

# Our commitment to data responsibility

The diversity and amount of data are changing the world at a quickening pace. The benefits of data to business and society are great, and the potential uses seemingly limitless. But along with the rapid growth of big data applications come risk and privacy concerns, such as how data is being collected, protected, and used—and ultimately how the public is affected. Responsible use of this data is critical for the good of the economy, consumers, and society as a whole.

## What does it mean to be a responsible data analytics company?

Verisk's vision is to be the world's most effective and responsible data analytics company in pursuit of our customers' most strategic opportunities. As such, we're strongly aware of the critical need to protect the confidentiality and use of consumer and business data as well as other types of data.

At Verisk, being a responsible data analytics company means making a dedicated commitment to:

- **safeguarding the data** we've been entrusted with by using innovative technologies and sophisticated procedures to protect the security and privacy of all types of data we collect
- **investing in a strong internal governance process** that includes dedicated compliance officers and data governance experts, investment in ongoing security improvements, mandatory enterprise-wide employee security training, and diligent management of third-party vendors
- **complying with all rules and regulations** enacted by U.S. federal, state, and local governments as well as international regulatory bodies
- **building and maintaining trust and transparency** with regulators, customers, and consumers by showing them the value in collecting the data and the conclusions being reached as well as providing ways for consumers to opt in or out of data collection
- **acting responsibly** in deciding what data is collected and used—and for what purpose.

Verisk Analytics pledges to be the world's most effective and responsible data analytics company in pursuit of our customers' most strategic opportunities.

## A legacy of responsible data stewardship

At Verisk, we pledged our commitment to responsible data stewardship nearly 50 years ago, when Insurance Services Office (ISO) took on its role as statistical agent for the property/casualty insurance industry. As we've grown to be a leading data analytics provider, data continues to be the lifeblood of our organization. We now serve customers in markets including natural resources, financial services, supply chain, human resources, commercial real estate, and retail.



Our commitment to safeguarding the integrity, confidentiality, and responsible use of data remains as steadfast as ever. Our mission is to help our customers around the globe make better decisions about risk, investments, and operations with greater precision, efficiency, and discipline. We do that by providing data analytics that help them make the most informed decisions.

**Safeguarding the data** – We take great care to safeguard the security and privacy of all data reported to us, including regulated information such as personally identifiable information (PII). We collect data through a secure, dedicated application program interface and apply thousands of proprietary quality checks to ensure the data meets our high-quality standards. We aggregate data and protect it with methods that quickly detect and respond to threats. For example, we employ innovative technologies such as tokenization and two-way encryption as well as a layered security architecture with monitoring controls. Those methods provide additional levels of protection to sensitive data.

**Investing in a strong internal governance process** – Our ongoing investment in our data management infrastructure is matched by significant investment in the areas of security, education, compliance, and audit. We monitor our systems and networks to determine irregularities or suspicious access behavior and have an information security response plan in place. Trusted sites also monitor our systems and provide security alerts and proactive action against possible or presumed threats. And we have a rigid set of security procedures that restrict both access to and unauthorized alteration of our data, databases, and computer systems. Those procedures and their actual operation are subject to regulatory review and audit from independent auditing firms.

**Complying with all rules and regulations** – We have a long history of working with U.S. federal, state, and local governments and extensive experience working with some of the largest financial institutions in the United States, the United Kingdom, and Canada to ensure we're always in full compliance with all rules and regulations. We're equally vigilant in complying with international regulations related to operating our business in other countries.

**Building and maintaining trust and transparency** – For decades, we've worked closely with regulators, government agencies, customers, and consumers to be as transparent as possible in providing answers to questions or concerns regarding the management and use of our data. For example, we have a dedicated staff of highly trained government relations experts who act as liaisons. To provide consumers a choice in sharing their data, we offer, where applicable, the ability to opt in or out of our data collection initiatives.

**Acting responsibly** – Verisk has long advocated the responsible use of its data for the intended purpose of managing risk and how that use affects our customers and consumers. How we use our data benefits consumers in many ways. For example, we collect data on the fire protection capabilities of nearly 48,000 U.S. communities and assign grading classifications. Those classifications provide communities incentive to upgrade their fire services, which ultimately benefits residents, property owners, and businesses in the community. We also collect data for the Building Code Effectiveness Grading Schedule (BCEGS®), a tool that analyzes and measures community building code enforcement efforts and provides benchmarks that community leaders can use to improve hazard mitigation capabilities and make buildings safer. Our data helps communities plan and prepare for potential losses caused by fire, earthquake, flood, and other catastrophes and benefits consumers as they experience reduced catastrophic losses.

In many industries throughout the world, companies are responsibly using our data to manage and mitigate risk, contribute to a healthy world economy, and protect and benefit society.

In the property/casualty industry, insurers are using our data to develop insurance programs that address exposure to emerging risks affecting society, such as cyber risk, drone usage, ridesharing services, executive impersonation



fraud, and virtual currency theft. Insurers also use our data to help determine equitable premiums, comply with state regulations, and combat all types of insurance fraud.

Financial institutions use analytics derived from our collection and aggregation of depersonalized, transaction-level consumer banking data to help measure and manage the performance of their portfolios and develop competitive strategies. Those efforts keep the credit card and retail banking industry, as well as the economy, healthy. In other industries, such as energy, metals and mining, hazardous materials, chemicals, pharmaceuticals, cosmetics, food, and personal care, companies around the globe and throughout the supply chain are using our data to comply with environmental health, human health, and safety requirements.

## Conclusion

We take great pride in our efforts to protect the confidentiality and use of data. As Verisk grows, each of our acquisitions embraces the obligation of responsible data stewardship and commits to complying with Verisk's high operational standards and procedures. We stand by our data responsibility pledge and embody it in all our pursuits.