

CHUBB®



Introducing the **Digital business** accelerated campaign



| May 25, 2021



Digital has given businesses a lifeline

Technology isn't just a useful tool for small and mid-sized businesses. It's an evolution that's changed them significantly. And in the wake of a global pandemic, it's more important than ever to keep up.

This is digital business accelerated.



Watch the **launch video**



Digital technology unlocks new opportunities in a challenging world. But what are these opportunities, and how can businesses prepare for the associated risks?

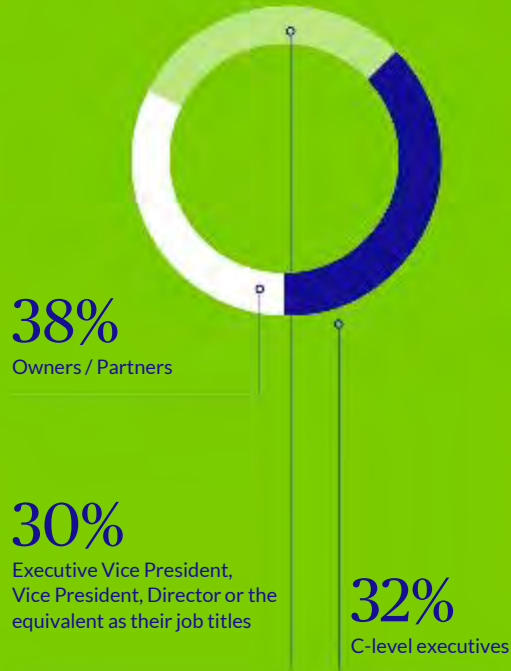
Before the arrival of COVID-19, Chubb collaborated with Accenture to survey executives from around the world, and uncover the key trends affecting small and mid-sized businesses. The research surveyed 1,350 executives from businesses across 14 sectors in nine markets (Australia, Brazil, Canada, Colombia, France, Japan, Mexico, the United Kingdom, and the United States). And the results provide comprehensive insight into which areas businesses have been focusing on over recent years, and why.

This is potentially even more relevant now, in an unprecedented environment where digital transformation has become an absolute necessity.



Who was surveyed?

WHO WERE THE RESPONDENTS TO THE SURVEY?



HOW MANY FULL-TIME EMPLOYEES DO THEY HAVE?



What are they focused on?

The businesses surveyed reported a specific focus on a few key areas.

These four 'themes' represent trends that offer huge opportunities, but investment and evolution are essential in order to make the most of them.

01

Navigating
digital-first
communications

02

Harnessing
the power
of data

03

Supporting a
transformed
workforce

04

Playing in
the global
market



01

NAVIGATING DIGITAL-FIRST
COMMUNICATIONS

Building digital experiences to reach customers at the right time and place, and enabling seamless delivery of products and services, tailored to customers' wants and needs.



02

HARNESSING THE
POWER OF DATA



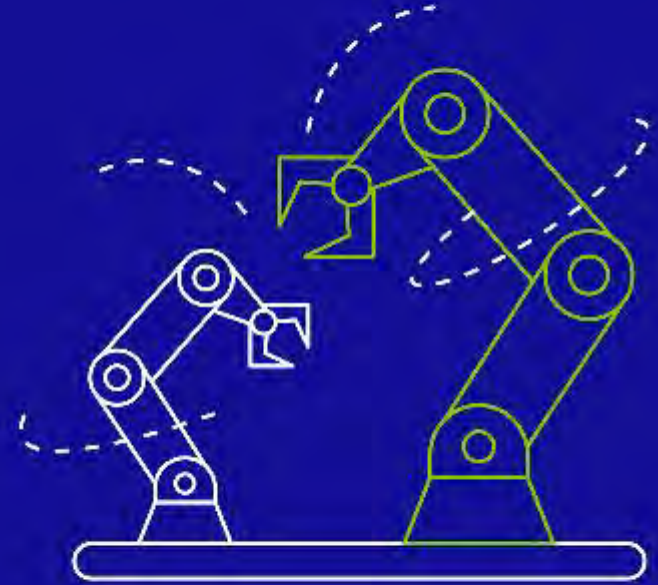
Adopting cloud and other advanced technology, such as AI, to refine customer products and services and optimize business operations.



