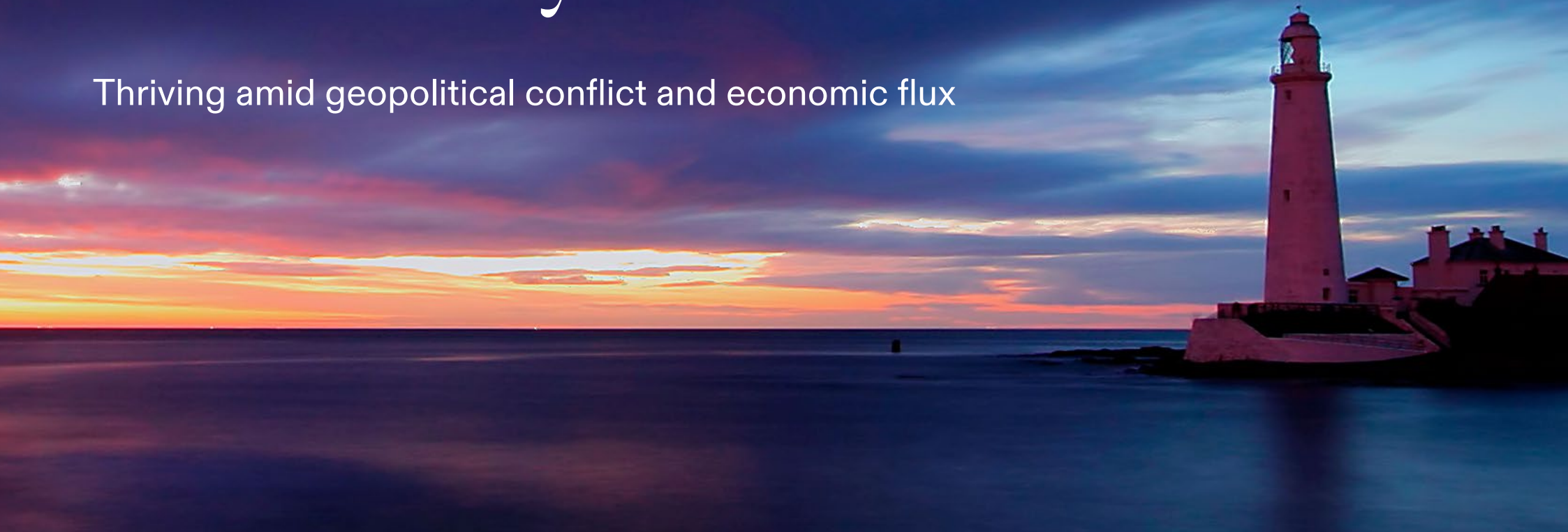


beazley

Spotlight on Geopolitical & Economic Uncertainty 2025

Thriving amid geopolitical conflict and economic flux



Executive Summary

Striving for growth in a complex risk terrain

Businesses are navigating a risk environment that's more layered and unpredictable than ever. Political shifts, economic uncertainty and global tensions are converging at an unprecedented scale, and our survey results reflect the impact that this is having on business confidence. While it's easy to get caught up in short-term disruptions, the real opportunity lies in looking ahead. Growth is still possible – but it demands sharper foresight, faster adaptation and a clear view of where risk meets opportunity.

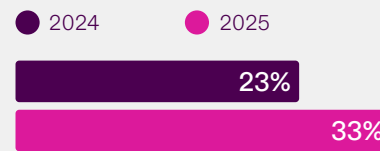
Business adaptation for global fragmentation

Seismic shifts mean businesses need to be shrewd on the uptake – it's time to rethink risk management strategies. After all, protectionism is back. Newly elected governments are pulling up the drawbridges, redrawing alliances and rewriting the rules of trade. Sovereign debt is piling up across Western economies, straining financial systems and impacting financial resilience, balance sheets and supply chains.

Meanwhile, new blocs are forming. CRINK – China, Russia, Iran, North Korea – is a growing challenge to Western dominance. The US-China rivalry is escalating across trade, finance, tech, and security. And Russia's ongoing conflict in Ukraine continues to reshape Europe's risk map, while hybrid threats – ranging from cyber attacks to energy sabotage – are increasingly targeting critical infrastructure. At the same time, the war in the Middle East is deepening regional instability and influencing global energy markets, global supply chains and diplomatic alignments.

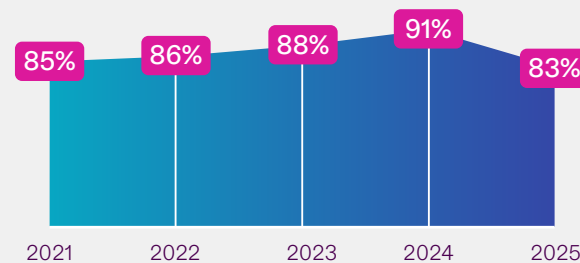
This is fragmentation in real time. Fiscal policies are inconsistent, trade negotiations are divided, and the global economy is moving in unpredictable directions.

