

For Immediate Release

## Peak Re publishes a new comprehensive analysis on MCCOs

***Peak Insights 2018 - "Relevance of Mutual and Cooperative: Lessons learnt from developed Europe and Asia"*** highlights that:

- Mutuals and Cooperatives and Community based Organisations (MCCOs) account for more than 30% of the insurance markets in Europe and North America while Japanese MCCOs generate 80% of the mutual premium in the Asia and Oceania region
- Significance continues to grow because of their relevance to communities and benefits to the social groups that they serve
- Good and effective governance is key for MCCOs sustainability
- Proven profitability and outstanding governance enhance ability to raise capital

**Hong Kong, 30 October 2018** – Peak Reinsurance Company Limited ("Peak Re"), a global reinsurer based in Hong Kong, publishes a new comprehensive analysis on Mutuals and Cooperatives and Community based Organisations (MCCOs).

Titled ***"Relevance of Mutual and Cooperative - Lessons learned from developed Europe and Asia"***, the Peak Re report highlights the importance of MCCOs to the insurance industry and how they continue to play a key role in supplementing the social welfare system.

MCCOs account for over 30% of the insurance markets in Europe and North America while Japanese MCCOs generate 80% of the mutual premium in the Asia and Oceania region. Their market share is set to continue to grow because of their relevance to communities and benefits to the social groups that they serve.

Arina Tek, Vice President, Market Research and Analysis, at Peak Re and author of the report, says, "MCCOs have supported economic development and social stability. Their rise in popularity was built around relevance and simplicity of purpose to members, long before the existence of a social welfare system. Today, while social welfare is common in developed countries, MCCOs still have a role to play as supplement to the social welfare system and to commercial insurers."

For MCCOs to be sustainable, good and effective governance is key, according to the report.



“Good and effective governance is essential to preserve the identity of MCCO. It ultimately relates to the organisation’s ability to stay relevant, trusted and be sustainable. Governance for MCCOs must be structured in a way to hear members and employees’ voices as it shows how much the management cares about their future,” as stated in the report.

“Good and effective governance is a also another means to attract third party capital because it supports the argument that MCCOs are sustainable.”

Peak Re has produced this report in recognition of the mutual concept as part of its mission to narrow the protection gap.

This report also contains best practices of successful MCCOs and how they stay relevant to society while addressing regulatory requirements and potentially external investors.

Franz Josef Hahn, Chief Executive Officer of Peak Re, comments on the report, “The subject of MCCOs is not usually discussed despite its long operating history and its growing market share. I am proud that Peak Re is demonstrating its commitment to this important sector with this report by providing useful insights on MCCOs. This research topic was initiated as we recognised the benefits of MCCOs and our shared objectives to support community to fight against poverty. This is well aligned with Peak Re’s strategy to support the needs of communities through meeting reinsurance needs in Asia and around the globe.”

The report is available on <http://www.peak-re.com/wp-content/uploads/2018/10/Peak-Insights-2018-EN.pdf>

**End**

#### **About Peak Re**

Peak Re is headquartered in Hong Kong with shareholder equity of USD1.02 billion as of 30 June 2018. It is authorised by the Insurance Authority of Hong Kong and is rated “A-” by A.M. Best, a leading international insurance industry credit rating agency. Fosun International Limited (00656.HK) (“Fosun”) and Prudential Financial, Inc. hold 86.9% and 13.1% of Peak Re via Peak Re Holdings, respectively. Peak Re offers reinsurance services covering a range of lines across Asia Pacific, EMEA and the Americas, tailor-making risk transfer and capital management solutions to best fit clients’ needs.



For media enquiries, please contact:

Edward Ion  
Managing Partner  
Helix Media Pte Ltd  
Tel: +65 91116871  
Email:  
edward.ion@helixpr.asia

Henner Alms  
Partner  
Dr. Schanz, Alms & Company  
Tel: +41 44 256 1082  
Email:  
henner.alms@schanz-alms.com

Beverly Yau

Sherring Mak

Vice President  
Corporate Communications  
Peak Reinsurance Company Limited  
Tel +852 3509 6529  
M+ 852 6970 7576  
Email: beverly@peak-re.com

Assistant Vice President  
Corporate Communications  
Peak Reinsurance Company Limited  
Tel +852 3509 6545  
M +852 9271 6680  
Email: sherring@peak-re.com

www.peak-re.com

F +852 3509 6668

T +852 3509 6666

Room 2107-11, ICBC Tower, 3 Garden Road, Central, Hong Kong