Evolving with the risks

In its goal to become a truly global insurer, Sompo has been cementing its footprint in Asia, building a team that can understand and address the risks that its Asian clients face. *Asia Insurance Review* spoke to Sompo’s *Messrs Julian James* and *Paul O’Neill* about the risks they think are the most pressing, and the carrier’s approach to managing those risks for its clients.

*By Ahmad Zaki*

Of the various risks that organisations are grappling with, inflation frequently appears at the top of the list. For Sompo’s clients who have inflation as one of its major exposures, one of the recommendations is to ensure that they get the proper valuation carried out so that they understand exactly what exposure they have, said Sompo president of commercial lines Paul O’Neill.

“Inflation links into how we will deal with claims and also links into supply-chain issues. If I look at something like energy transition and the high demand for renewables in Asia such as offshore solar panels, then you naturally have a supply and demand issue that the OEMs face because they’re trying to supply the clients with the components they need from, wind turbines to solar panels, to ensure that they can meet their business needs,” he said.

“Another risk for a lot of clients in that space is making sure that the underlying quality of the goods that they are receiving are of a level that ensures that they will work in a sustainable way. When we work with clients, we will look at where their existing assets are in their existing supply chain and maybe assess the potential bottlenecks that could result in a business interruption event and how long that could be.”

He also said that Sompo has the expertise and experience across the globe to help clients who are investing into sustainable energy and technology and can pinpoint exactly where some of the best practices are being applied.

“Because we can see claims, we can learn lessons from what’s been happening around the globe. So, the one thing insurance can offer is that discussion with clients, and pass on those lessons to them,” he said.

“I think many of these risks are interlinked. And I think that our job is to make sure that we keep on top of not just the products we’re providing, but on top of global issues and global risks. So, when we’re speaking to a client in Asia, they in many ways have similar challenges and clients around the rest of the...
We need to be flexible and recognise that people go through different phases of their own lives, and that time at home is more important than time in the office.

– Mr Julian James

You have to carry out qualitative and quantitative risk analysis all the time.

– Mr Paul O’Neill