Impact of inflationary factors



Percentage of global execs planning to review their investment policy & exposure to inflationary factors.

Risk perception over time

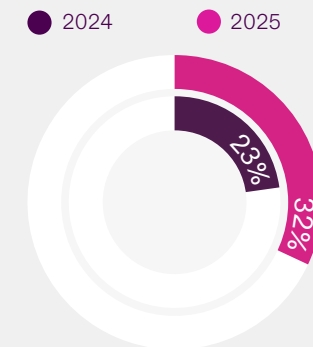


Percentage of global executives who believe they are operating in a high to moderate risk environment.

Adjusting to the new normal

And yet – businesses are adapting and finding ways to grow amidst the turmoil. Here's how...

Security risks are rising



32% of companies plan to reassess the security of their overseas operations this year – up from 23% last year.

This signals a clear shift in mindset – companies are treating security threats as active risks, not distant possibilities.

The power of prepared leadership

Resilient boards need strong governance

Crisis plans and agile committees – tech, change, and disclosure – help businesses stay steady in uncertain times.

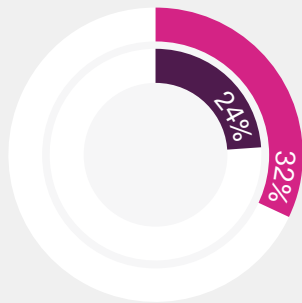
Economic risk – persistent, escalating and unpredictable

Economic uncertainty is climbing the ranks. Last year, 21% of businesses said it was their biggest threat. Now it's 26%. Inflation's doing the same – up from 24% to 27%. Inflation is stubborn, interest rates are high, and the threat of a financial downturn is in the air – so, the investment climate is getting harder to navigate.

Only the uncertainty is consistent. And yet, firms say they're more confident handling it. In the face of geopolitical and economic instability, many are busy reassessing their risk strategies and shoring up their resilience weak spots.

Built-in crisis support

● 2024 ● 2025



32% of global firms plan to explore insurance that includes risk and crisis management – up from 24% in 2024.

Opportunity in resilience

Ask any business leader what's changed lately, and the answer might be: everything. But for firms that can stay flexible, there's real opportunity. Emerging tech and cleaner energy are far beyond the era of being trends – they're reshaping entire industries, and driving long-term shifts in strategy, investment and talent.

The businesses that adapt quickly can seize real competitive advantage. And the astute ones aren't doing it alone. With the right insurance partners, insurance underwriting and strategic planning, they're finding ways to share risk, protect against financial shocks and grow with confidence.

Trust in the value of insurance rises

● 2023 ● 2024 ● 2025



Percentage of global executives whose trust in the value of insurance has increased or remained the same.

Bethany Greenwood

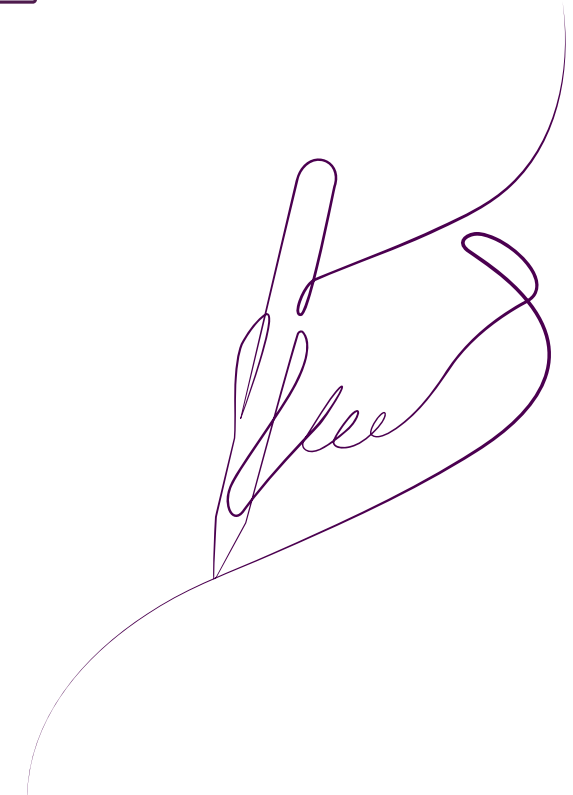
Chief Executive Officer of Beazley Furlonge Limited and Group Head of Specialty Risks, Beazley

How to be resilient against boardroom risks

Bethany Greenwood, Beazley

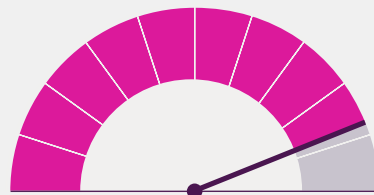


[▶ Watch the video](#)



Key findings at a glance – 3,500 global business leaders' views

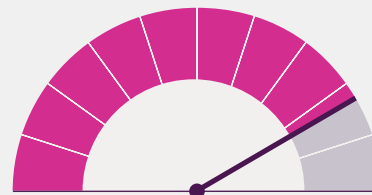
Political risk unease deepens



88%

agreed that the political landscape will affect their business' ability to trade profitably – **a notable uptick from 69%** in January 2025.

