credit Benchmark integrates seamlessly via Excel delivery or automated API feeds, enabling insurers to strengthen governance without operational burden.

Credit Benchmark Delivers:

- Independent, consensus-based credit risk data from 40+ global financial institutions
- Probability of Default (PD) estimates for 120,000+ entities globally, including unrated and private firms
- Forward-looking insights aligned to real market risk views
- Facilitating more productive, evidence-based conversations with your reinsurer
- Proven adoption among leading insurers

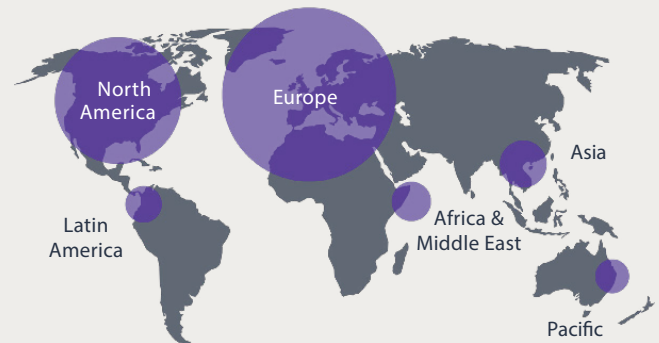
→ **The collective intelligence of global banks — now accessible to insurers.**

What We Do

Credit Benchmark is the world's largest source of bank-contributed credit intelligence. We aggregate the internal credit views of 40+ global financial institutions into weekly PD estimates and consensus metrics on more than 120,000 public and private entities.

Over the past decade, we've partnered with leading global banks to build a unique, consensus-based view of credit risk from second-line teams. Each month, we process over one million risk observations from 20,000+ analysts, covering about \$9 trillion in exposures. Roughly 90% of this data is on entities unrated by traditional agencies, spanning 160+ countries.

This consensus view transforms institutional judgment into independent, actionable credit data. Increasingly, insurance and buy-side firms are leveraging this collective intelligence – the wisdom of the global banking system – to prepare for a changing credit environment.



→ **Independent. Forward-looking. Scalable.**

Strengthen Underwriting With Obligor-Level PDs

Elevate Credit Risk Management

Comprehensive Obligor Mapping

- Map all obligors across policies, including public/private corporates, project finance and funds
- Fill gaps where agency ratings are unavailable or limited
- Deliver consistent, global coverage across entities
- Continuously map obligors to consensus ratings with enriched metadata
- Replace fragmented research with a single, trusted view

Continuous Monitoring

- Monitor portfolios with weekly consensus rating updates
- Detect upgrades, downgrades, outlook changes, and market divergence early

- Identify concentrations, emerging risks, early signs of deterioration, and divergence in market opinion
- Provide forward-looking insights based on real-time bank risk views
- Strengthen exposure management and reinsurance decision-making
- Enable true continuous monitoring vs. static or periodic review

Mitigating Risk

- Improve underwriting speed, consistency, and deal flow
- Support smarter risk pricing with market-implied default risk inputs
- Incorporate obligor-level PDs directly into pricing models and risk appetite frameworks
- Enable better segmentation, differentiation, and scenario analysis / stress testing
- Strengthen exposure management, reinsurance decisions, and loss forecasting

Portfolio Intelligence

- Portfolio Benchmarking:** Track exposures by sector, vintage, and underwriting cohort. Gain insights and monitoring into your portfolio – each year or sector can be saved for exposure and underwriting.
- Visibility of Movement & Concentration:** Insurers must demonstrate clear visibility of credit migration and systemic concentrations across portfolios. Credit Benchmark supports this through:
 - Transition Matrices:** Track how counterparties migrate across credit quality over time to support governance, policy monitoring, and obligor-level risk insight. Transition Matrices are built from individual obligors, so they can be tailored to your portfolio and sector exposures. The underlying granularity also highlights which specific loans are taking longer to migrate.

Example Transition Matrix: Global Corporates

January 2025 - January 2026

	aaa/aa	a	bbb	bb	b	c	No. of entities
aaa/aa	85.6%	12.9%	1.4%	0%	0%	0%	139
a	1.6%	88.8%	9.1%	0.5%	0%	0%	1,004
bbb	0%	3.2%	85.9%	10.4%	0.4%	0.1%	2,739
bb	0%	0.1%	6.3%	86.7%	6.6%	0.4%	4,489
b	0%	0%	0.2%	15.5%	79.4%	4.9%	1,411
c	0%	0%	0%	3.9%	18.6%	77.5%	129

- Correlation Matrices:** Identify systemic and concentration risk with correlation analysis aligned to your internal frameworks. Credit Benchmark's Correlation Matrices reveal industry- and region-level relationships within your portfolio, helping uncover hidden concentrations through a consistent, granular schema.

Example Correlation Matrix: Global Industries

Correlations between monthly PD changes	Global Corporates	Global Financials	Global Consumer Goods	Global Industrials	Global Banks	Global Nonlife Insurance
Global Corporates	1.00	0.62	0.79	0.85	0.34	0.56
Global Financials	0.62	1.00	0.29	0.69	0.64	0.83
Global Consumer Goods	0.79	0.29	1.00	0.53	-0.09	0.31
Global Industrials	0.85	0.69	0.53	1.00	0.48	0.52
Global Banks	0.34	0.64	-0.09	0.48	1.00	0.37
Global Nonlife Insurance	0.56	0.83	0.31	0.52	0.37	1.00

- Stress Testing:** Model performance under adverse scenarios. Stress-test the portfolio through different periods of heightened or changing risk.
- Obligor-Level Insight:** Obligor-level PDs are refreshed weekly across a largely unrated universe. Individual exposure level insight: Credit Benchmark obligor-level data offers clients weekly updates from multiple bank contributors, giving our clients insight into a broadly unrated universe.

Example PortfolioLens Report: European Corporates



Seamless Integration & Risk Oversight

Credit Benchmark is designed to work within your existing infrastructure:

- Excel-based delivery for immediate use by risk, exposure, and underwriting teams
- API integration for automated feeds into internal risk systems and models
- No new platforms, no implementation burden
- You can enhance your credit monitoring framework quickly and efficiently.

With Credit Benchmark, insurers can clearly demonstrate:

- Structured and repeatable credit monitoring processes
- Ongoing surveillance across policies bound
- Quantitative evidence of credit migration and portfolio dynamics
- Strong governance — without operational complexity

Why Insurers Choose Credit Benchmark

- Independent benchmark regulators trust
- Faster underwriting decisions
- Obligor-level PDs across rated and unrated entities — ready to use in models and frameworks
- Clear evidence of structured, repeatable, ongoing credit monitoring across portfolios
- Stronger governance and model validation
- Seamless Integration - no system lift required

Our data is already used by leading Insurers to evidence enhanced monitoring capabilities across underwriting and investment portfolios.

Client Impact

“Credit Benchmark enables us to say yes more quickly and potentially get bigger underwriting deals approved. With their data, we gain the summarised perspective of 10+ experienced analysts in one consensus rating.”

Global Specialty Insurer

Delivering Enhanced Credit Risk Oversight

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- Ongoing surveillance across policies bound
- Quantitative visibility into credit migration and portfolio dynamics
- Strong governance — without operational complexity

Disclaimer

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