



CLIMATE CHANGE AND THE INSURANCE OF THE FUTURE

(Vision - draft, October 2026)

Climate change is putting the relationship between insurance and risk under pressure. A business that helps households and firms recover from shocks must also help them withstand those shocks. This creates a commercial opportunity: insurers can use better information, practical prevention and well-designed partnerships to bring some currently underserved risks within a sustainable underwriting appetite.

AI can help combine information on individual characteristics, exposure and vulnerability into assessments that inform underwriting decisions. Its strategic value lies in making that analysis more scalable and actionable: distinguishing risks within broad categories, identifying appropriate coverage and pricing, and showing which preventive measures could improve the offer.

This paper proposes a model that connects individual risk assessment, tailored underwriting and active prevention. The idea is for insurers to use greater precision to identify commercially viable opportunities, recognise verified improvements in policy terms and build longer customer relationships around managing risk. Climate risk is the most visible and urgent place to begin, but the same model extends to health, life and retirement, where it can support a relationship that lasts across the customer's life.

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1. Climate pressure is changing the insurance market

Rising losses and the protection gap

Insurers face mounting pressure from both the frequency of natural catastrophes and the cost of each event. Between 2000–14 and 2015–23, the average annual number of recorded disasters rose from 386 to 427, while average economic losses per disaster increased from \$0.75 billion to \$0.89 billion. Secondary perils, including floods, wildfires and severe convective storms, accounted for roughly 70% of the increase in losses. Their cumulative impact makes managing frequent events an increasingly important part of the insurance response.¹ These trends put pressure on underwriting returns and make historical loss experience a less reliable guide when used without accounting for changing hazards, exposure and vulnerability.

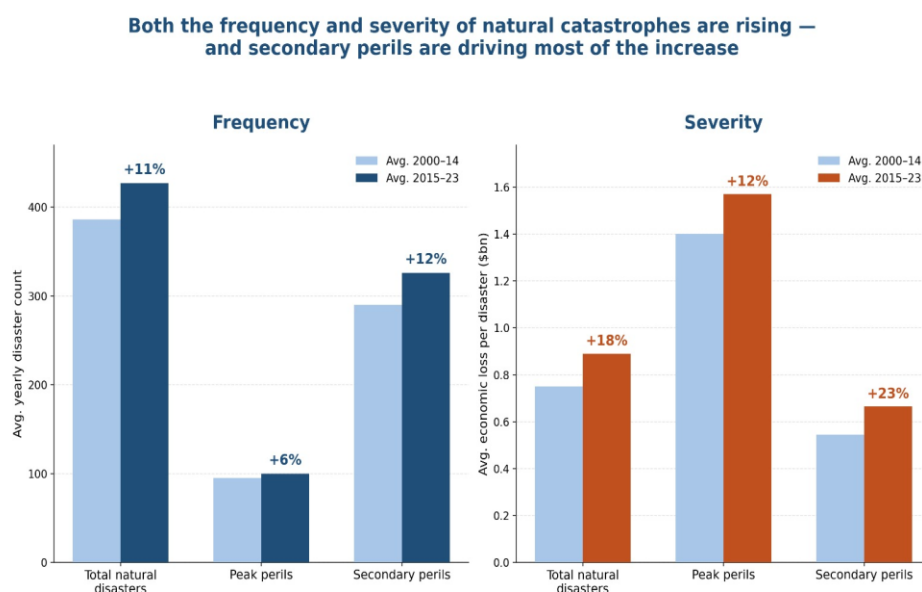


Figure 1. Changes in natural catastrophe frequency and average economic loss per event, comparing 2000–14 with 2015–23. Secondary perils contributed approximately 70% of the increase in losses.

Rising catastrophe losses are widening the distance between the need for protection and the cover households and firms can obtain. Over 2015–2024, around 60% of global natural catastrophe losses were uninsured; in Europe, the share was about two-thirds.² These figures describe uncovered losses, including gaps within existing policies. They include earthquakes but exclude droughts and heatwaves, which are

¹ McKinsey & Company, “How to make the world insurable again?”, presentation to the Venice Conference on Climate Change, 17 October 2025, slide 4. Historical losses adjusted using the U.S. Consumer Price Index.