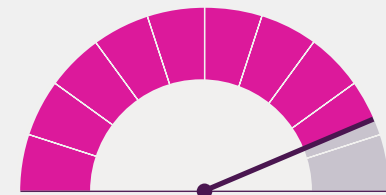
Growth ambitions dampened



83%

believe the current geopolitical & economic uncertainty will limit their business' growth plans – **a sharp rise from 68%** in January 2025.

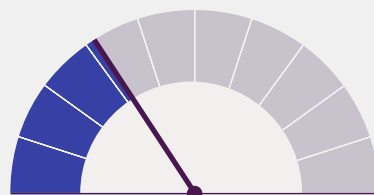
Supply chains in flux



87%

expect to make changes to their suppliers and supply chains due to geopolitical tensions – **up from 75%** in January 2025.

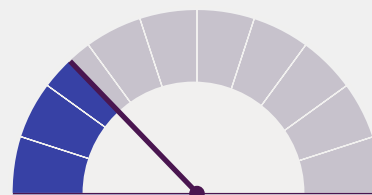
Security reassessment on the rise



32%

plan to reassess the security of their overseas operations this year, **compared to 23%** in 2024

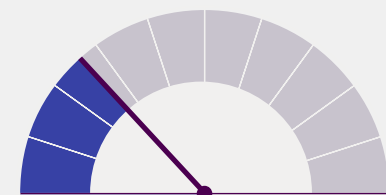
Economic uncertainty tops risk list



26%

cite economic uncertainty as their greatest threat – **up from 21%** in 2024.

