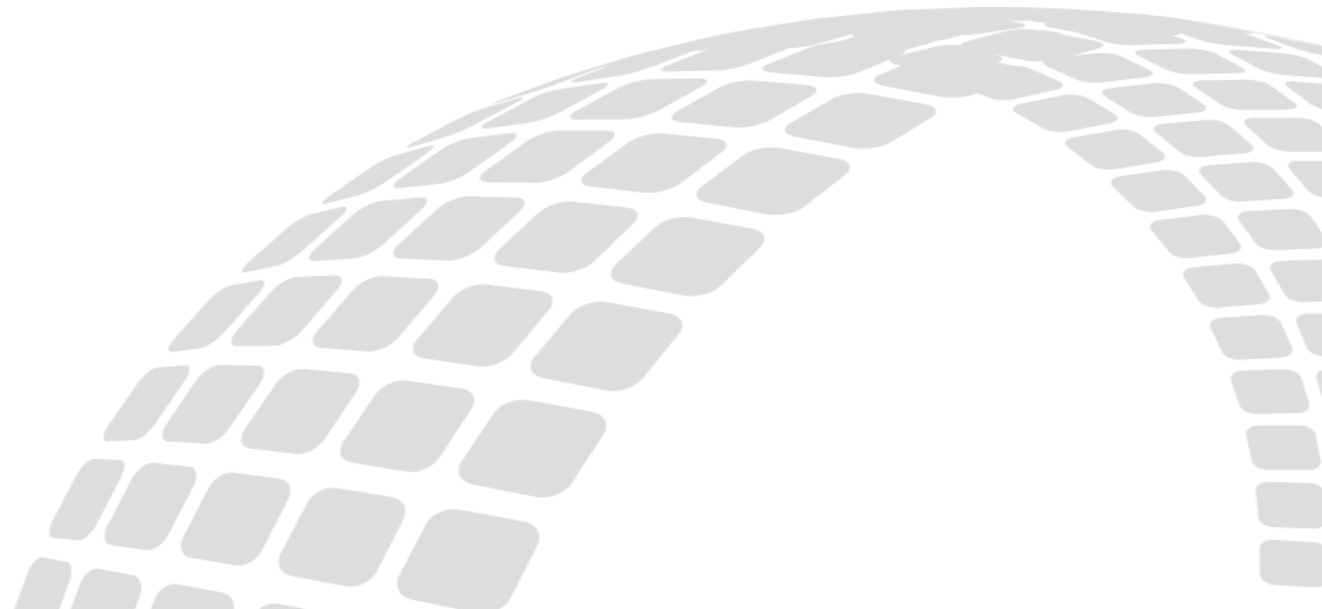




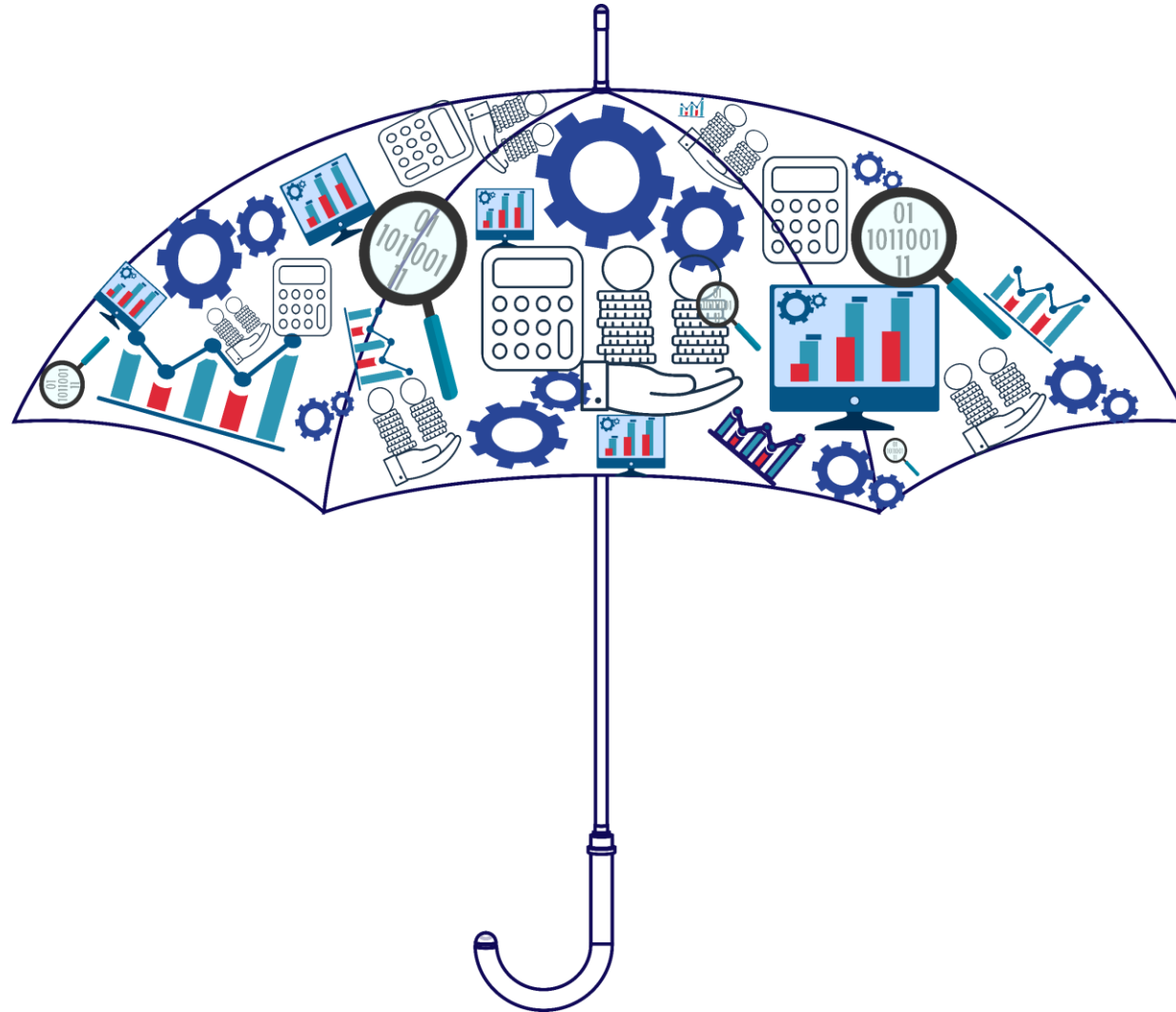
Artificial intelligence in the insurance sector