² Munich Re, Climate change presses on: Devastating wildfires and intense thunderstorms exacerbate losses for insurers, 13 January 2026. Losses adjusted for inflation; droughts and heatwaves are not included.

rarely insured. On a measure that covers those perils, the European Environment Agency estimates that less than 20% of EU losses from weather- and climate-related extremes between 1980 and 2024 were privately insured.³

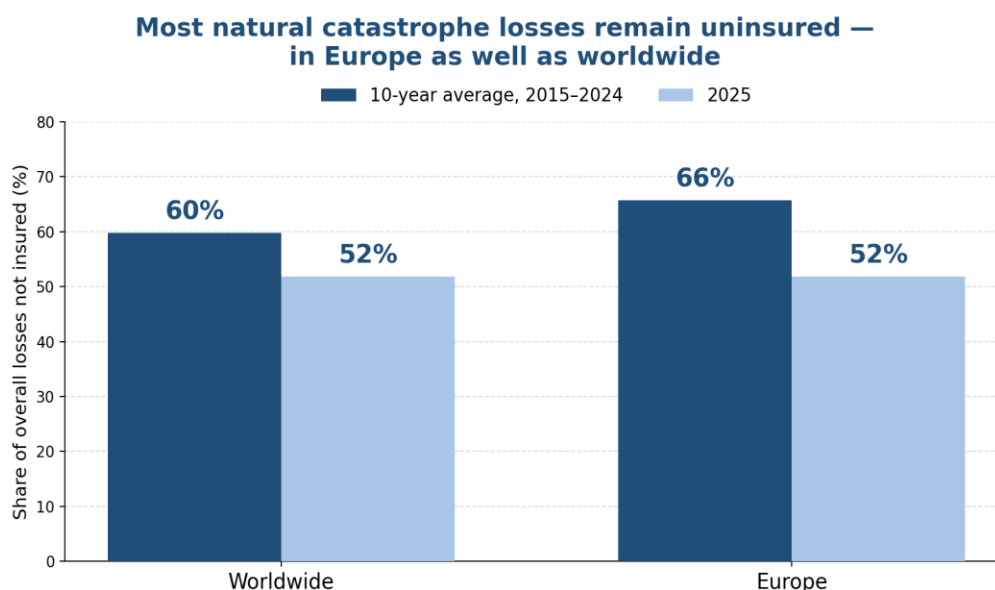


Figure 2. Share of natural catastrophe losses not insured, worldwide and in Europe: 10-year average (2015–2024) and 2025; Source: Munich Re, natural disaster figures for 2025; see footnote 2.

The pressure is concentrated. Between 2018 and 2023, average US homeowners’ non-renewal rates rose from 0.8% to 1.1%. High-risk ZIP codes experienced non-renewal rates around 80% higher than low-risk areas, while McKinsey’s October 2025 presentation reported roughly fourfold growth in California’s FAIR Plan from its 2018 base. Together, these indicators show how a broadly insurable market can develop local pockets of retreat.⁴ The consequences extend beyond insurance. Uninsured losses weaken recovery and put pressure on household and public finances. Where property insurance is required for mortgage lending, the availability and reliability of cover also affect credit risk. Evidence from Florida links insurer fragility to worse mortgage delinquency after a hurricane.⁵ This gives lenders a reason to participate in prevention that protects both the property and its insurability.

³ European Environment Agency, Economic losses from weather- and climate-related extremes in Europe, 14 October 2025.

⁴ McKinsey & Company, How to make the world insurable again?, Venice Conference on Climate Change, 17 October 2025, pp. 6–11.

⁵ ECB and EIOPA, Policy options to reduce the climate insurance protection gap, April 2023, pp. 11–14; Parinita Sastry, Ishita Sen and Ana-Maria Tenekedjieva, When Insurers Exit: Climate Losses, Fragile Insurers, and Mortgage Markets, Harvard Business School Working Paper No. 24-051, December 2023, Sections 1 and 6.