Inflation concerns edge up

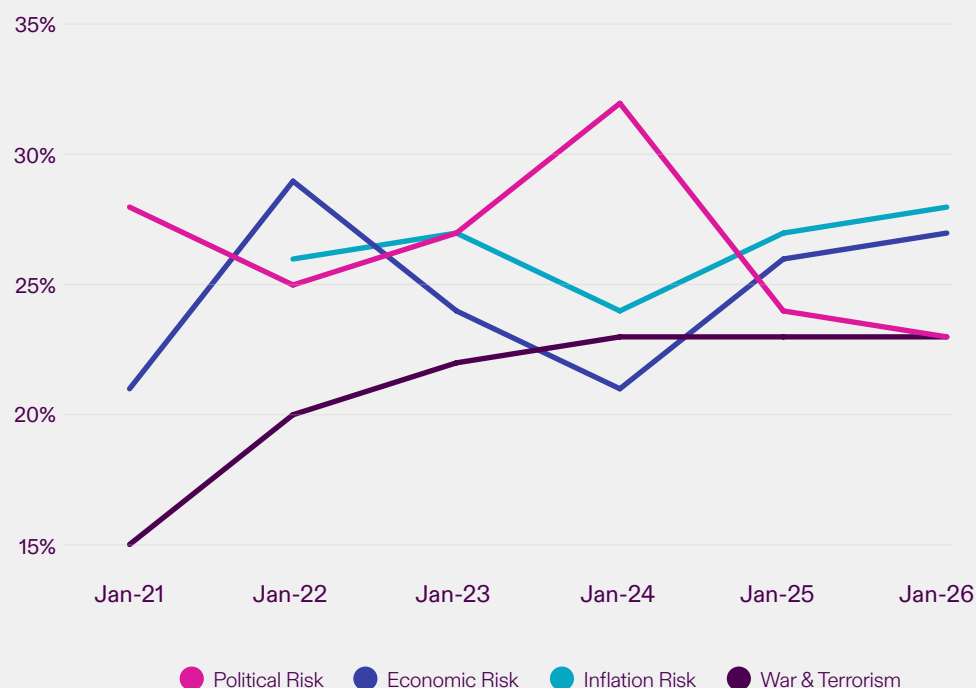


27%

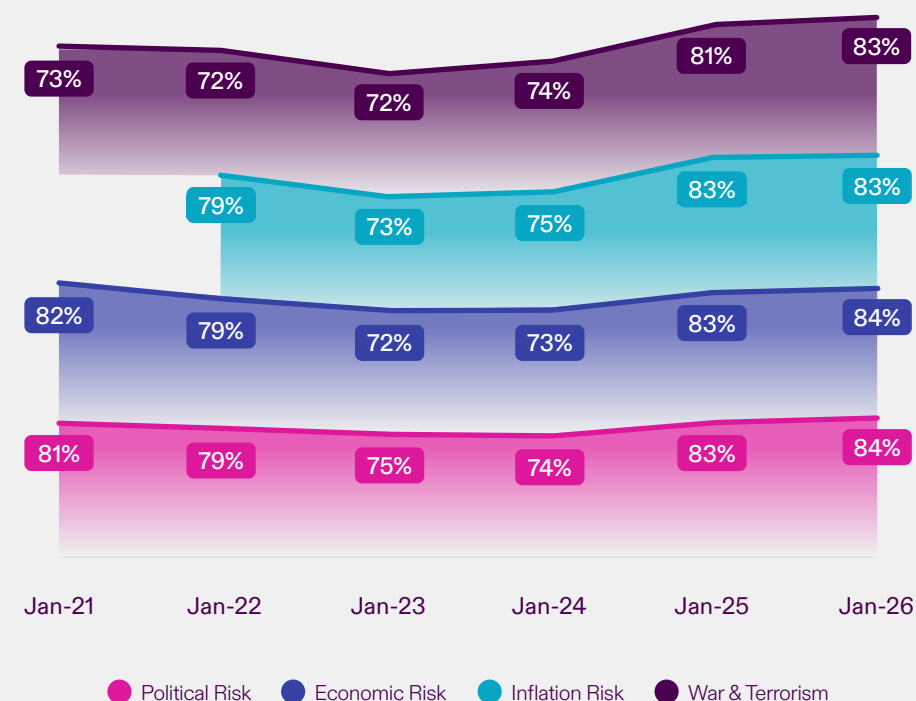
identify inflation as their top threat now, rising to 28% by next January, and **up from 24%** in 2024.

Global leadership perceptions of geopolitical & economic risk & resilience

Risk over time



Resilience over time



These charts show the percentage of global executives who identified these geopolitical and economic risks as top threats, alongside how prepared they feel to face them (combining 'highly' and 'moderately' prepared responses). The Jan-26 figures reflect their expectations for that time.

[Explore more data insights](#)

Signals from the frontlines



For insurance brokers:

1

Beyond protection: Insurance as a growth engine

Insurance helps businesses take smart risks. Risk transfer absorbs uncertainty so companies can expand into new markets, invest in emerging tech and restructure supply chains without hesitation. This means decisions don't get delayed, and growth doesn't get stuck.

2

New risks, new rules: Supporting the tech and energy frontier

Breakthroughs in AI, quantum, and fusion energy are opening new doors – but also new risks. As regulations lag behind innovation, coverage gaps emerge. This creates a sweet spot for specialty, high-risk insurance – helping fast-moving sectors stay protected while exploring uncharted, high-risk frontiers.

3

The collaborative advantage: Closing risk gaps together

When insurers, insurance brokers and clients collaborate, the results speak for themselves. Risks get addressed properly, solutions are sharper, and insurance moves beyond recovery to supporting and facilitating growth.



For business leaders:

1

Bake in resilience to gain competitive edge

It's time to view resilience as an engine for growth. And resilience strategies – like diversifying suppliers, nearshoring and investing in early warning systems – should be standard practice in an uncertain risk landscape.

2

Take advantage of seismic shifts

If you're an agile firm, the benefits can flow – whether it's investing in underserved regions like Africa and Asia or getting ahead with new tech and energy sources. Early-mover advantages bear fruit and can set you apart competitively.

3

Don't wait for risk to catch up

Traditional, reactive insurance cover is no longer enough. Today's risks are more complex and fast-moving – cyber security threats that are ramping up cyber resilience needs. This amid unrelenting misinformation, energy shifts and geopolitical conflict. The future lies in insurance models and services that adapt quickly and help you stay ahead.

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From fragile to agile

Agility in the face of global shift



Prepare well to succeed well

The global risk map is being redrawn, and businesses must move fast to stay competitive as new alliances, trade tensions, and policy shifts reshape the rules of engagement.

Consider this: A business is trying to expand. It's mapped out the market, lined up suppliers, and set capital aside. Then protectionist policies kick in and trade negotiations go awry. A new trade restriction hits, tariffs go up, a key route closes. Suddenly, the plan doesn't work.

This isn't a one-off. Shifting fiscal policies and geopolitical alliances are altering market access, supply chain dynamics are unstable, regulatory environments change fast and trade restrictions loom ominously.

To stay competitive, companies must move quickly, and supply chain risk management must take new forms. That means finding new suppliers, nearshoring, exploring alternative markets, and adjusting strategies before delays set in.

Supply chain reassessment on the rise

87%

of global firms plan to make changes to their suppliers or supply chain due to geopolitical tensions – up from **75%** in January 2025.

