



Empowering India Inc. - ICICI Lombard & IRM India Risk Index Report Elevates Risk Management

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Mumbai, December 29, 2023: ICICI Lombard General Insurance Company Limited, one of India's leading general insurers, partners with IRM (Institute of Risk Management), world's leading certifying body for Enterprise Risk Management (ERM) Examinations across 140 countries, to release an exclusive joint report offering invaluable insights into India Inc.'s risk landscape. This collaboration dives deep into the heartbeat of India Inc.'s risk management scene, aiming to be more than just a report – it is a roadmap for businesses to navigate the unpredictable journey ahead. The report promises not just insights but practical strategies, tailored to empower India Inc. with the resilience needed to seize opportunities in the next decade. Its distinctiveness lies in its comprehensive coverage of the entire Risk Journey.

The report kicks off by thoroughly examining short-term and mid-term risks globally and in India, diving into the vital phase of Risk Identification. Drawing from past events resulting in insurance claims, it distils practical lessons. Stressing the need for preparedness, the report urges entities to evaluate risks, and their maturity levels. Ultimately, the report serves as a must-have guide, offering strategic actionable to strengthen India Inc.'s risk management practice.

Mr. Sandeep Goradia, Chief of the Corporate Solution Group at ICICI Lombard, expressed, “This report goes beyond conventional information; it serves as a strategic guide, a toolkit imbued with empowerment. It is not just about comprehending risks; it's about equipping India Inc. with profound knowledge to risk management. As we approach the New Year, this report becomes our guiding light, providing clarity in complexity and instilling confidence amidst evolving risks. It's our ally, directing us toward a future where risks aren't hurdles but stepping stones to success, helping us navigate uncertainties with insight, foresight, and unwavering confidence.”

Mr. Hersh Shah, CEO at IRM India Affiliate said, “The symbiotic relationship between professional expertise and insurance intelligence allows for a comprehensive exploration of the multifaceted nature of risks on the horizon. This report delves into future risk themes that are set to shape our world, ranging from the intangible landscapes of cyber threats and technology disruptions, to the tangible realities of climate change, geopolitical tensions, and societal shifts. As the world's leading certifying body for ERM qualifications, in collaboration with ICICI Lombard, we hope that by shedding light on the risks and opportunities of the future, we can inspire proactive strategies and cultivate a culture of preparedness amongst individuals, organisations and society in our long term vision of building a resilient Aatmanirbhar Bharat.”

The key Insights underscore essential disparities in risk perceptions and preparedness between global entities and Indian counterparts –



Knowing and Understanding Risk in today's corporate landscape

- **Looking at risk with the right perception:** Global enterprises discern a riskier environment compared to Indian counterparts. The global environment rating for total risk is between 5.9 – 6.4 whereas Indian enterprises rate from 4.2 – 6.3 on a scale 0 to 10, 10 being highest risk
- **Mind the Gap:** It requires accurate, refined and enhanced preparedness to confront top risks. According to the findings, 67% organizations not fully prepared to face even the top risk.
- **Risk Coverage Deficiency:** Poised at the precipice of progress, it needs to elevate its risk management solution design. Close to one third of respondents, do not have any Cybersecurity skill solution or any insurance to face identified top risks. Talent risk is the most under-covered risk, where 41% of respondents do not have any solution or insurance
- **Identifying the Risk:** The art of Horizon scanning and Emerging risks identification are found wanting short- and medium-term risk rankings are very similar – and similar risks also appear in emerging risks. Horizon scanning and emerging risk identification needs to improve emotional Quotient of Top Management is the only key emerging risk identified
- **New risk identified – The climate wake-up call:** Profound urgency of Climate Change continues to be undervalued. Only Energy and Utilities, Hospitality, Infrastructure and Real Estate and FMCG sectors identified Climate Change and Natural Disasters as the top risk.

