



Global Insurance Services

Executive Brief
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From the FTI Journal

The Evolving Impact of AI on the Insurance Industry

As new and more refined versions of artificial intelligence continue to proliferate in today's insurance industry, insurance leaders will need to stay abreast of the latest regulatory rulings and guidance and apply best practices to avoid the negative financial and reputational consequences that increased regulatory scrutiny will undoubtedly present. Those who proactively and reactively assess the usage and transparency of their AI solutions can better position themselves to identify and remediate potential issues related to data privacy, model efficacy and bias, which in turn can create greater consumer confidence and loyalty to drive profitable growth.

[Read the full article.](#)¹



In the News

Plethora of “Attractive Assets” Driving Industry M&A in Europe, But Threats on the Horizon

Speaking to Insurer TV following the publication of the firm’s biannual ‘European Insurance M&A Barometer Report’, Rory O’Brien, Co-Leader of Global Insurance Services, covers the strength of the Iberian M&A market, how P&C carriers are being valued at one to two times net book value and how insurtechs have been faring in Europe.

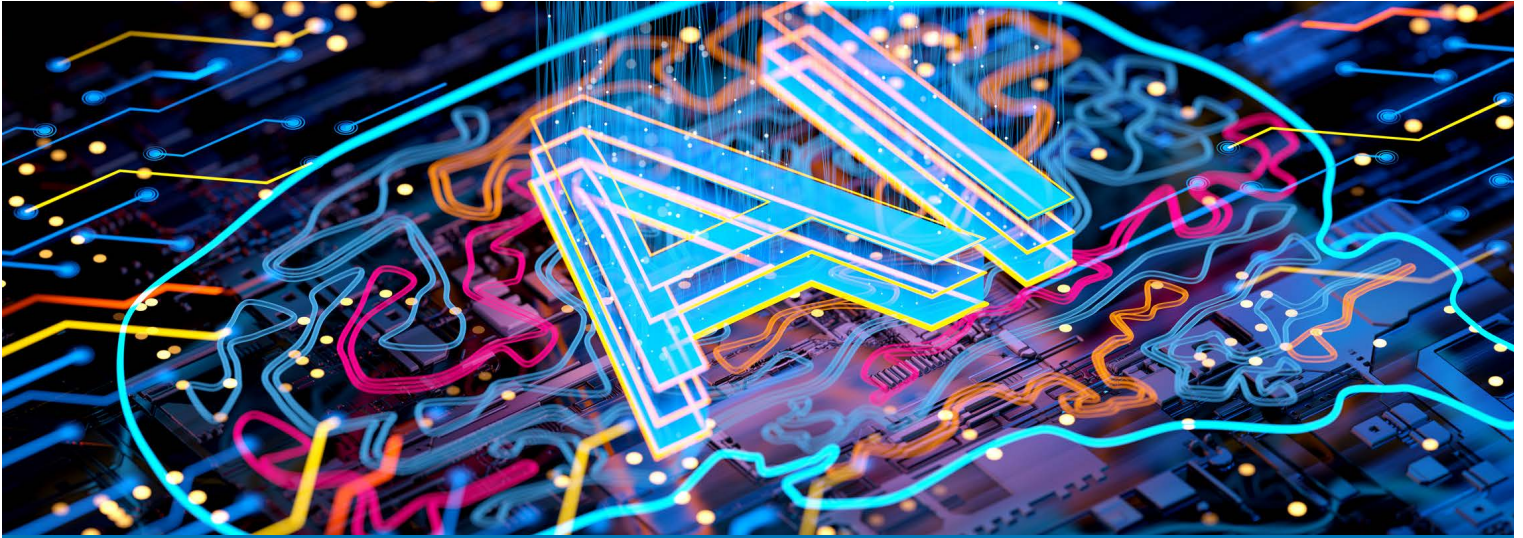
[Watch the full segment.](#)²



Corporate Sustainability Report

FTI Consulting's third annual Corporate Sustainability Report shares our approach to addressing our company's unique ESG goals and accomplishments through related programs, policies and commitments. Both through our own internal initiatives and the work we do on behalf of our clients, we drive sustainable value by investing in talented professionals, managing our carbon footprint and delivering on our clients' needs including advisory work on ESG-related matters. The report also demonstrates our continued progress as a company through our goals that support our net-zero by 2030 commitment as well as building a more diverse and inclusive culture.

[Access FTI Consulting's Corporate Sustainability Report.](#)³



Service Spotlights

Ethical Use of AI & External Data in Insurance

Increasingly, insurers are using external consumer data sources and analytical models powered by artificial intelligence (AI) to improve financial performance, operational efficiency, risk management, and decision-making. Simultaneously, regulators around the globe are focusing more on the governance and fairness issues raised by these complex, cutting-edge tools, especially the possibility of unintentional prejudice against groups of persons who are legally protected. FTI Consulting's Global Insurance Services practice can help enhance your organization's response to rapidly evolving regulatory mandates governing the use of AI and third-party data. We understand the challenge and are uniquely positioned to help you address it – both now and moving forward.

[Learn more.](#)⁴

Insurance Company Professional Liability and Cyber Liability

In the dynamic landscape of the insurance sector, it's crucial for insurance and reinsurance firms to proactively review their Insurance Company Professional Liability (ICPL) and Cyber Liability coverages on a regular basis. The financial health and operational resilience of these entities depend on the effectiveness of their own corporate insurance safeguards. ICPL serves as a crucial shield against potential professional liability missteps, offering protection from claims that could otherwise jeopardize the firm's operational and financial stability. FTI Consulting's independent insurance risk management advisory team recommends a yearly policy assessment to ensure alignment with the evolving nature of risks while safeguarding financial resources and operational integrity. Our team specializes in reviewing current coverage terms, structure, and pricing to ensure companies have the right coverage for the right price.



**Happy New Year from FTI Consulting's
Global Insurance Services Team!**

We look forward to even more collaboration in 2024 and beyond!

As a leading independent advisor and consultancy to the insurance industry, Global Insurance Services helps clients identify opportunities and define strategies to manage risk, improve operational and financial performance, and drive growth.

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- 1 FTI Consulting's Corporate Sustainability Report. (October 25, 2023), <https://www.fticonsulting.com/insights/reports/corporate-sustainability-report>.
- 2 Claudio Calvino, et al. "The Evolving Impact of AI on the Insurance Industry," FTI Consulting, Inc. (October 3, 2023), <https://www.fticonsulting.com/insights/fti-journal/evolving-impact-ai-insurance-industry>.
- 3 "FTI Consulting's O'Brien: Plethora of "attractive assets" driving industry M&A in Europe, but threats on the horizon," The Insurer TV (November 16, 2023), <https://www.theinsurertv.com/news-in-focus/fti-consultings-obrien-plethora-of-attractive-assets-driving-industry-ma-in-europe-but-threat>.
- 4 Peter Kelly, et al. "Ethical Use of AI & External Data in Insurance," FTI Consulting, Inc. (April 27, 2023), <https://www.fticonsulting.com/insights/service-sheets/ethical-use-artificial-intelligence-external-data-insurance>.

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