A new geography of risk

It started with protectionist policies which gave rise to tariffs and onshoring. Then came strikes, sanctions, and shifting alliances. In response, the strategic concept of friendshoring¹ is emerging. Companies are realising they need to redraw and relocate their supply chains and operations.

In practice, this means moving operations to countries with more stable political climates and dependable trade relationships. The goal: reduce exposure to disruption caused by geopolitical tensions, economic instability, and labour strikes in any one country.

The numbers tell the story. Since the 2018–19 trade war between the US and China, China has cut back its reliance on US trade, pivoting toward Southeast Asia and Russia. Meanwhile, Vietnam and Mexico have tightened their trade ties with the US. China's share of total US trade dropped from 15.7% to 10.9%. The US's share in China's trade fell from 13.7% to 11.2%.²

Insurers and businesses are watching closely. As the geography of risk shifts, so does the playbook. Those who embrace innovative strategies, harness expert insights and steer thoughtfully through an increasingly interconnected world will be better positioned to manage volatility and seize new opportunities.

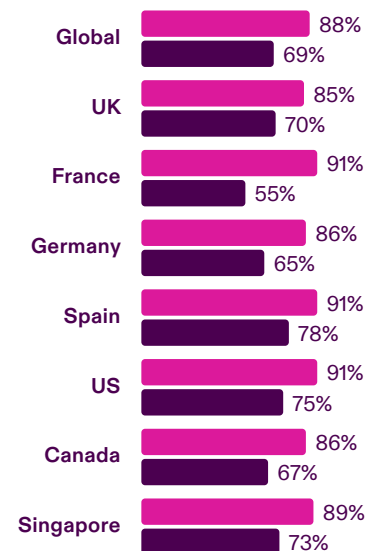
Confidence shifts

68%

of businesses cited geopolitical and economic uncertainty as a roadblock to growth, rising to **83%** in August 2025.

Political impact on profitable trade

● August 2025 ● January 2025



Percentage of global executives that agreed that changes in the political landscape will affect their business' ability to trade profitably.

“

Economic downturns often trigger investor lawsuits, fiduciary breaches, professional negligence and employment claims. To navigate uncertainty, businesses should adopt robust risk strategies and collaborate with insurers to map emerging risks and apply lessons from past crises.

At the same time, shifting tariffs and trade disruptions are reshaping global supply chains – driving up cargo values and prompting companies to explore new markets and diversify manufacturing to offset declining demand. Increased material costs have the potential to impact claims values where replacement costs are an element of the alleged damages.”



Beth Diamond
Chief Claims & Litigation Officer
Beazley

From shockwaves to springboards: A growth story

When the pandemic hit, it didn't take long to see which systems would hold. Fragile operations buckled under pressure, agile ones adapted. And for the agile firms, it was flexibility and innovation in business operations that turned disruption into opportunity.

Ford Motor Company was one of them. Faced with stalled supply chains and shuttered factories, the company didn't wait for conditions to improve. It restructured. Ford introduced agile workflows and digital tools across its production lines. Virtual simulations³ and digital twins replaced physical prototypes⁴, allowing engineers to spot inefficiencies and redesign processes in rapid time. The result: lower costs, faster launches, and a leaner, more responsive operation.

That kind of shift is the product of deliberate planning and a willingness to rethink how things are done. Going forward, businesses that treat resilience as a foundation – not a reaction to geopolitical shock – will likely adjust with ease rather than scramble with desperation.

83%

feel the risk environment is moderate to high risk
– down from **91%** in 2024.

Supply chain instability and business interruption remain key concerns

22%

Supply chain instability was ranked by **22%** as global firms' top risk, and **21%** ranked business interruption as their biggest concern in January 2025.

“

Supply chains must be adaptable. The rerouting of vessels around southern Africa due to the Red Sea attacks has added considerable time to journeys and is an example of the impact of geopolitical events on the efficiency of supply chains. Marine freight has however continued to show its resilience through adaptability of routes and investment in port infrastructure.”



Sam Kimber
Product Leader – War & Marine
Beazley

The ground game of global trade

Across continents, a different kind of race is accelerating, destined to shape global trade dynamics. One with assets buried deep in the earth. Strategic resources like rare earth elements and minerals are now central to the global tug-of-war over trade, technology and power. These 17 metallic elements,⁵ vital for everything from smartphones to renewable tech and fighter jets, have become bargaining chips in a high-stakes game. And countries like China,⁶ sitting atop the world's largest reserves, hold the cards – dictating supply chains, influencing prices and nudging other nations to hunt down alternatives.

All the while, stakes are rising on the tech frontier. AI, semiconductors, quantum computing are operating on innovation battlegrounds akin to the space race. Nations hosting the world's most innovative tech firms are gaining not just economic clout, but political muscle.

