AI GOVERNANCE

DATE: 15 December 2022

Online public event (Webex)

DESCRIPTION

The advent of new technologies such as Artificial Intelligence (AI) represent significant benefits for a data-driven sector such as the insurance industry. The adoption of AI also raises some challenges that need to be adequately addressed. With the present event EIOPA aims to continue its engagement with stakeholders to discuss the opportunities and challenges arising from the use of AI in insurance.

The Solvency II Directive requires insurance and reinsurance undertakings to have in place effective governance and risk management systems which provide for sound and prudent management of the business. In an AI context, this can be achieved in different ways, such establishing adequate levels of transparency and explainability of AI systems. The development of fairness metrics to measure the outputs of AI systems can also help reinforce the accountability of firms.

In addition to governance measures in the area of explainability and fairness, there are other relevant governance and risk management measures such as human oversight, data governance and record keeping, or robustness and performance of AI systems. Following a risk-based and proportionate approach, ethical and trustworthy AI systems are achieved by combining all the different governance measures available, as it will be illustrated with two specific AI use cases in insurance.

FORMAT

- Public event

- Online event

- PPT presentations followed by Q&As

Handling instructions for documents with security markings:
https://www.eiopa.europa.eu/sites/default/files/publications/other_documents/summary_eiopa_information.pdf

EIOPA | Westhafen Tower, Westhafenplatz 1 | 60327 Frankfurt | Germany
Tel: +49 69-951119-20
info@eiopa.europa.eu | https://www.eiopa.europa.eu

AGENDA

Time	Topic	Presenters
09:30 – 09:45	**Opening Remarks**	Petra Hielkema Chairperson, EIOPA
09:45– 10:20	**AI explainability**: presentation on the differences, in terms of explainability, between traditional and ML algorithms used in insurance. In addition, we will discuss how different established explainability tools (LIME, SHAP etc.) can be leveraged in different use cases in insurance.	Andreas Gillhuber, Co-CEO, Alexander Thamm Gmbh Dr. Johannes Nagele, Principal AI Researcher & Consultant, Alexander Thamm Gmbh Dr. Luca Bruder, Senior Data Scientist, Alexander Thamm Gmbh
10:20 – 10:55	**AI fairness**: presentation on AI fairness including explaining the different fairness metrics to measure the outcomes of AI systems and how to identify the most relevant AI fairness measures in insurance	Marcin Detyniecki, Group Chief Data Scientist and Head of Research & Development, AXA Boris Ruf, Research Data Scientist and Lead Expert in Algorithmic Fairness, AXA
10:55-11:10	Coffee break	
11:10 – 11:45	**Use case 1: AI governance in motor insurance telematics** – presentation on how AI systems can be used to analyse the data from telematics devices in motor insurance and the governance and risk management measures used in this use case.	Daniel John, Head of the Actuarial Department for Non-life Insurance and Head of Data Analytics, Huk Coburg

11:45 – 12:20	**Use case 2**: **AI governance in claims liability allocation in motor insurance** – presentation on how AI systems can be used to determine which party is liable in the event of an accident and the governance and risk management measures used in this use case.	Wolfgang Hauner, Head of Group Data Analytics, Allianz SE
12:20 – 12:55	**Use case 3**: **AI governance in natural catastrophes risk modelling** – presentation on how AI systems can be used to enrich traditional actuarial approaches with the use of external climatic data and the governance and risk management measures used in this use case.	Alessandro Bonaita, Group Head of Data Science, Generali Group
12:55 – 13:00	**Closing remarks**	EIOPA