03

SUPPORTING A TRANSFORMED
WORKFORCE

Addressing the accelerated shift to an increasingly digital workplace with flexible work solutions, career and skill development opportunities, and innovative benefits.



04 PLAYING IN THE GLOBAL MARKET



Building opportunities across both literal and figurative borders by forming partnerships with other companies to build new products or services and commercial and social platforms to expand reach and capability.



Setting the stage

After the outbreak of COVID-19, Accenture's Consumer Pulse Survey (conducted post-COVID-19) shows a real shift in the attitudes of consumers and employees. This demands attention and action from business owners.



67% of consumers expect companies to “build back better” by investing in longer-term, sustainable, and fair solutions.

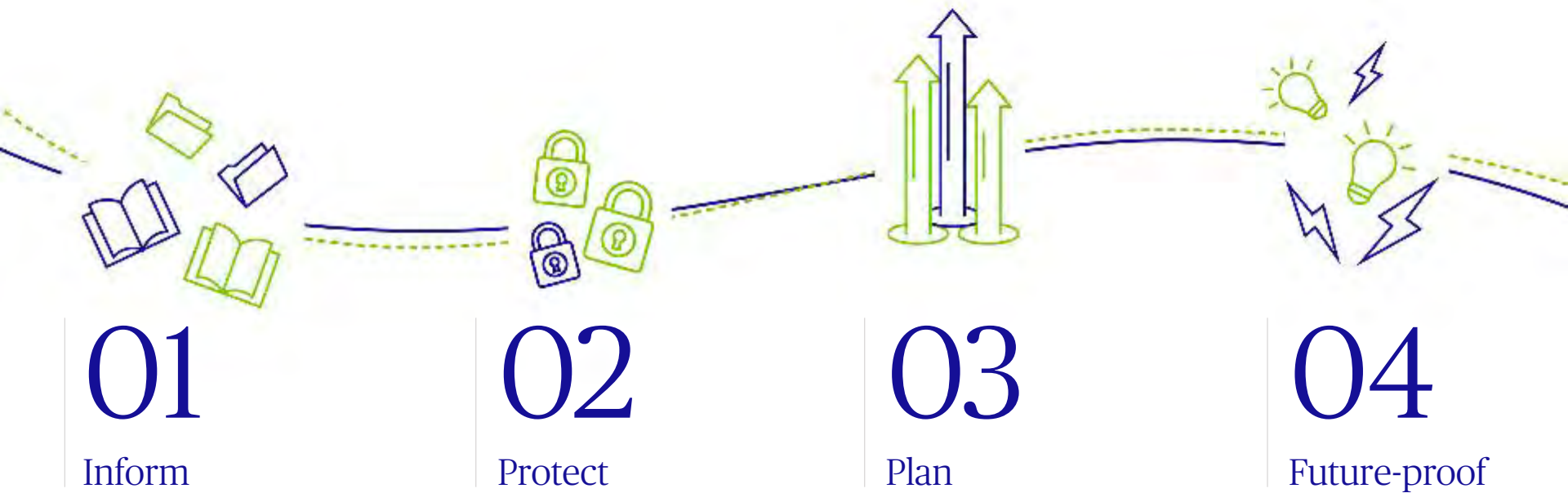
Accelerated digital business can be **risky**

The four themes identified in the research are solid foundations for operating in a post-pandemic environment. But before businesses can take advantage of new opportunities, they need to be aware of the exposures they might face.

That's where the right partner comes in.

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Inform

Chubb's research is available to brokers and agents, providing exclusive insight into the risks and opportunities that businesses face when digital business is accelerated. This knowledge is an essential foundation for operating and evolving with confidence.



Protect

With a thorough understanding of the risks, brokers and agents can work with businesses to spot any areas where their existing coverage may not be up to scratch. And once insurance gaps are identified, Chubb can provide insurance solutions to fill them.



Plan

Covering existing insurance gaps is an essential first step, but an accelerated transition to digital also presents opportunities businesses might not be taking advantage of. With the right coverage, businesses can look beyond the present and plan for the future.