And so domestic production is ramping up while new alliances emerge. The EU, for instance, unveiled its Critical Raw Materials Act,⁷ aiming to slash its reliance on imports by 2030. But currently the numbers tell a sobering story: Europe has just two rare earth processing plants – one in Estonia, the other in western France.⁸

The US-China trade tensions meanwhile have laid bare the vulnerabilities of global interdependence. Both powers are now fortifying their domestic capabilities, seeking new allies, and preparing for a future where control over rare earths and cutting-edge tech could tip the balance of global influence. Meanwhile, Russia's conflict in Ukraine has underscored the strategic importance of critical minerals, with Ukraine's lithium reserves emerging as a potential flashpoint in the race for resource dominance.

The anatomy of growth through resilience

Imagine a business as a living organism – sensitive to its environment, shaped by its experiences, and capable of adaptation. Risk, in this analogy, is not a foreign invader but part of the ecosystem. It's always present, always shifting. And just as the body can be trained to respond to stress, organisations can be conditioned to thrive amid uncertainty.

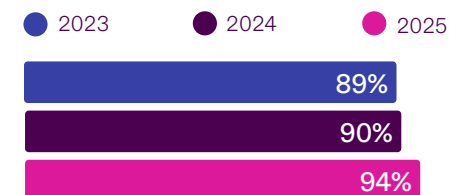
This is the premise behind a growing movement in corporate strategy: resilience not as a reflex, but as a mindset so that businesses are better equipped to navigate disruption, optimise their assets and emerge stronger.

The process begins with introspection. Like a health check, businesses must assess their internal systems – where they're vulnerable, where they're strong. This process of reconfiguring operations often reveals hidden potential: new efficiencies, untapped markets, smarter ways of working.

But awareness alone isn't enough. Just as early detection can prevent illness, early warning systems can shield businesses from crisis. These systems track key indicators – economic shifts, supply chain tremors, reputational risks – and allow for swift, informed responses. Insurance, meanwhile, acts as a vital safety net, ensuring that even when the unexpected strikes, long-term goals can remain intact.

In the end, resilience isn't just a strategy. It's the story of how businesses learn to bend without breaking and grow stronger with every test.

Tolerance for risk remains high



Percentage of global execs who believe their tolerance for risk has increased or remained the same.

“

Companies and their executives are definitely more risk aware, however it's unclear whether they are more risk-adverse yet. It's easy to get complacent, get used to the constant upheaval, and therefore not prepare your business effectively.”



Christian Tolle
Head of Political, Accident
& Contingency
Beazley

Case study

The supply chain tightrope: Balancing risk, resilience and reward

Exploring the problem – Strategy meets disruption

With geopolitics and conflict impacting cargo routes and with global tariffs tightening their grip, businesses find themselves at a crossroads.

The established old ways of operating – relying heavily on international suppliers – suddenly come with a price. Literally. Tariffs tend to drive up production costs, squeeze profit margins, and leave companies with a tough choice: absorb the hit or pass it on to consumers through price hikes.

For many, the new tariffs haven't just been a financial inconvenience, they're a wake-up call. At the same time major marine shipping routes are being impacted by the conflict in the Middle East, resulting in sourcing strategies are no longer being just about cost-efficiency, but about resilience. Companies are scanning the horizon for alternative suppliers, rerouting supply chains and even stockpiling goods. Each move adds layers of complexity to logistics, turning once-smooth operations into a high-stakes balancing act.

These disruptions have underscored a critical truth: in a world of shifting trade winds, robust supply chain management and proactive risk assessment are essential to sustaining performance under pressure.

87%

of global executives plan changes to their suppliers and supply chains due to geopolitical pressures – a sharp rise from **75%** in January 2025, underscoring the growing urgency of strategic adaptation.

And these changes are catching on fast across industries.

89%

of leaders in August 2025 in manufacturing, retail/wholesale, and food & beverage will be taking similar steps.

90%

of executives in hospitality, entertainment, and leisure are also moving in this direction – as revealed in our August 2025 survey.

Creating the solution – From disruption to direction

For businesses whose models are vulnerable to tariffs and supply chain disruptions, resilience begins with foresight:

- **Supply chain management:** Consider a company watching global headlines shift – from geopolitical tensions to unexpected natural disasters – and knowing each event could ripple through its supply chain. That's where a specialised team steps in. They track supplies, invoices, and delivery timelines with precision, constantly scanning for risks and exploring alternative sourcing options. The magic is in staying one step ahead.
- **Risk and logistics:** These teams work hand in hand. While one maps out vendor vulnerabilities and monitors global developments using strategic tools, the other ensures goods move smoothly across borders and transport modes. Together, they form a proactive force, rerouting shipments before delays hit and securing backup suppliers before shortages arise.

Tariffs may be disruptive, but they also spark innovation. Companies that embrace strategic sourcing, diversify their supplier base and invest in smart technologies are moving beyond surviving, to thriving.

