

# **The Impacts of Covid Beyond Business Interruption**

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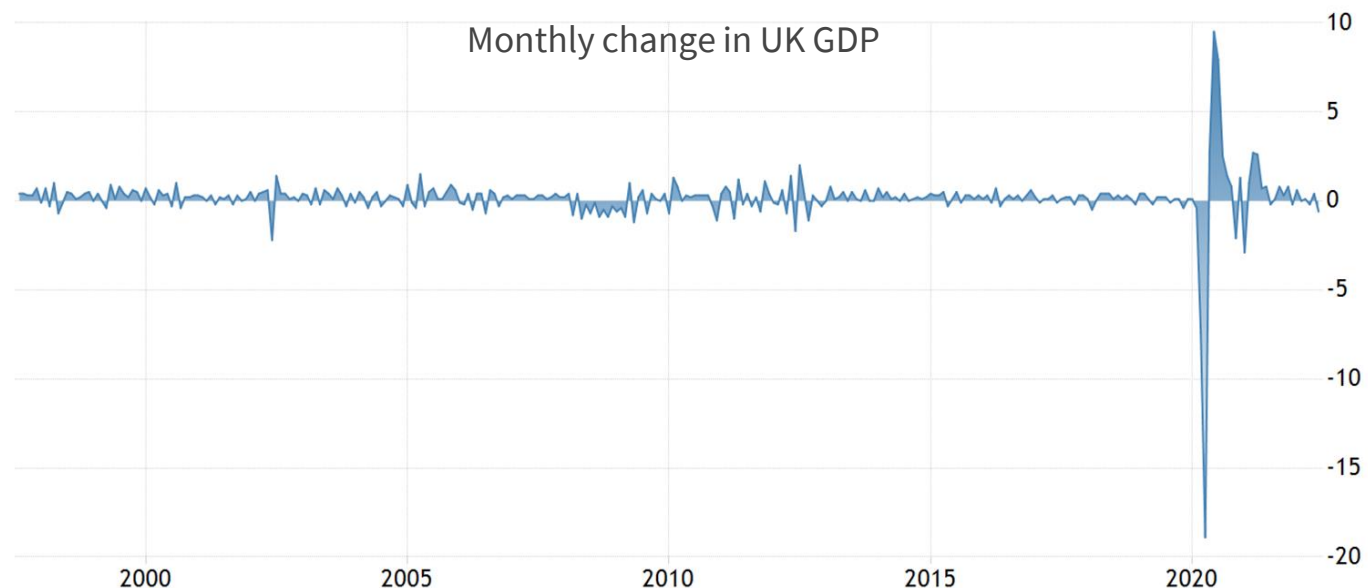
# Learning objectives

By the end of this session you will:

- have an awareness of how the market responded to the Covid pandemic
- understand how different classes of business were impacted
- be able to describe how the pandemic has changed market dynamics
- be able to explain how Covid has altered customer behaviour and the nature of the risks they need to protect

# Background

- Globally c.600m infected , c.6.5m deaths
- UK c.23.5m infected , 180,000 deaths
- Covid Pandemic and response by countries and governments around the world truly unprecedented
  - Closing of borders
  - Imposing restrictions across whole populations
  - Closing businesses
  - Action to develop vaccines and immunise