Future-proof

Strong relationships are more important than ever. In partnership with brokers and agents, Chubb is always identifying new and emerging risks, and developing solutions to allow businesses to stay focused on their operations.



01 NAVIGATING DIGITAL-FIRST COMMUNICATIONS

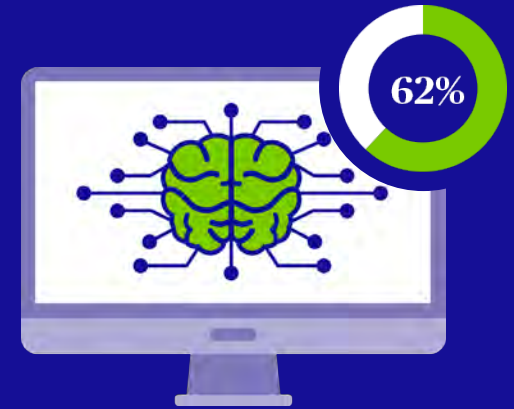
Businesses



82% see digital transformation as critical to business success ¹



55% of HK businesses plan to increase digital transformation expenditure in 2021 ²



62% expect to include AI in their digital transformation plans ³

¹ According to Smarter Digital City 3.0 by Google & Ipsos

² According to 2021 Business Outlook Survey by AmCham Hong Kong.

³ According to Smarter Digital City: AI for Everyone Whitepaper by Google & KPMG

01 NAVIGATING DIGITAL-FIRST COMMUNICATIONS

Customers



67% digital security



41% seamless interactions



32% personalised experiences¹

¹ According to Impact of COVID-19 on Consumers' Behaviours by KPMG & Gini.

02 HARNESSING THE POWER OF DATA



Hong Kong is ranked 1st in overall cloud readiness according to Asia Cloud Computing Association (82%)¹



72% of local SMEs had riskware and unwanted applications in their networks²

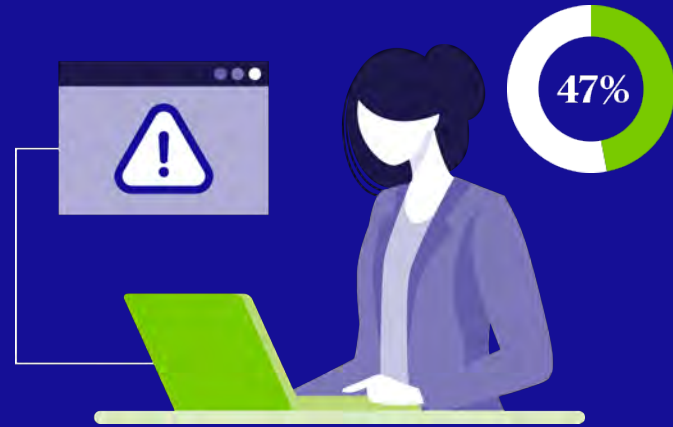
¹ According to The Cloud Readiness Index 2000 by Asia Cloud Computing Association

² According to 2019 Hong Kong SME Cyber Preparedness Report.

Employees can be the biggest risk



50% leaders do not think their employees are aware of all the cyber threats they face



47% do not recognize the severity of cyber risks to their businesses¹

¹According to 2019 Hong Kong SME Cyber Preparedness Report.

03 SUPPORTING A TRANSFORMED WORKFORCE



87% suffer from work stress during pandemic



42% report signs of anxiety disorder ¹

¹According to the Mental Health Survey by Mental health Association of Hong Kong in South China Morning Post.

03 SUPPORTING A TRANSFORMED WORKFORCE



Security risk for businesses due to lax WiFi and server security



Health risk for employees which requires employers to consider appropriate protection for the most valuable assets of their companies ¹

¹ According to 3 Cyber Security Tips for Working from Home by Andrew Taylor.

04 PLAYING THE GLOBAL MARKET



40% of Hong Kong businesses still designate the city as their regional headquarters in the coming years ¹



44% say their biggest challenge is collaboration with large commercial and social platform players ²

¹ According to 2021 Hong Kong Business Outlook Survey by the American Chamber of Commerce in Hong Kong

² According to Digital Business Accelerated by Chubb and Accenture.