Building resilience

Consider the case of companies faced with looming tariffs and ticking clocks. Instead of waiting for the impact to hit, they act decisively. Some companies consolidated inventory into single shipments to beat looming tariff deadlines – but this increases the value of shipments, requiring more security and inventory control. Others are moving from just in time supply chains to holding more stock locally.

Whatever measures are put in place, tight communications and collaborations with insurers are needed to ensure coverage is tailored to the risks including a multi-line strategy spanning cargo, property and political risk. These all help protect supply chains and shipments at various stages and keep operations steady. Much-needed support to help weather a world in flux.

These kinds of manoeuvres aren't one-size-fits-all. Each company's risk management strategy is shaped by its unique footprint and priorities. But the core principles remain: alternative routing, precise logistics, and proactive risk assessment – underpinned by insurance.

Tariffs may raise barriers, but they also raise the bar and businesses that respond with innovation and resilience emerge better positioned to compete in a volatile global market.

“

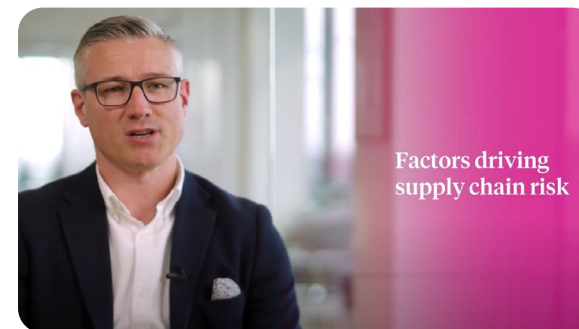
Firms are looking at their supply chain and making changes in a way they wouldn't have done 10 years ago. Routes that haven't been challenged for decades are now being re-routed, so people are being more cautious. And at times of real uncertainty, that's ultimately where insurance has its most value – if you want to be cautious, the most obvious way to transfer the risk is to put it onto an insurer's balance sheet.”



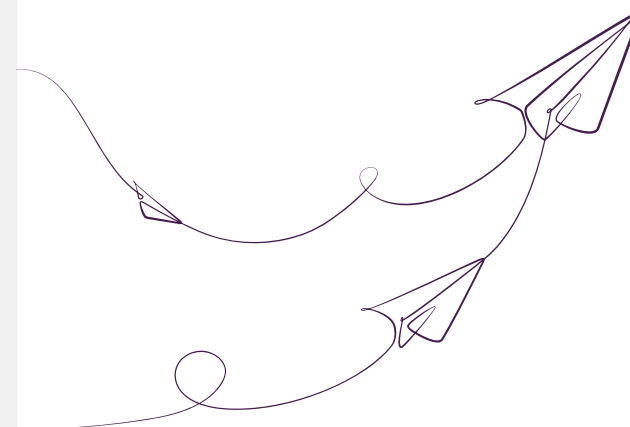
Sam Kimber
Product Leader – War & Marine
Beazley

Factors driving supply chain risk

Wayne Imrie, Beazley



 Watch the video



From fragile to agile

Standout snapshots

The geography of risk is changing

As global alliances shift and traditional geopolitical lines blur, businesses face a new landscape of risk. To stay competitive, they must quickly adapt to evolving regulations and trade dynamics.

Resilience fuels growth

The COVID-19 pandemic proved that agile, innovative companies don't just survive – they thrive. Planning for growth, not just reacting to crises, is now essential. Strategic assets like rare earths will shape future trade and power balances.

Risk is constant. Resilience is strategy

Accepting risk as a permanent fixture allows businesses to turn it into a strength. By investing in early warning systems, scenario planning, and vulnerability assessments, companies can transform uncertainty into opportunity – and secure long-term success.



Fuelling the future



The race to power new tech

From electric vehicles to AI-powered data centres, the burning demand for tech resources and innovation brings with it the substantial need for energy and minerals. Making these materials active battlegrounds in a global race for tech and energy resilience and influence.

The competition to secure them is redrawing the map of industry and geopolitics. We're seeing supply chains for energy and minerals becoming central to national agendas and corporate strategy:

- The rivalry between the United States and China underscores this shift, with both nations accelerating efforts to lock in access to critical materials. In response to China's dominance in rare earths, the United States launched the Mineral Security Partnership in 2022, alongside 14 governments and the European Commission.⁹ By late 2024, the alliance had initiated 10 mining projects and was evaluating 30 more, attracting significant global capital.¹⁰
- In East Africa, the Lobito Corridor – a major railway unlocking cobalt and copper – shows how infrastructure is being reimagined¹¹ as a strategic asset.
- Africa, with its twenty mineral-producing countries, has emerged as a key arena for investment and partnership.¹²

This race is what determines who gets to build, who gets to lead, and who gets left behind. As energy and mineral access become strategic levers, governments and businesses are racing to adapt. They seek to adjust and grow within a rapidly evolving landscape where infrastructure, innovation and resource security are deeply intertwined.