2. Why protection needs are outpacing coverage

In exposed markets, the need for protection can rise while affordable coverage becomes harder to obtain. On the demand side, higher premiums compete with constrained household budgets; exclusions and larger excesses can weaken the value customers perceive. EIOPA identifies affordability, unclear coverage, limited trust, low risk awareness and expectations of public assistance as barriers to purchase. Falling uptake can therefore reflect an inability or reluctance to buy the available product.⁶

On the supply side, more frequent or severe losses and higher rebuilding costs weaken underwriting returns. Concentrated catastrophe exposure also puts pressure on capital and reinsurance, limiting how much additional business an insurer can accept. State Farm's decision to stop accepting new California property applications in May 2023 explicitly cited construction-cost increases, growing catastrophe exposure and a difficult reinsurance market. Insurers may respond through higher prices, narrower terms, non-renewals or restrictions on new business.⁷ These pressures do not imply a permanent shortage of insurance capital. At the midyear 2026 renewals, property catastrophe reinsurance pricing fell and capacity was plentiful.⁸

Available capital alone, however, does not make every exposed property commercially attractive: underlying losses, operating costs and customer affordability still determine whether cover can be offered sustainably. Personalisation offers a route to growth where better assessment identifies manageable risks and targeted prevention makes coverage economically viable. The proposition must address both sides of the market: reduce the insurer's expected costs and give the customer an affordable way to qualify for better terms. AI can help deliver that process at scale, connecting risk information with practical action.

3. Artificial Intelligence as the Technological Enabler

AI is expanding the speed and reach of risk analysis. ECMWF's July 2025 ensemble forecasting launch illustrates its growing operational role in weather prediction. For insurers, the opportunity is to connect forecasting advances with local information

⁶ EIOPA, Measures to address demand-side aspects of the NatCat protection gap, 29 February 2024.

⁷ State Farm General Insurance Company, California New Business Update, 26 May 2023.

⁸ Aon, "Record Reinsurance Capital Supports Growth and Innovation for Insurers, Aon Midyear 2026 Renewal Report", 1 July 2026.

on hazards, buildings and vulnerability, turning earlier insight into more targeted preparedness.⁹

Combined with building records, imagery and sensors, AI can help distinguish the vulnerability of individual properties within the same exposed area. That analysis can inform acceptance, pricing, deductibles and limits, as well as prioritise inspections and preventive measures. The opportunity is to make detailed assessment economical across a wider customer base and connect it to underwriting decisions and ongoing risk management.

4. Making personalised insurance commercially viable

Climate change creates urgency; technology expands the response. Commercial viability depends on connecting better assessment with underwriting decisions, funded interventions and evidence of their effect on insured losses. This requires clear responsibilities across the insurer and its delivery partners.

4.1 Individual risk assessment and mutuality

Insurers already differentiate customers; the opportunity is to reduce reliance on broad averages where better information reveals material differences in exposure and vulnerability. This can change whether cover is offered and the premium, deductible or limit applied. Individual assessment remains compatible with mutuality: losses are shared across a portfolio even when policies have different prices and terms.¹⁰

Two neighbouring buildings may have different vulnerabilities because of elevation, drainage, construction or maintenance. Better information can support cover for a resilient property inside an otherwise difficult area, or identify an improvement that would bring an unacceptable risk within the underwriting appetite. Customers should be able to understand the assessment and the practical steps available to improve their terms.

Assessment must also account for how risk changes over time. Historical claims should be combined with forward-looking scenarios when evaluating an intervention's useful life and the terms the insurer can sustain.¹¹

⁹ ECMWF, ECMWF's ensemble AI forecasts become operational, 1 July 2025. Performance and resolution refer to the launch configuration.

¹⁰ Insurance and Reinsurance Stakeholder Group, *Impact of digitalisation on risk mutualisation, ethical considerations*, report IRSG-26/24, 3 July 2026, pp. 5–7

¹¹ Patrick Bolton, Morgan Despres, Luiz Awazu Pereira da Silva, Frédéric Samama and Romain Svartzman, *The green swan: Central banking and financial stability in the age of climate change*, Bank for International Settlements and Banque de France, January 2020.

4.2 From assessment to prevention

Personalised assessment becomes commercially useful when it leads to action. EIOPA's study of 31 insurers documents adaptation measures in underwriting, alongside barriers including customer costs, limited evidence and the short duration of many contracts.¹²

The individual assessment should lead to a clear underwriting decision and, where useful, a short adaptation plan. Property managers, contractors and specialist assessors would turn that plan into completed, verified improvements, with the insurer defining how the evidence changes the offer. The customer would see the cover available now, the priority improvements, their cost and funding, and the insurance benefit offered on verified completion. Cover can begin with agreed conditions while improvements are completed, where underwriting appetite and local rules permit. Verification would then trigger the promised discount, lower deductible or higher limit, distinguished from other changes affecting the renewal price.