Matching opportunities to business risks

To make sure businesses get the right coverage, it's a good first step to match some of the most common exposures to the relevant Chubb solutions.

The risks of navigating digital-first communications

Potential business risks	Chubb insurance products and services to consider			
	Cyber	Crime	Umbrella & Excess Casualty	Professional Liability/ Errors & Omissions (Media Liability)
Storage of customer, employee and partner data in the cloud may increase risk of cyber breaches and electronic theft.	x	x		
Collection of customer data creates legal risks. Without a full understanding of data privacy regulations, companies may find themselves in violation of laws like GDPR (Europe), CCPA (US), and more.	x			
Cyber breaches can lead to reputational risk and the need for crisis management.	x			
Loss of income due to a cyber breach.	x			
Litigation arising from social media interactions, e.g. libel or slander.	x		x	x



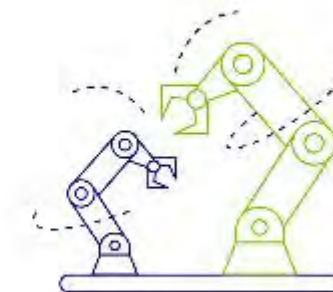
The risks of harnessing the power of data

Potential business risks	Chubb insurance products and services to consider			
	Cyber	Professional Liability/ Errors & Omissions	Umbrella & Excess Casualty	General Liability
Collection of large data sets creates legal risks.	x	x	x	
Liability from misuse or misinterpretation of client data for any consultation.		x	x	
A cyber breach can lead to reputational risk and a need for incident response services, such as public relations, crisis communications and more.	x			
Liability exposures can arise from failure of a product to perform.		x	x	x
Incorporating the use of new digital technologies without proper due diligence may lead to an actual or alleged impact on services offered to clients, leading to costly lawsuits.		x	x	
Machine errors arising from technology failures can result in property damage or bodily injury.			x	x



The risks of supporting a transformed workforce

Potential business risks	Chubb insurance products and services to consider							
	Cyber	Crime	Umbrella & Excess Casualty	General Liability	Employment Practices Liability	Workers Compensation	Work from Home (Accident & Health)	Professional Liability/Errors & Omissions
Poorly set-up home offices, and/or unhealthy habits when working from home can lead to an increase in injuries or mental health issues.			x			x		
An employee's inappropriate conduct on an external video conference, intentionally shared or not, could lead to harassment or discrimination allegations for the company, resulting in costly litigation.			x	x	x			
Remote employees untrained in utilizing remote set-ups or using unsecured connections creates a higher level of cyber risk.	x	x						
Employing freelancers or contractors may lead to a cyber breach due to malicious intent or poor security training, as well as exposure for failing to train or supervise such individuals.	x							x
Working from home may lead to blurred lines between personal and professional risks (in the workplace, offsite, and during business travel).			x	x		x	x	
Divulging Personally Identifiable Information (PII) on social media accounts, or posting a malicious link that infects the systems of those who click on it with malware.	x							
Delayed or impaired work product for customers resulting in missed deadlines and service standards.								x
An employee's irresponsible use of the organization's social media accounts could lead to harassment or discrimination allegations against the company.			x	x	x			



The risks of playing in the global market

Potential business risks	Chubb insurance products and services to consider					
	Cyber	Umbrella & Excess Casualty	Multinational Insurance Products and Services	Kidnap/Ransom & Extortion	Marine/Cargo	Product Liability
Exposure to new and unknown overseas risks and regulations.	x	x	x			
Exposure to political-related risks overseas, excluding terrorism (e.g. transfer of money, goods lost or confiscated at ports).		x	x	x		
Selling products in new markets requires transportation of goods that may be put at risk while in transit.			x		x	
Exposure to new and unknown overseas product quality regulations						x



Start learning about digital business accelerated

Learn more about adapting to a digital-first way of working by reading Chubb's research report. Or, visit the insights hub to access all of the other information businesses need to weather the storm and come out stronger.

chubb.com/digitalbusiness/hk



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Let's get started

The claim scenarios described here are intended to show the types of situations that may result in claims. These scenarios should not be compared to any other claim. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law. Facts may have been changed to protect privacy of the parties involved.

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