

# Insurance sector insights 2025

13 February 2025

As we reflect on 2024 and look ahead to 2025 and beyond, one topic stands out in the headlines, namely artificial intelligence (AI).

Over the past 12 months, the insurance industry has witnessed numerous innovative applications of AI, from new products designed for AI users to insurers incorporating AI in underwriting, policy administration, and claims functions. However, as with all opportunities comes a significant threat; evidence shows that AI is increasingly being used in more sophisticated ways by those making fraudulent claims against insurers. It is inconceivable that we will not see those trends continuing, probably even faster than before.

Beyond the spotlight on AI, we find ourselves in a period of geopolitical, economic, and climate instability, all of which will have a significant impact on insurers and their policyholders. We have all witnessed the devastating impact of recent weather events and the profound effect they have had on lives and communities. Although these events highlight the important role insurance plays in allowing everyday life and business to function, it is inevitable that insurers will be considering their underwriting appetite and rates in relation to areas at high risk of weather events.

In the world of geopolitics, we have a change of leadership in both the United States and Canada, together with changes in the political landscape in many jurisdictions around the world. Countries and governments seem to be moving towards a more inward-looking approach, so it will be interesting to see how this impacts businesses and their insurers who are trading across jurisdictions. We are also still living under the cloud of hostilities in many parts of the world, with the impact that has on global supply chains.

Closer to home, insurance market participants are continuing to respond to - and get to grips with - new and ever-changing regulation, including Consumer Duty and the ongoing Financial Conduct Authority investigation into motor finance, together with the now-perennial issue of ESG.

During these uncertain times, the one thing that is clear is that insurance will continue to play a vital role in protecting people and businesses.

## Contents

[Financial lines](#)



[Construction](#)



[Casualty](#)



[London market and speciality](#)



[Management liability](#)



[Cyber and data](#)



[Medical malpractice](#)



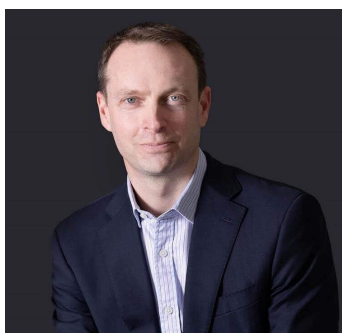
[Underwriting and policy wordings](#)



[Regulatory](#)



## Key contacts

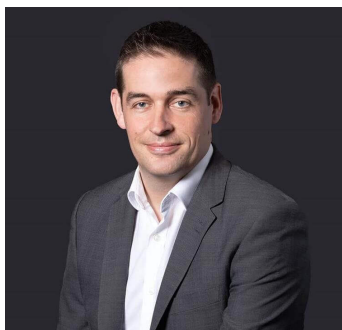


Jonathan Newbold

Partner

[jonathan.newbold@brownejacobson.com](mailto:jonathan.newbold@brownejacobson.com)

+44 (0)115 976 6581



Tim Johnson

Partner

[tim.johnson@brownejacobson.com](mailto:tim.johnson@brownejacobson.com)

+44 (0)115 976 6557

## Related expertise

### Sectors

Brokers

Insurance

Lloyd's and London market

Financial services

Insurers and reinsurers

Managing General Agents