



FINDING THE RIGHT INGREDIENTS FOR EFFECTIVE GLOBAL RISK MANAGEMENT

Royal Cosun teams with Origami Risk to drive down its total cost of risk

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Jeroen Helders

Group Treasurer & Insurance Risk Manager
Royal Cosun

At-A-Glance

Company

A multinational agri-industrial group, headquartered in the Netherlands, that produces food ingredients and products for the food industry, foodservice sector, and retail distribution.

Challenge

Looking to strengthen the company's centralized risk and insurance program, Royal Cosun needed technology that could help with the capture and analysis of location-specific value, construction, exposure, safety, loss, and other critical data.

Solutions

Audit; Mobile Forms; Safety Workflows; Data Imports; Third-Party Integration; Client Portal; Anonymous Portal Entry; Automated Batch Processes

Results

Enhancements to global safety and maintenance processes, new underwriting and risk management efficiencies, and seamless integration of policies in global insurance program.



Royal Cosun, a multinational agri-industrial group headquartered in Breda, The Netherlands, produces food ingredients and products for the food industry, foodservice sector, and retail distribution, as well as for animal feed and non-food applications, such as biogas. Established as a cooperative nearly 120 years ago by Dutch sugar beet growers, Royal Cosun now has some 8,800 member/shareholders, 3,900 employees and annual revenues of €2 billion.

The company has five core businesses. Suiker Unie processes sugar beet and produces sugar and sugar specialties. Aviko processes potatoes into chips and other specialties. Sensus produces inulin and oligofructose from chicory for use in health foods. SVZ processes fruit and vegetables into concentrates and purees for the food industry. Duynie focuses on obtaining maximum value for organic by-products from the food industry, including those produced by other Royal Cosun business groups.

In addition to its core businesses, Royal Cosun has several smaller business units. Among them, Cosun Biobased Products, a start-up, markets special ingredients for non-food applications. Meanwhile, at Cosun Research & Development, the company looks to drive improvements in process technology and product development.

Over the years, Royal Cosun has placed a high priority on sustainability and corporate responsibility; it strives to get the most from its raw materials, which benefits the environment, helps drive profitability, and meets society's demand for responsible products and production methods.

HEIGHTENED FOCUS ON INSURANCE AND RISK MANAGEMENT

In recent years, the company sharpened its focus on strengthening its risk and insurance program to achieve efficiencies and implement an enterprise risk management framework. Since 2016, Jeroen Helders, group treasurer and insurance risk manager responsible for financial processes and financial risk management, has been leading this initiative.

From the outset, Jeroen and his team began looking for



innovative ways to strengthen the company's centralized risk and insurance program. They quickly determined that investing in state-of-the-art risk management technology could help them capture and analyze location-specific value, construction, exposure, safety, loss, and other critical data needed to elevate their program.

Their search led them to select the risk management information system of Origami Risk, a versatile cloud-based solution to help them address a spectrum of global risk, insurance, and related information needs. Origami also offered dynamic functionality that could enable Royal Cosun to drive efficiencies and lower its total cost of risk through automation and process improvement.

In 2017, Royal Cosun collaborated with Origami to design and implement several new capabilities, including a tool to capture and analyze critical underwriting, performance, and safety data from the company's multinational operations.

Using the Origami Risk platform, Royal Cosun's Risk Management team was quickly able to capture construction, value, and loss data for all of the company's 25 production facilities in the Netherlands, Belgium, Germany, Poland, Czech Republic, China, and the U.S., as well as more than 150 additional storage and vendor facilities spread throughout those countries.

Specifically, Jeroen and his team now maintain and have ready access to details on all insurable values for each of the company's locations, as well as location-specific



building and civil code information, building materials and construction data, combustible and non-combustible inventory, sprinkler and fire, and risk protection information.

In Origami, they also capture revenue figures for each operation, which is critical both in the procurement of business interruption coverage and in related insurance claim recoveries, inventory data required for working materials coverage, employee travel for business travel insurance, and collective accident insurance. The ability to track all of this information by location also facilitates premium cost allocation and local administration of safety and loss control.

“Origami enables us to consolidate all of our risk management-related information in a single database and to distribute and share discrete data for each of our operations with our senior leadership. We can also deliver timely and accurate underwriting submissions to all of our insurance company providers,” said Jeroen. “With ready access to this data, our property insurers are able to underwrite our risk with greater precision, which has translated to reduced premium costs.”

Additionally, Jeroen and his team now use Origami Risk as the single hub for all the company’s risk management information, including: all safety, loss, and risk management data; insurance policies; asset valuations; compliance; and health, safety, and environmental management.

LAUNCHING AN OPERATIONS AUDIT CAPABILITY

At the start of 2018, Royal Cosun began rolling out Origami’s risk self-assessment and auditing tools to track maintenance and repair schedules, requirements, and results for each location.

For example, on a semi-annual basis, an individual responsible for electrical engineering at a Royal Cosun facility will complete a brief self-audit by responding to 10 - 15 online questions in Origami to identify potential issues as well as to validate that the engineering and operations teams are adhering to Royal Cosun’s established global maintenance and safety standards.

The process enables team leaders and operations managers to spot potential issues and address them quickly, eliminating the need for multiple internal meetings that could delay the implementation of corrective measures. While there is still centralized oversight, the process delegates responsibility to individual team members at each location to make sure their operations are in full compliance with company standards.