January 2022



AI use in insurance is low risk by nature

Insurance is historically built on data and algorithms



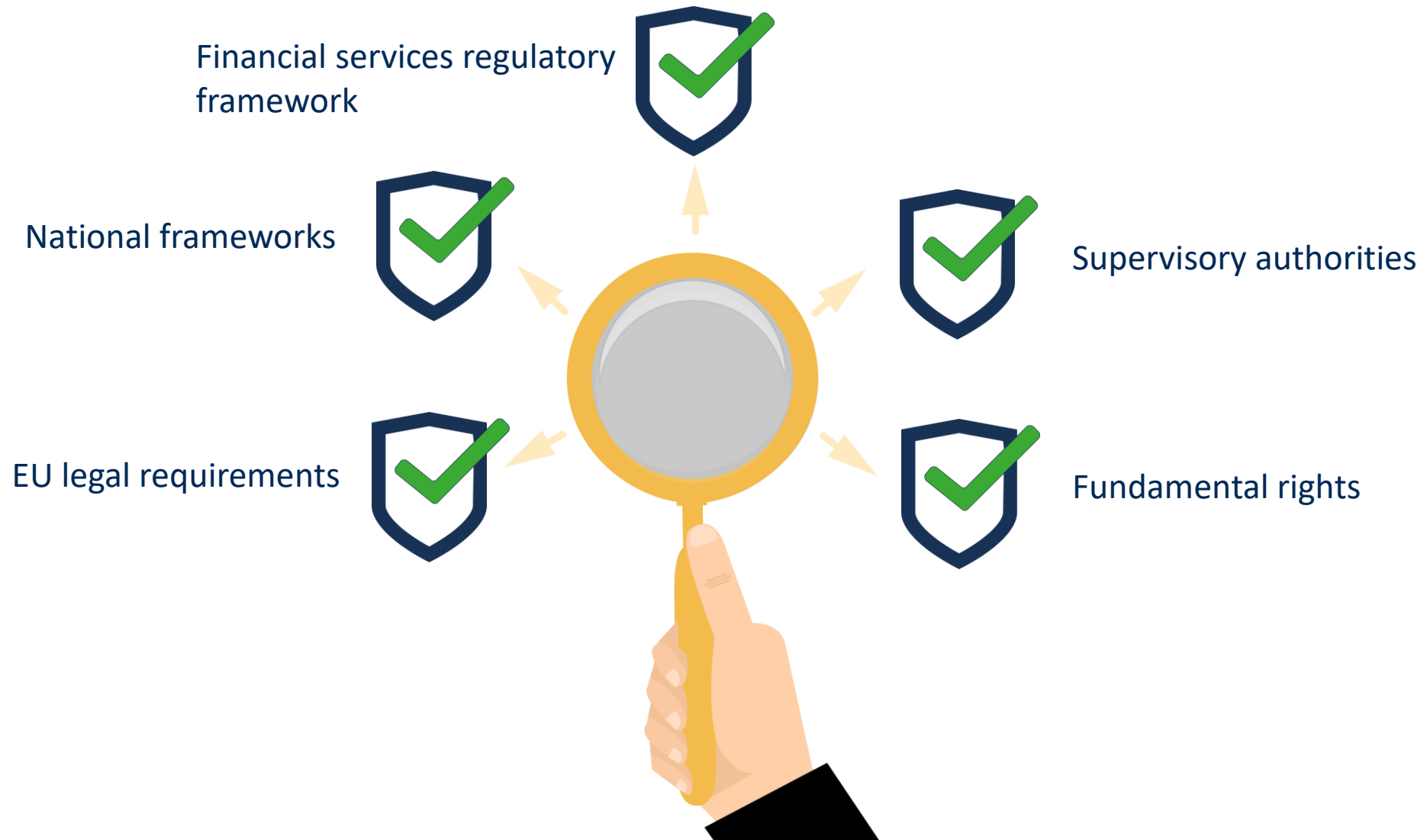
Use cases of AI in insurance

- More efficient claims processing & faster settlement of claims for customers
- Conversational AI to improve customer experience
- AI-driven fraud detection
- Pay-as-you-drive insurance



AI in insurance should not be classified as high risk

Insurers are subject to a robust financial services regulatory framework that already addresses the potential risks related to AI use in insurance



AI in insurance should not be classified as high risk

Insurers act in accordance with fairness and good practice



AI in insurance should not be classified as high risk

AI systems used in the insurance context:

- Do **not** meet the requirements in Art.7 of the AI proposal
- Are **not** comparable to the AI systems identified as high risk by the EC
- Should **not** be classified as high risk unless an impact assessment following the EC's proposed methodology confirms otherwise



Why risk assessment differs from credit scoring

Risk assessment by insurers is not comparable to creditworthiness evaluations



- No value judgement of a particular individual
- Insurers calculate probability of a loss
- No single "scoring value" in the insurance sector
- It is possible for policyholders to change insurers



Thank you

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