Existing programmes already demonstrate this approach in practice. Strengthen Alabama Homes connects property evaluation, contractor bids, grant support and verification of resilience improvements. Flood Re's Build Back Better enables participating insurers to fund eligible flood-resilience measures after a claim. Together, they provide practical precedents for linking assessment, finance and delivery.^{13,14}

A portable record of verified improvements would help customers demonstrate resilience when changing insurer and give lenders a basis for considering co-finance. EIOPA's proposed PROTECT tool combines building-level risk awareness with prevention advice. Building on that direction, the model would record completed work, certification and maintenance requirements in a form recognised by participating insurers and lenders.¹⁵

A central feature of the model is an independent data layer that separates raw assessment and monitoring data from the insurer's underwriting systems. An independently governed provider could analyse detailed records and supply validated outputs about the individual risk, including relevant risk characteristics, assessment uncertainty and verified improvements. The insurer would use those

¹² EIOPA, Impact Underwriting: Report on the implementation of climate-related adaptation measures in non-life underwriting practices, 6 February 2023, sections 3.4–3.6.

¹³ Alabama Department of Insurance, Strengthen Alabama Homes, programme requirements and grant process.

¹⁴ Flood Re, Build Back Better, programme terms and participating insurers.

¹⁵ EIOPA, "EIOPA proposes natural catastrophe risk scores for buildings to encourage proactive risk prevention by home and business owners", 3 December 2025.

outputs to make its own underwriting decisions without routine access to the underlying monitoring history. The arrangement would preserve necessary information for policy administration and claims, with auditable methods and a route for customers to challenge errors. This is what allows customers to share detailed information with confidence, and gives insurers better evidence than they could collect on their own.

There are precedents for this separation. HUK-COBURG describes a telematics arrangement in which its data service processes driving records while the insurer receives aggregated driving values rather than individual trip data.¹⁶ The next step is to develop common standards for verified outputs that customers can carry across participating insurers and lenders, so that resilience becomes a portable asset rather than information held by a single provider.

Clear agreements would distinguish insured repairs, routine maintenance and resilience upgrades, allocate delivery responsibilities and specify when improved insurance terms take effect. Connecticut's rules on aerial imagery illustrate the importance of reliable evidence in underwriting decisions.¹⁷

Funding should reflect how the benefits are shared. Insurers, customers, lenders and public programmes can each contribute where prevention protects their interests. Combining grants, shared contributions and suitable finance could make improvements accessible to households unable to fund them upfront. The funding plan should account for affordability and the timing of benefits, rather than rely on premium savings alone.

4.3 The commercial case: retained losses and risk transfer

The commercial opportunity combines more accurate risk differentiation and pricing, avoided retained claims, efficient service delivery and profitable growth among customers whom broad classifications may leave underserved.

The insurer's retention is therefore central to choosing interventions. Gallagher Re's analysis of 2024 results links its sample reinsurers' declining share of catastrophe losses to higher attachment points and the prevalence of secondary perils.¹⁸ Where prevention reduces losses the primary insurer would otherwise retain, the underwriting benefit accrues directly to it. Portfolio and treaty analysis can identify

¹⁶ HUK-COBURG, "Wasist Telematik im Auto?", updated 15 December 2025, section "Datenschutz nach höchsten Standards".

¹⁷ Connecticut Insurance Department, Underwriting action based on roof condition and use of aerial imagery, 19 March 2024.

¹⁸ Gallagher Re, Reinsurance Market Report—Results for full-year 2024, April 2025, pp. 32–33.

where these interventions create the greatest retained benefit; any capital relief comes on top and can be assessed separately.

Claims evidence supports the potential. A University of Alabama study of more than 40,000 insured properties exposed to Hurricane Sally found claim frequency 55–74% lower for the FORTIFIED standards studied than for conventional homes. The findings provide a concrete basis for selecting resilience measures and testing their economics in other portfolios.¹⁹

Reinsurance and catastrophe bonds can support expansion by transferring defined exposures. Verified resilience data gives insurers the evidence to demonstrate improvements in portfolio risk and negotiate terms that recognise them. The opportunity is strongest where prevention changes the losses borne by the risk-transfer provider.²⁰

4.4 Public support: resilience, affordability and fiscal discipline

Public policy matters where losses are too concentrated or prevention too costly for households and private insurers to carry alone. Uninsured disasters can also weaken tax revenues and increase public spending. Public support should therefore be assessed alongside investment in drainage, building standards and other measures that reduce the losses the system must finance.²¹

