

## Evolving Liability Conference 2021

### Long-term liability implications of pandemics

Hosted by Lloyd's  
27–28 October  
London, England

#### Agenda (times in BST)

Conference moderation by *Darren Pain*, Director Evolving Liability, The Geneva Association

#### Wednesday, 27 October

- 12:00–13:00      **Reception lunch**  
*Location: 11<sup>th</sup> Floor, Marble Area, Lloyd's Building*
- 13:00–13:10      **Welcome remarks**  
*Jad Ariss*, Managing Director, The Geneva Association
- 13:10–13:20      **Introduction**  
*Cameron Murray*, Head of Government Policy & Affairs, Lloyd's
- 13:20–13:30      **Conference agenda**  
*Darren Pain*, Director Evolving Liability, The Geneva Association
- 13:30–14:15      **Keynote address: Regression to the Tail – What COVID Teaches Us About Risk**  
*Alex Budzier*, CEO, Oxford Global Projects, Oxford University, Saïd Business School
- We live in the age of 'regression to the tail' – extreme events seem to grow both in number and in size so that talk of a tendency to return to some average or 'normal' is no longer meaningful. Prudent decision makers and their risk managers must be able to recognise the clues to future large-scale disruptions and navigate such potential for extreme outcomes. COVID-19 was an entirely predictable event, even if its precise timing and scale of impact were not. The challenge is to be better prepared for the next crisis.
- 14:15–14:30      **Break**

14:30–15:45

**Session 1: Implications for insurers of shifting work and business practices in light of the enhanced knowledge of pandemic risks**

Chair: **Tim Fletcher**, Senior Emerging Issues Specialist, Gen Re<sup>(V)</sup>

Panellists:

- **Luke Leung**, Director, Sustainable Engineering Studio, SOM<sup>(V)</sup>
- **Clive Sherwood**, Team Leader, Casualty Risk Consulting, AIG
- **Chris Storer**, Senior Executive Manager, Cyber Centre of Competence, Munich Re<sup>(V)</sup>

The COVID-19 episode will likely permanently affect the way societies function, including embedding new hybrid work patterns, more ‘virus-aware’ building design and mass transportation arrangements, as well as greater reliance on remote digital technologies. Insurers need to assess how such shifts will influence the risk landscape and in particular, their potential commercial liability exposures as economies transition to a new ‘normal’. This session assessed the potential for new or enhanced sources of risk post-COVID-19 – health and safety, professional liability, cyber etc. – and repercussions for insurance given the likelihood that epidemics and pandemics become more frequent.

15:45–16:00

**Break**

16:00–17:00

**Session 2: Paying for COVID-19 – The possible return of inflation and the implications for long-tail insurance claims?**

Chair: **Darren Pain**, Director Evolving Liability, The Geneva Association

Panellists:

- **Barry Naisbitt**, Associate Research Director, Global Macroeconomics, NISER<sup>(V)</sup>
- **Andrea Scascighini**, Casualty R&D Head, Swiss Re<sup>(V)</sup>

As economies have opened up, price inflation has risen sharply in many countries, reflecting supply-chain bottlenecks, including some labour shortages, and the release of pent-up demand. Much of that inflationary impetus should be temporary. However, the longer-term outlook for inflation will depend on the adjustment future path for fiscal and monetary policy. This session considered the prospects for global inflation over the medium term and how liability insurers should position themselves in the face of uncertainty over the steady-state level of inflation, including the knock-on effects on long-tail claims and associated reserving/pricing.

19:00–21:30

**Conference dinner**

*Location: Adams Room, 11<sup>th</sup> Floor, Lloyd’s Building*

## Thursday, 28 October

12:00–13:00

### Networking lunch

*Location: 11<sup>th</sup> Floor, Marble Area, Lloyd's Building*

13:00–14:15

### Session 3: Implications for insurers from actual/potential shifts in liability standards/duties of care following the COVID-19 episode

Chair: **Darren Pain**, Director Evolving Liability, The Geneva Association

#### Panellists:

- **Neil Beresford**, Partner, Clyde & Co
- **Kevin M. LaCroix**, Executive Vice President, RT Pro Exec, RT Specialty
- **Andrew Hornsblow**, Head of Healthcare, Dale Underwriting Partners
- **John Pilkington**, Executive Underwriter, Ascot Syndicate

Damage caused by infectious diseases and associated business responses do not automatically justify a claim for compensation. In most cases, injured parties must show they caught the infection or suffered losses because of a firm's or individual's negligence or failure to discharge appropriately their fiduciary responsibilities. However, legal doctrines evolve over time. This session examined how far the experience of COVID-19 could ultimately lead to shifts in the duties of care required of corporations (and their directors and officers) as well as the burden of proof for causation and qualifying harm across different liability lines and national jurisdictions.

### Break

14:15–14:30

14:30–15:45

### Session 4: Lessons learned from the pandemic for liability insurers

Chair: **Darren Pain**, Director Evolving Liability, The Geneva Association

#### Panellists:

- **Ingrid Hobbs**, Head of Complex Casualty Coverage, Kennedys Law
- **Kirsten Mitchell-Wallace**, Head of Portfolio Risk Management, Lloyd's
- **Corinne Vitrac**, Head of Group P&C Risk Management, GIE AXA<sup>(v)</sup>
- **Mark Cavanaugh**, Vice President – Counsel, State Farm<sup>(v)</sup>

Third-party COVID-19 related liability claims have thus far been relatively modest. But extraordinary policy measures may have masked insurable events while lockdown restrictions and liability waivers might have delayed litigation proceedings. The adverse health effects of so-called 'long-COVID' are also still unclear. Against that backdrop, this panel discussed the lessons of COVID-19 for liability insurers, drawing on any parallels or differences with the experience of property lines. It also explored which market developments could encourage more affirmative cover for pandemic liability in future, including possible mechanisms for insurers to share risks both among themselves and with governments.

15:45–16:00

**Summary and closing remarks**

**Jad Ariss**, Managing Director, The Geneva Association

16:00–17:00

**Closing Reception**

*Location: 11<sup>th</sup> Floor, Marble Area, Lloyd's Building*