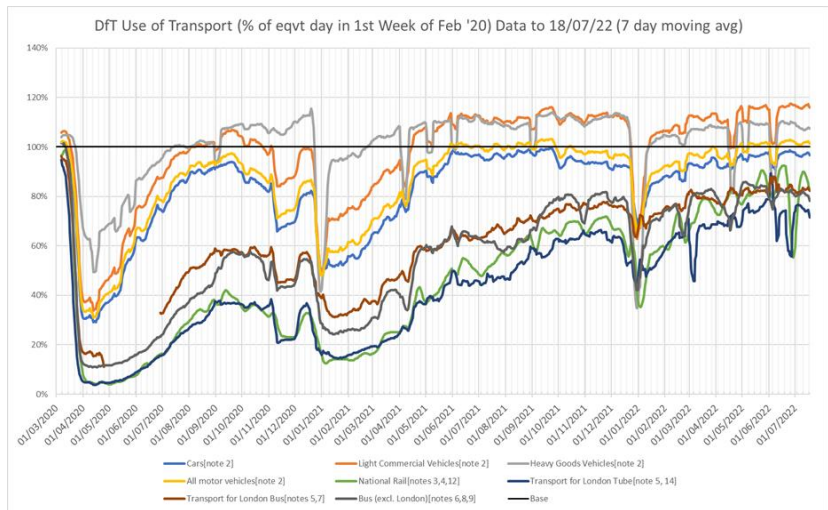


# How did the Insurance Industry respond ?



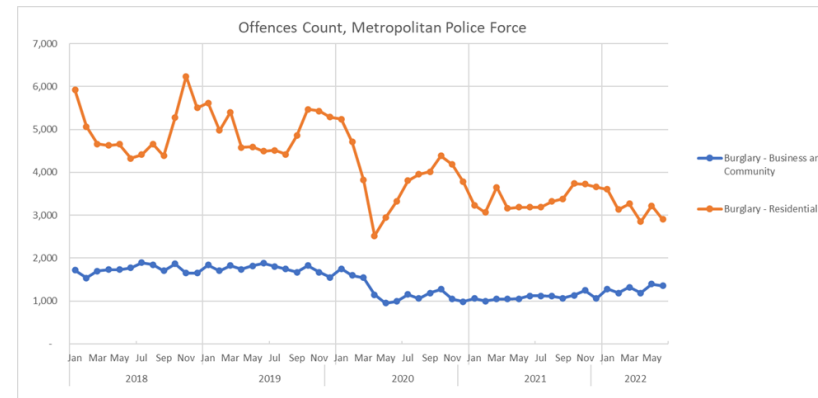
# How did Covid and lockdowns impact claims ?

- Business Interruption – in excess of £1.2bn
- Motor
  - Vehicle usage
  - Claims inflation



- Employers' and Public Liability
- Travel / Cancellation cover
- Contingency Covers – Event cancellation covers

- Group Personal Accident /Sickness
- Private Medical Insurance
- Property
  - Theft / Malicious Damage
  - Escape of Water Losses
  - Plant Theft



- Cyber
- Marine



# How has Covid changed the industry dynamics ?



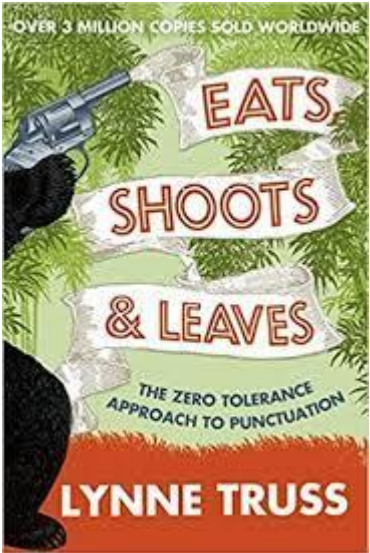
Reputation with our customers



Relationship with regulators



Application of Exclusions



Focus on policy wordings



Availability of cover



# How has Covid changed our customers and the risks they face ?



- Theft Risk ?
- Home Insurance needs ?



- Business Resilience
- Cover for working at home
- Employers' Liability Risks



- Vulnerable Customers
- Removing or cancelling cover
- Fraud by Staff
- Insurance Fraud e.g. Arson



- IT Dependency
- Cyber Attacks



- Home Insurance Cover
- Contract Works Cover
- Underinsurance !!!



- More Complex and Diverse Businesses
- Potential Interdependency
- Need for tailored insurance solutions
- Need for different covers

# Summary

By the end of this session you will now :

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- be able to explain how Covid has altered customer behaviour and the nature of the risks they need to protect



Any Questions ?