At European level, the ECB and EIOPA have proposed a combined reinsurance and public disaster-financing framework. Its value depends on a clear allocation of losses, funding responsibilities and incentives to invest in resilience.²²

Italy's catastrophe-insurance obligation for specified business assets illustrates a further route to widening participation. Its scope and exemptions matter: a purchase obligation, a mandatory policy extension and public reinsurance perform different functions. Broader participation can strengthen pooling, but affordability and prevention remain necessary.²³

Support should have explicit funding, eligibility and review arrangements, with prevention conditions where action is feasible and affordable. Temporary premium

¹⁹ Alabama Department of Insurance, Fortified homes performed better during Hurricane Sally than traditional construction, 19 May 2025, reporting the University of Alabama claims study.

²⁰ ECB and EIOPA, Towards a European system for natural catastrophe risk management, December 2024.

²¹ ECB and EIOPA, Policy options to reduce the climate insurance protection gap, April 2023, pp. 13–14.

²² ECB and EIOPA, Towards a European system for natural catastrophe risk management, December 2024.

²³ MIMIT, Polizze catastrofali: Risposte alle domande frequenti, guidance on Decree 18/2025 and the statutory obligation.

subsidies need a credible route to sustainable cover, as illustrated by Flood Re's transition plan for its planned 2039 exit.²⁴

A permanent arrangement for extreme losses may still be justified. The distinction is between financing residual risk and repeatedly subsidising avoidable damage. Where property-level measures cannot make exposure sustainable, collective protection, land-use changes or relocation may be necessary.

4.5 Regulation, data and trust

The model is designed to meet product, data and jurisdictional requirements from the outset, and these requirements reinforce its logic: explainable assessment, verified evidence and a clear route for customers to improve their terms. In the EU, prudential and conduct requirements continue to apply to AI-supported underwriting. EIOPA's August 2025 opinion emphasises proportionate governance, fairness, explainability and human oversight. Firms retain responsibility for decisions made using external models or data.²⁵

GDPR requires a lawful basis, purpose limitation, data minimisation and appropriate security. Solely automated decisions with legal or similarly significant effects face specific restrictions and safeguards; collecting consent does not remove every constraint. Customers should understand the factors behind an adverse decision and have an effective route to challenge errors.²⁶

The EU AI Act specifically classifies AI used for life and health insurance risk assessment and pricing as high-risk, subject to its classification rules. Property pricing is not automatically included under that insurance category. Following the 2026 amendments, the relevant Annex III obligations apply from 2 December 2027. Existing data-protection and insurance duties apply during the transition.²⁷

The Financial Stability Board identifies provider concentration, market correlations and model risk as vulnerabilities associated with AI adoption.²⁸ Reliance on similar hazard models could lead firms to restrict cover in the same areas at the same time. Insurers should therefore test alternative assumptions and monitor geographic concentrations of underwriting decisions, so that more granular assessment widens, rather than narrows, the range of risks the market can accept.

²⁴ Flood Re, Transition Plan 2023, particularly the sections on transition to risk-reflective pricing and the conditions required for affordable and available cover after 2039.

²⁵ EIOPA, Opinion on Artificial Intelligence governance and risk management, 6 August 2025.

²⁶ Regulation (EU) 2016/679 (GDPR), articles 5–6, 9, 13–15, 22, 25, 32 and 35.

²⁷ Regulation (EU) 2024/1689, Annex III, point 5(c); European Commission, AI Act, application timeline updated 3 August 2026.

²⁸ Financial Stability Board, The Financial Stability Implications of Artificial Intelligence, 14 November 2024.

An independent data provider would require clear responsibilities, secure systems and auditable methods. Derived scores may themselves contain personal data, so the arrangement must address permitted uses, correction and appeal rights, and alternatives for customers unable to participate in monitoring. Insurers retain responsibility for decisions made using these outputs.²⁹ Supplier oversight and continuity arrangements must also meet applicable DORA requirements.³⁰

Together, individual assessment, verified prevention and an independently governed data layer give insurers a way to expand cover in exposed markets on terms they can sustain. The same elements apply wherever an insurer can help a customer manage the risk being insured, which is why the model extends beyond property, as Section 5 sets out.