Insights that hit home

- **Risk Management 101:** Nearly half of businesses (45%) rank at level 3: Progressing. It's time to move the needle towards transformation.
- **Global Influence:** Overseas subsidiaries bring in sophistication. Around 25% of these organizations are already at the top – Maturity Level 4, Transforming.
- **Shift in Attitude:** More than 45% organisations play it safe, thinking risks are just to be avoided or managed. They do not feel that risks can be positive or risk management capability can be a competitive advantage

Skills in Demand

- **Cyber Crusaders:** Cybersecurity is a hot skill everyone is after. This is the top area where organizations are scouting for skills. Several IRM-qualified professionals who are ERM experts (that covers cyber risks) are building digital resilience across sectors.
- **Insurance IQ:** Insurance management practices lack maturity, as about 40% of respondents do not measure any component of Cost of Insuring Risks. Their solution design including cost management need to improve.



The report features expert voices in liability insurance, marine cargo insurance, engineering insurance, fire insurance, and way to weave insurance into a comprehensive risk management strategy.

#ICICILombard #SandeepGoradia #IRM #Nibhaaye Vaade #Innovation
#GettingIndiaRiskReady

About ICICI Lombard General Insurance Company Ltd.

ICICI Lombard is the leading private general insurance company in the country. The Company offers a comprehensive and well-diversified range of products through multiple distribution channels, including motor, health, crop, fire, personal accident, marine, engineering, and liability insurance. With a legacy of over 21 years, ICICI Lombard is committed to customer centricity with its brand philosophy of 'Nibhaaye Vaade'. The company has issued over 32.7 million policies, settled 3.6 million claims and has a Gross Written Premium (GWP) of ₹217.72 billion for the year ended March 31, 2023. ICICI Lombard has 305 branches and 12,865 employees, as on March 31, 2023.

ICICI Lombard has been a pioneer in the industry and is the first large scale insurance company in India to migrate its entire core systems to cloud. With a strong focus on being digital led and agile, it has launched a plethora of tech-driven innovations, including the industry first Face Scan on its signature insurance and wellness App - IL TakeCare, with over 6.9 million user downloads. The company has won several laurels including ET Corporate Excellence Awards, Golden Peacock Awards, FICCI Insurance Awards, National CSR awards etc. for its various initiatives. For more details log on to <https://www.icicilombard.com/>

About Institute of Risk Management, India Affiliate:

The Institute of Risk Management (IRM) is the world's leading professional body for ERM qualifications and exams (Levels 1 to 5). IRM also publishes research, guidance, and professional standards across the world. Our members (including members of the Institute of Operational Risk) work in all industries, in all risk disciplines, and across public, private and not-for-profit sectors in more than 143 countries. With 360 exam centres in India, candidates can register for the ERM exams and start with the Level 1 entry stage exam evaluated by the AICTE (Ministry of Education, Government of India) and pursue the 5-level pathway to Certified Fellowship with designations at each stage after Level 2 and join a global community of risk-intelligent leaders.

IRM India Affiliate has entered into knowledge partnerships with: Invest India, the National Institute for Micro, Small, and Medium Enterprises (Ministry of MSME), The Indian Hotels Company Limited (IHCL), Ultra Tech Cement Limited, Cipla, Reliance Jio, Tata Consumer Products, HDFC Asset Management Company Limited and Bombay Chartered Accountants Society. IRM India Affiliate has also collaborated with NMIMS to launch India's first professional programmes in ERM covering IRM's exams and, earlier, launched a report with AICTE (under the Ministry of Education) on ERM and the Indian Higher Education System. In collaboration with KPMG in India, they also launched the first edition of "India Risk Taxonomy 2023". IRM has ventured into the school segment through collaboration with Mindler to develop risk-literacy among children through Enterprise Risk Career Program. IRM India Affiliate has recently collaborated with NISM (SEBI's Educational Arm) to launch the Enterprise Risk & India Regulation Online Course (ERIRC) to bolster risk and compliance in India Inc. More information on IRM's qualifications, exam updates, and other details are available at - <https://www.theirmindia.org/>



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