



IN CONVERSATION WITH RICHARD GARRY AND FEARGAL O'NEILL

GAMMA LOCATION INTELLIGENCE

2022



Speakers



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CCO



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Gamma Location Intelligence provides software and data services to help insurers better understand location risks. Matthew Grant was joined by Richard Garry, Gamma LI's Chief Commercial Officer, and CEO Feargal O'Neill for [podcast 212](#) released on 16th October 2022. We recommend listening to the 30 minute podcast to get the full benefit of this discussion.

The topics covered include the challenges of local address data in Ireland and the UK, how the company works with various partners for hazard data and measuring emission data for properties. We have provided here a summary of the key points of the discussion and links to the reports and other information mentioned.

Gamma - enabling location intelligence

Gamma was founded in 1993. Over the years, the company has become a global provider of cloud-hosted location intelligence solutions with offices in Dublin, Manchester and Bilbao.

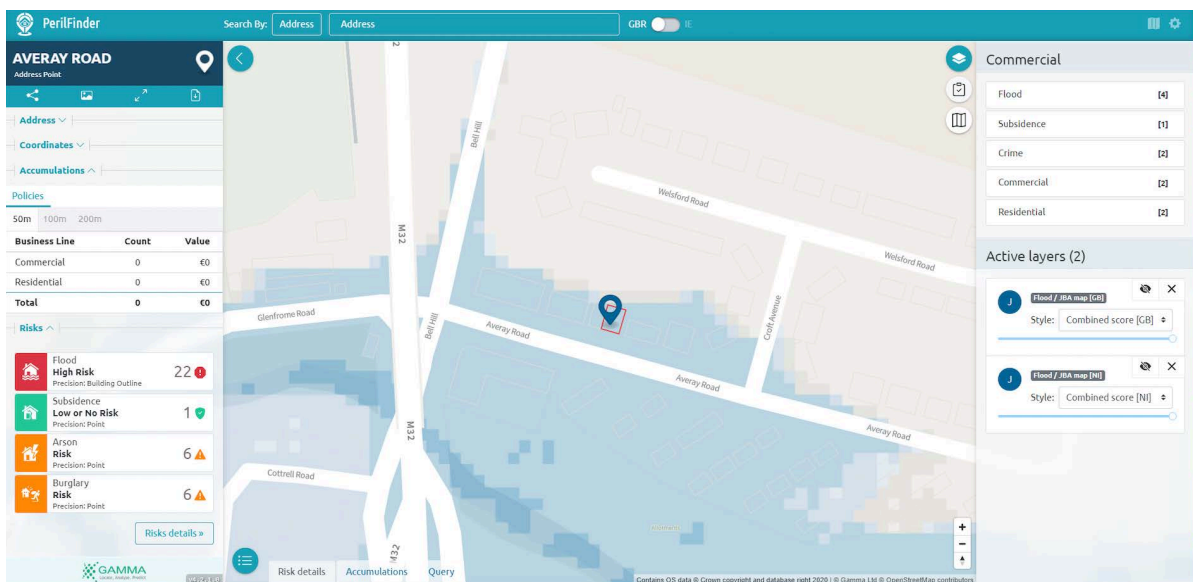
From the Original Gamma business, three separate companies were created:

- Autoaddress – a global address matching API provider
- Gamma Location Labs – a bespoke location intelligence software developer
- Gamma Location Intelligence (Gamma LI) – an insurance-focused software business, supplying property-level risk solutions mainly in the UK and Ireland

Gamma LI: supporting property-level risk evaluation

Gamma LI works with top European property insurers, MGAs and several banks, providing them with data, spatial analytics, and software solutions.

The company's main product offering is Perilfinder™. It is a web platform that allows underwriters to visualise and assess property-level and accumulated risks. Perilfinder™ can show the various risks individual properties may face, such as fire or flood, as well as some of the attributes of that given property, such as building footprint and age.