Precise cost allocation. The maintenance and safety data gathered in Origami enables Jeroen and his team to assign a specific risk rating to individual locations and functions that can be compared with company-wide metrics and used to develop a pathway for making improvements at each location. These details, in turn, are shared with the insurance companies, who factor the findings into their underwriting. Jeroen and his team also use the results to allocate premium costs to individual locations with greater precision. Besides the dynamic enhancements to Royal Cosun’s global safety and maintenance processes, results to-date include:

- **Efficient underwriting and global risk management process.** Because Royal Cosun now has the ability to capture and instantly disseminate critical building, value, contents, inventory, and loss control information, its insurers are able to develop a more effective insurance program structure with appropriate coverage limits, deductibles, and premium credits for effective maintenance and other loss control measures. This has resulted in significant premium savings and helped facilitate a continuous improvement process affecting all of Royal Cosun’s production operations, storage, and vendor facilities.
- **More effective utilization of insurance brokerage services.** Royal Cosun has been able to reevaluate how it uses its broker to focus more on value-added activities that will support and advance various elements of its enterprise risk management initiative.

■ **Enhanced insurance program structure and administration.** Royal Cosun now maintains all of its dozen global insurance policies within Origami, enabling Jeroen and his team to assess coverages and determine where there is overlap or coverage gaps with stand-alone domestic policies required by individual countries. This has helped facilitate a more seamless integration of all policies into the Royal Cosun global insurance program. Origami Risk has also enabled Royal Cosun to streamline both its premium payment process and to generate payments for self-insured losses to claimants.

■ **Real-time internal reporting.** Using Origami's robust data and analytics capabilities, Royal Cosun's Risk Management team now can generate detailed reports on exposure and loss analysis, as well as the impact of safety and loss control initiatives for leadership and operations by insurance product line, location, function, and region. This enables the company to pilot specific process improvements in one location, evaluate results, make needed refinements, and subsequently roll them out efficiently to multiple locations.

■ **Strengthened compliance with GDPR.** Royal Cosun has taken advantage of special features in Origami Risk to limit access to personal claims data. This has helped bring its information management practices in line with new requirements for protecting the security of personal data stipulated under GDPR.

BUILDING OUT ENTERPRISE RISK MANAGEMENT

Initial success encouraged Jeroen and his team to strive for more. They are now in a process of rolling out more robust risk management processes company-wide. Origami Risk is playing a key role in facilitating the transition to the more advanced practices.

Although only 15 Royal Cosun team members currently access Origami for various information, data, and reports, Jeroen plans to increase the number of its users as Royal Cosun rolls out its new enterprise risk management (ERM) methodology in the second half of 2018.



One aspect of Royal Cosun's expanded use of Origami Risk to help drive down its total cost of risk involves the establishment of more proactive approaches to making decisions about insurance coverages, as well as enhanced safety and claims management.

Jeroen plans to leverage Origami's ability to capture value information, current and historical loss data, construction, safety, and exposures information to help drive decisions on risk retention, transfer, and mitigation enterprise-wide, as well as within specific coverage lines and by location. The data will give them the ability to use quantitative approaches to assess exposures and insurance costs against investments and outcomes of risk mitigation initiatives.

Armed with this information, they will be in position to make informed decisions about what coverages they need to maintain, increase, or decrease. They will also be able to pinpoint specific risks they can assume and evaluate how any uninsured exposures might be managed through targeted investments in risk mitigation and safety measures.

"Using Origami, we now have greater ability to evaluate and address risk on systematic basis," said Jeroen. **"Ultimately, every loss incident that occurs increases cost and potentially damages a company's continuity. At the end of the day, recoveries received from the insurance company for an insured loss eventually are paid back to the insurer in the form of increased premium."**

Risk quantification has been the key for Jeroen to unlock new ways to save costs in claims management. Data captured using Origami revealed higher claim costs at specific locations, enabling Jeroen to prioritize where allocating more resources for safety improvements and claims management could have the greatest impact on Royal Cosun's bottom line.

By starting with the company's largest exposures, Jeroen and his team can design and implement measures that will have the greatest impact on lowering the company's total cost of risk. Next, they can move on to address progressively smaller exposures, achieving a continuous reduction in risk costs.

Overall, Jeroen describes his team's engagement with Origami as "a collaborative working process that enables us to learn on the job and make adjustments on the fly. At the same time, the versatility of Origami's toolbox and team has allowed us to reconfigure specific features and capabilities to meet our evolving needs."

Although Royal Cosun has been working with Origami for less than two years, the results Jeroen and his team have achieved to-date are significant, as are their prospects for making further gains in safety, insurance protection, broker performance, efficiency, and the continued reduction of Royal Cosun's total cost of risk.



ABOUT ORIGAMI RISK

Origami Risk is a leading provider of integrated SaaS solutions for the risk and insurance industry—from insured corporate and public entities to brokers and risk consultants, insurers, third party claims administrators (TPAs), and risk pools. Highly configurable and completely scalable, Origami Risk delivers a full suite of risk management and insurance core system solutions from a single secure, cloud-based platform accessible via web browser and mobile app.

Our software is supported by a service team of experienced risk and insurance professionals who possess a balance of industry knowledge and technological expertise. A singular focus on helping clients achieve their business objectives underlies Origami Risk's approach to developing, implementing, and supporting our risk management and insurance core system technology solutions.

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