

Chubb and TechAssure Insurance Agent and Broker Survey:

Technology and Life Sciences Companies' Attitudes and Behaviors Toward Managing Business Challenges and Potential Related Risks

The COVID-19 pandemic has shaped more than how and where technology and life sciences companies operate – it has also greatly influenced their attitudes and behaviors toward risk.

According to survey data from Chubb and TechAssure, which asked TechAssure's insurance agent and broker members about their technology and life sciences clients, many companies in these industries are more risk averse due to their experiences during the pandemic.

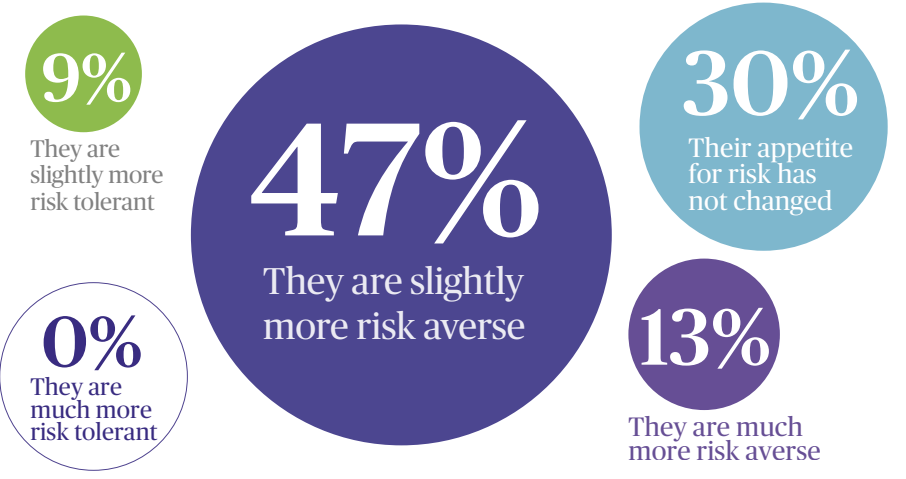
Business Challenges

Additionally, key business challenges remain on technology and life sciences companies' radars. Topping the list are supply chain shortages (93% of respondents said their clients are "very" or "somewhat" concerned).

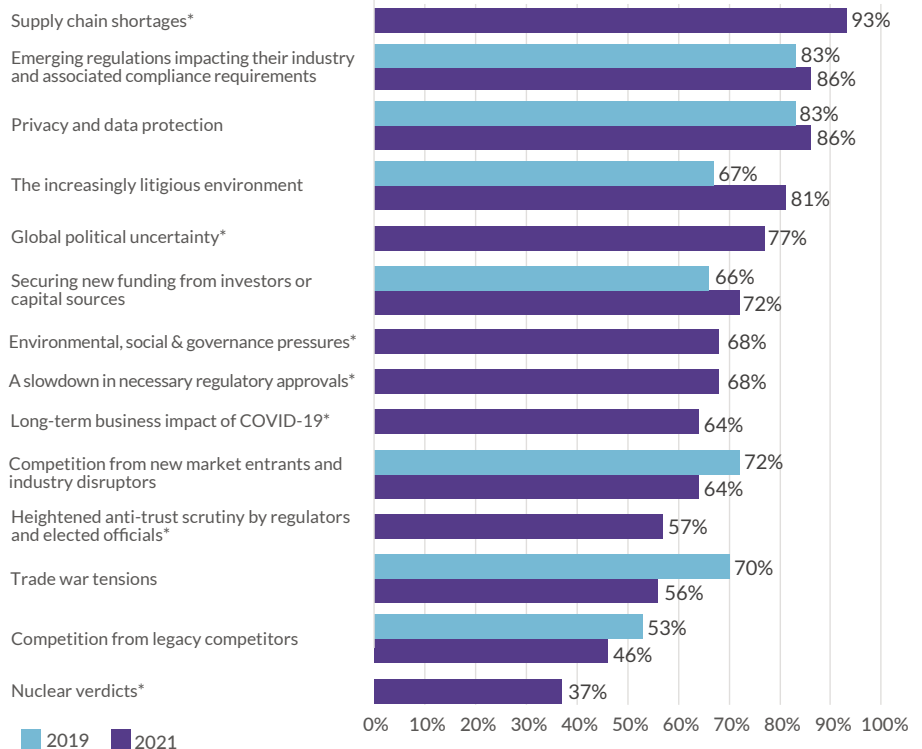
Emerging regulations and data and privacy protection follow, as 86% of respondents said their clients are "very" or "somewhat" concerned, up from 83% in 2019 for both. As the legal climate becomes increasingly litigious and cyber concerns loom, it makes sense that technology and life sciences companies' concern around these business challenges has grown.



How has your clients' appetite for risk changed as a result of COVID-19?



Clients are "very" or "somewhat" concerned about the following business challenges:



*Comparisons to 2019 are made when applicable. Options that were newly added in 2021 do not have data reflected for 2019.

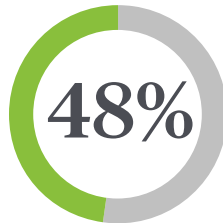
Updating Insurance Programs as Business Challenges and Risks Evolve

Following the emergence of the COVID-19 pandemic, more technology and life sciences companies are attuned to the importance of evolving their insurance programs as the risk landscape changes: As noted below, 45% of respondents said that their clients already have adjusted their insurance policies and coverages appropriately to respond to business challenges, representing a significant leap from the 25% of respondents who said the same in 2019.

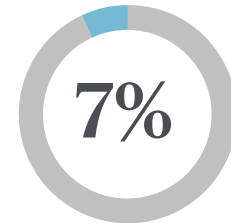
Are clients' business concerns translating into taking the necessary actions in regard to refining/adjusting their insurance coverages?



Slightly less than half (45%) of respondents said that their clients already have adjusted their insurance policies and coverages appropriately to respond to business challenges (up from 25% in 2019).



Similarly, nearly half (48%) of respondents said that they and their clients are in conversation about how to adjust their insurance policies and coverages appropriately to respond to business challenges (down from 51% in 2019).



Only 7% of respondents said that they have brought this up with their clients, and their clients are not ready to adjust their insurance policies and coverages appropriately to respond to business challenges (down from 25% in 2019).

It's important to note that – even for those who have already made changes or are in the process of changing their insurance coverages – such updates aren't “one and done.” As technology and life sciences companies continue to innovate and grow, and as new challenges emerge on the horizon, conversations around risk and insurance must continue. Technology and life sciences companies should collaborate with their insurance agent or broker to make sure they are doing everything in their power to stay protected from the risks these and other business challenges may heighten or impose.

As technology and life sciences companies' exposures evolve, their overall risk management strategy – from risk mitigation and preparedness planning to their insurance programs – must adapt in lockstep. Technology and life sciences companies should work with an insurance carrier that has dedicated, industry-specific teams of underwriters, risk engineers and claims professionals who can help protect their organization as their needs change over time.

Methodology

This snapshot of data is from Chubb and TechAssure's second survey of TechAssure's insurance agent and broker members. TechAssure fielded the survey in August and September 2021 via Survey Monkey. There were 175 respondents.

This document is advisory in nature and is offered as a resource to be used together with your professional insurance advisors in maintaining a risk management program; it is not intended as legal advice. You should consult knowledgeable legal counsel or other knowledgeable experts as to any legal or technical questions you may have.

For more information, visit:

<https://www.chubb.com/us-en/business-insurance/technology.html>



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