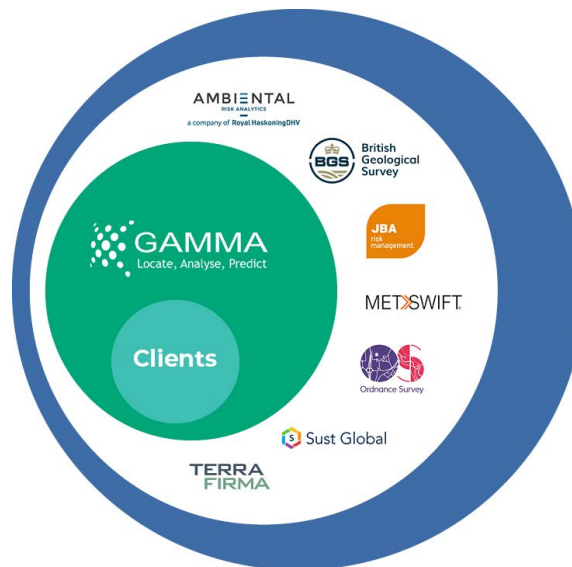


Property-level attribute and peril score information can also be directly embedded into customers' business processes through a series of Addresslink APIs. Gamma LI also offers data enrichment and consulting services to identify historic and existing buildings with attribute and risk information.

Understanding climate risk - how Gamma LI can help

Climate change is increasing the frequency and severity of weather-related events. This can even be seen with increases in wildfires in the British Isles over the past year. Drier summers are leading to drier vegetation, increasing wildfire risk. Figures from the Northern Ireland Fire and Rescue Service (NIFRS) show that crews tackled almost 2,000 gorse fires between April 2021 and March 2022.

Gamma LI can help with risk evaluation of any physical asset, whether that be a caravan park or a restaurant. The company provides risk factors associated with that given property or location including flood, subsidence, windstorm, wildfire and crime. Gamma LI partners with a range of companies for peril data that inform the Gamma LI risk scores. Partners include JBA Risk Management and Ambiental (now part of Royal HaskoningDHV) for flood data, the British Geological Survey and TerraFirma (now part of Dye & Durham) for subsidence data and MetSwift for wind data. The company has also partnered with SustGlobal for global windstorm, wildfire and water stress data.



If Gamma LI cannot find a suitable partner to provide the data required by its clients, it will build peril models in-house. For example, the company is currently working on a wildfire model for release in 2023.

All of the data that Gamma LI offers can be accessed via API or on the company's mapping tools. Insurance clients also have the option to licence different components of the product that they need, for example flood data or property-level geocoding.

Emissions data - how to calculate it and what to do with it.

As well as helping its clients understand climate risk at a property level, Gamma LI also offers property-level energy performance and greenhouse gas emissions data. The company was involved with two EU research projects, EPISCOPE and ENERFUND, focused on modelling building energy data across Europe.

To calculate the emissions associated with property portfolios, Gamma LI uses EPC (Energy Performance Certificate) data to tag property data with key performance values. If this data is not available, then a prediction of the EPC grading rating and associated greenhouse gas emissions is derived from the property characteristics through artificial intelligence models developed by Gamma LI. In addition, Gamma Location Labs' BER-WOW product allows users to assess the costs and benefits of retrofit measures on their fuel bills and affordability, considering grants, energy savings and green loans.

This is available in the Irish market now and will be available in the UK next year.

These emission predictions are being used by insurers to determine what proportion of emissions from a given property should be attributed to them. Understanding this attribution of emissions is a critical part of Scope 3 reporting requirements. Different insurers are tackling this in different ways. For example, Aviva's [2021 Climate Transition Plan](#) reveals that it is calculating its underwriting attribution factor by dividing annual asset value by technical premium.

Feargal O'Neill recommends PCAF (Partnership for Carbon Accounting Financials), the Standard report, as an example of a global partnership of financial institutions working together to develop and implement a consistent approach for assessing and disclosing emissions. As part of this initiative, the group is creating emission attribution factors across a range of policy lines, including property. PCAF has also highlighted the importance of scoring the data quality that is used to create emission estimates.

In its 2021 [report](#), PCAF suggested a methodology for scoring data quality. The highest quality data is the actual emissions data received from an energy provider or the energy metre installed at that property. The lowest quality data is a modelled EPC grading.

To learn more about Gamma LI and the products it offers to banks and insurers, reach out to Richard Garry on [LinkedIn](#).

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