5. Extending personalisation across European health and life markets

The approach developed for climate risk is not limited to property: there is great potential in health and life insurance. Vision’s earlier work on “travelling beyond insurance” identifies a common opportunity: developing protection around the individual’s changing circumstances and combining it with services that help manage the underlying exposure.³¹ Climate provides the immediate starting point; health, working life and retirement extend the proposition across a longer customer relationship.

5.1 The European opportunity

In Europe, these propositions must develop alongside existing healthcare systems, pensions and employment benefits. The relevant market includes customers seeking additional protection, greater continuity or a product better suited to their circumstances. It also includes existing policyholders whose needs extend beyond their current coverage.

Vision’s European segmentation identifies two priority groups: an estimated 22.2 million “affluent young adults with low propensity and no obligation to insure” and 34.4 million “would be elderly” who may wish to be insured for their entire life. These modelled populations indicate the scale of two opportunities: establishing new insurance relationships and extending protection among existing customers. They

²⁹ Regulation (EU) 2016/679 (GDPR), articles 4–6, 9, 13–15, 22, 25 and 32.

³⁰ EIOPA, Digital Operational Resilience Act (DORA), applicable from 17 January 2025.

³¹ Vision & Value, The Economics of Travelling Beyond Insurance: Reconsidering the Nature of Insurance by Expanding Coverage to New Segments, April 2024, Sections 4.1–4.2 and 5.

define the addressable market; how much of it converts into policies will depend on product design, pricing and distribution.³²

Table 1. Current and potential customer segments in the EU-27: Vision estimates

	SEGMENTS							
PRODUCT	CURRENT CUSTOMER			NEW CUSTOMERS OR UNDER INSURED				
	YOUNG ADULTS (> 25 < 50 Y.O)	MIDDLE AGE (> 50 < 65 Y.O)	ELDERLY (> 65 < 75 Y.O)*	YOUNG ADULTS (> 25 < 50 Y.O) LOW INCOME	YOUNG ADULTS (> 25 < 50 Y.O) AFFLUENT WITH LOW PROPENSITY AND NO OBLIGATION TO INSURE	MIDDLE AGE (> 50 < 65 Y.O) – LOW INCOME	WOULD BE ELDERLY (> 50 < 65 Y.O) WHO MAY WISH TO BE INSURED FOR ENTIRE LIFE **	OLDER ELDERLY (> 75 Y.O) WHOSE HEALTH INSURANCE IS DISCONTINUED
SIZE	63.0 MIL (13.9% OF EU-27 POPULATION)	51.6 MIL (11.4% OF EU-27 POPULATION)	25.3 MIL (5.6% OF EU-27 POPULATION)	46.8 MIL (10.4% OF EU-27 POPULATION)	22.2 MIL (4.9% OF EU-27 POPULATION)	22.9 MIL (5.1% OF EU-27 POPULATION)	34.4 MIL (7.6% OF EU-27 POPULATION)	48.8 MIL (10.8% OF EU-27 POPULATION)
INCOME AND NETWORTH	AVERAGE INCOME – BELOW AVERAGE NETWORTH (MEDIAN NET WEALTH €25K–€160K)	ABOVE AVERAGE INCOME – ABOVE AVERAGE NETWORTH (MEDIAN NET WEALTH €161K–€209K)	AVERAGE INCOME – ABOVE AVERAGE NETWORTH (MEDIAN NET WEALTH €204K)	LOW INCOME – LOW NETWORTH (MEDIAN NET WEALTH €32K–€88K)	ABOVE AVERAGE INCOME – BELOW AVERAGE NETWORTH (MEDIAN NET WEALTH €25K–€160K)	BELOW AVERAGE INCOME – BELOW AVERAGE NETWORTH (MEDIAN NET WEALTH €32K–€88K)	ABOVE AVERAGE INCOME – ABOVE AVERAGE NETWORTH (MEDIAN NET WEALTH €161K–€209K)	DEPENDENT ON RETIREMENT BENEFITS – ABOVE AVERAGE NETWORTH (MEDIAN NET WEALTH €173K)
PROPENSITY TO PURCHASE HEALTH INSURANCE	MEDIUM	HIGH	HIGH	LOW	LOW	MEDIUM	VERY HIGH	TYPICALLY UNINSURABLE
PROPENSITY TO PURCHASE LIFE INSURANCE	MEDIUM	MEDIUM	HIGH	LOW	LOW	MEDIUM	HIGH	HIGH

Source: Vision estimates using Eurostat, ECB HFCS and OECD data; see footnote 32 for the estimation basis.

