

The Latest Shifts: Commercial Crime & Fidelity Market

The business liability landscape is constantly shifting, creating new exposures for senior executives at organizations of all sizes. Our US Executive Risk team share the latest on Commercial Crime & Fidelity.

The Commercial Crime insurance market continues to evolve as organizations face an increasingly complex fraud environment. While employee theft remains a core exposure, fraud methodologies are changing rapidly, shaped by technology, remote working practices and more sophisticated social engineering tactics.

A Changing Fraud Risk Landscape

- Fraud exposure remains broad based across organizations of all sizes. Employee theft continues to drive claims activity, with expense fraud remaining a persistent concern. The importance of strong internal controls, including approval processes, regular audits and oversight frameworks that support financial accountability is key.
- Check fraud also remains elevated, most commonly driven by check kiting and check washing schemes. Practical measures such as real time funds verification, secure handling practices and enhanced payment controls continue to play an important role in mitigating exposure.
- Social engineering fraud remains a key area of focus, reflecting both the increasing scale of transactions and the growing sophistication of attack methods. While many organizations have strengthened verification and governance processes, fraud techniques continue to evolve in parallel.

Rising transaction values and inflationary pressures mean that loss severity continues to trend upward, even as frequency shows signs of stabilization.

Market Conditions

Through 2025, Commercial Crime market conditions remained broadly stable, with many programmes renewing at flat outcomes. Competitive dynamics were most visible on new business, particularly where risk profiles and internal controls were viewed favorably.

Social Engineering Fraud coverage continued to evolve, though underwriting attention has increasingly centered on control effectiveness and risk management rather than coverage expansion alone.

Looking Ahead

Governance, internal controls and audit functions are expected to remain central to risk mitigation discussions in 2026. Organizations that treat fraud prevention as a board level governance issue and maintain strong payment and verification protocols are likely to be best positioned.

Emerging exposures, including AI enabled fraud and deepfake assisted social engineering, are gaining prominence. While Commercial Crime often intersects with Cyber and Management Liability, it remains a distinct area of focus requiring dedicated oversight and risk management attention.

With a range of **executive risk products and services**, backed by experienced underwriting and claims expertise, our team ensures that organizations and their executives are resilient against the shifting sands of business liability landscape.