* This customer segment technically generates a net loss. This is because on the life side, they receive accumulated benefits (and do not make additional contributions), and on the health side, they incur "losses" that exceed the premiums. An approach like the one proposed in this note makes this situation not inevitable.

** For the classification of "would be elderly," we refer to individuals aged 50-64 who are insured, own their home (proxy for the capacity to pay an additional premium) and would be willing to pay an additional premium for life insurance beyond the age of 75.

³² Vision, EU-27 customer segmentation estimates, 2026. Demographic inputs: Eurostat population and age-structure data. Financial and coverage context: ECB, Household Finance and Consumption Survey, Wave 2023, statistical tables published June 2026; OECD/European Commission, Health at a Glance: Europe 2024; OECD, Health at a Glance 2025. The 22.2 million estimate applies an assumed 40% upper-income share and 37% non-coverage rate to 150.1 million people aged 25–49. The 34.4 million estimate applies a 66.6% homeownership proxy to 51.6 million estimated insured people aged 50–64.

A younger adult may have the means to insure but see little value in a product organised around a distant retirement date. A customer approaching later life may already hold insurance but want greater continuity as health needs and employment benefits change. The opportunity is to develop products around these circumstances.

5.2 Two propositions for a longer insurance relationship

The two propositions apply the principle developed for climate risk in Section 4 to different exposures. Individual assessment determines the protection offered and the risks that can be managed during the relationship. For younger adults, this connects financial security with continuity through working life; for the “would be elderly”, it connects longer-lasting health protection with the management of changing healthcare needs.

Delivery partnerships are integral to both. Healthcare providers retain responsibility for clinical decisions, while insurers determine coverage and underwriting terms. Rehabilitation and employment partners can support recovery following insured interruptions to working life.

Table 2. Product and operating propositions for the two priority segments

	YOUNG ADULTS (> 25 < 50 Y.O) AFFLUENT WITH LOW PROPENSITY AND NO OBLIGATION TO INSURE	WOULD BE ELDERLY (> 50 < 65 Y.O) WHO MAY WISH TO BE INSURED FOR ENTIRE LIFE
CUSTOMER DEFINITION	Adults with financial capacity but a limited established insurance relationship.	Adults approaching later life who may seek continuity or extension of existing protection.
PRODUCT PROPOSITION	Long-term saving combined with protection against specified interruptions to income or contributions.	Continuing health protection combined with appropriate care and condition management.
PERSONALISED RISK ASSESSMENT	Assess earnings, occupation, commitments and existing entitlements to identify protection needs and inform applicable underwriting decisions.	Assess relevant clinical circumstances and condition management to inform coverage and underwriting terms where permitted.
PERSONALISED RISK MANAGEMENT	Support recovery, earning capacity and continuity of saving through rehabilitation and relevant employment services.	Coordinate monitoring, early intervention and care around the individual's health needs.
DELIVERY PARTNERS	Employers, rehabilitation providers, training and employment-service providers.	Healthcare providers, diagnostic services, rehabilitation and care providers.
COMMERCIAL VALUE	Additional customers, sustained contributions and retention through changes in working life.	Additional or extended coverage, retention and management of insured claims costs.

Source: Vision analysis, 2026.

5.3 From customer segmentation to commercial value

The European opportunity lies in adapting these propositions to the gaps left by each country's combination of public provision, employment benefits and private cover. The segmentation above identifies where to begin; the commercial test is whether customers value the additional protection and whether its pricing, delivery costs and insured benefits support a sustainable relationship.

The economics differ by product. Supporting recovery can reduce insured income interruptions or health costs, while longer lives increase the obligations attached to retirement income. Partnerships must therefore connect a measurable customer benefit with the exposure being financed. This gives insurers a basis for selecting interventions and structuring products around the risks they can influence.

Climate change makes the need for this shift immediately visible, but its significance extends across property, health and financial security. Personalised risk assessment

can widen the range of risks insurers understand and accept; personalised risk management can help sustain that coverage over time. Together, they offer a route to growth in which insurers take a more active role in protecting the conditions on which their customers' lives and livelihoods depend. That is the insurance of the future: a partner in managing risk, not only a payer of losses.