Strategic shifts – rethinking global operations and security

32%

of global businesses plan to review the security of their overseas operations – up from **23%** in 2024.

30%

want to reconfigure their business model – up from **23%** in 2024.

“

We are supporting clients as they navigate complex global risks – whether it's investing in regions rich in critical minerals or responding to shifting geopolitical dynamics. Political risk and trade credit insurance help protect those investments and enable strategic growth in uncertain environments.”



Roddy Barnett
Head of Political Risks & Trade Credit
Beazley

And in this resource race, even the sky is not out of reach. The Moon, long a canvas for dreams, is now being considered in the supply chain and mapped for mining.¹³ Cables, minerals and ambition trace new paths across its surface as it becomes a realistic part of long-term energy strategy.

“

We are going to see a flurry of activity on the Moon, both governmental and commercial, in the next few years. And the ability to manufacture in space, will be the next thing.”



Denis Bensoussan
Head of Space
Beazley

And as for energy ... just as oil reshaped global power in the 1970s, energy is once again emerging as a strategic lever – this time in the form of electrified operations, AI infrastructure, and digital ecosystems.

The question isn't whether energy matters, but how much of a competitive edge it can offer. Businesses that secure resilient, reliable energy won't just manage risk better – they'll be positioned to scale, innovate and compete. Energy access could become as powerful a competitive differentiator as intellectual property (IP) or research and development (R&D) strength.

But speed without strategy is risky. Without strong governance and protection, energy assets can shift from advantage to liability.

Case study

The fusion frontier: Why early movers gain the energy edge

Exploring the problem – Star power, earthbound

Fusion energy could solve one of humanity's biggest challenges: clean, limitless power.

It's safe, produces no greenhouse gases, and its fuel – extracted from water and lithium – is abundant. Unlike fossil fuels, it doesn't pollute. Unlike nuclear fission, it doesn't risk meltdown¹⁴ or long-lived radioactive waste. The International Atomic Energy Agency even calls it "inherently safe."¹⁵

But here's the catch: replicating the Sun's power on Earth is incredibly hard.

Fusion happens naturally in stars, where hydrogen atoms fuse into helium under extreme heat and pressure, releasing vast energy, including the light and heat that sustains life on Earth.¹⁶ Since the 1960s teams from over 50 countries have been trying to recreate this process. The goal? To sustain a controlled reaction that produces more energy than it consumes.

Progress has been slow – but it's accelerating. Global teams are inching closer to unlocking fusion's potential, turning a cosmic phenomenon into a practical solution for Earth's energy future.

Creating the solution – Shoot for the Moon

Fusion's promise doesn't stop at Earth.

While most experiments use deuterium-tritium¹⁷ – fuel we can source here – helium-3 offers an even cleaner alternative.¹⁸ It produces no radioactive neutrons, but it's rare on Earth and relatively abundant on the Moon. If we can master extraction, transport and reactor design, helium-3 could reshape energy and geopolitics beyond our planet.

“

Until now, space in Europe was effectively a patchwork of national rules that created uncertainty for business and investors. But we are seeing progress, the new EU framework¹⁹, is an example, harmonising laws across member states, closing critical gaps, and giving us a safer, more predictable environment in which to pursue bold ventures. From lunar resource extraction to building the energy systems of the future.”



Denis Bensoussan
Head of Space,
Beazley

Building resilience – Back down to Earth

Fusion energy is no longer science fiction; it's accelerating toward commercial reality.

As net-zero goals and renewable adoption grow²⁰, fusion offers a game-changing solution: near-limitless, zero-carbon baseload power.

This matters because energy-hungry industries like data centres are hitting limits. In Dublin²¹, energy grid strain has led to a moratorium on new builds. Fusion could remove these roadblocks, offering clean, scalable energy that reshapes the global energy map (and the geopolitical map) by reducing reliance on fossil fuels.

For decades, global energy security has hinged on fragile oil and gas routes, powerful petrostates, and fierce resource competition. But fusion energy could change everything. If a country or bloc masters fusion first, it could gain a major strategic and economic edge, reshaping the global balance of power. This is a frontier of intense technological rivalry. Yet, the journey from lab to reality is long and expensive – steep financial hurdles, complex technical barriers and timelines that can stretch decades. Key barriers that can shake investor confidence, even deter it.

But the right insurance partner can make bold ideas more palatable for investors. They have that crucial layer of protection against delays and setbacks. Specialty insurance in particular can help absorb financial risk in these niche areas. By helping to de-risk innovation, insurance is enabling a vital step toward a sustainable future that meets global energy needs.

As fusion nears in commercial reality²², its impact will be broad and deep. Staying informed and planning ahead could be the difference between leading the change – or being left behind.

Fuelling the future

Standout snapshots

Energy autonomy is accelerating

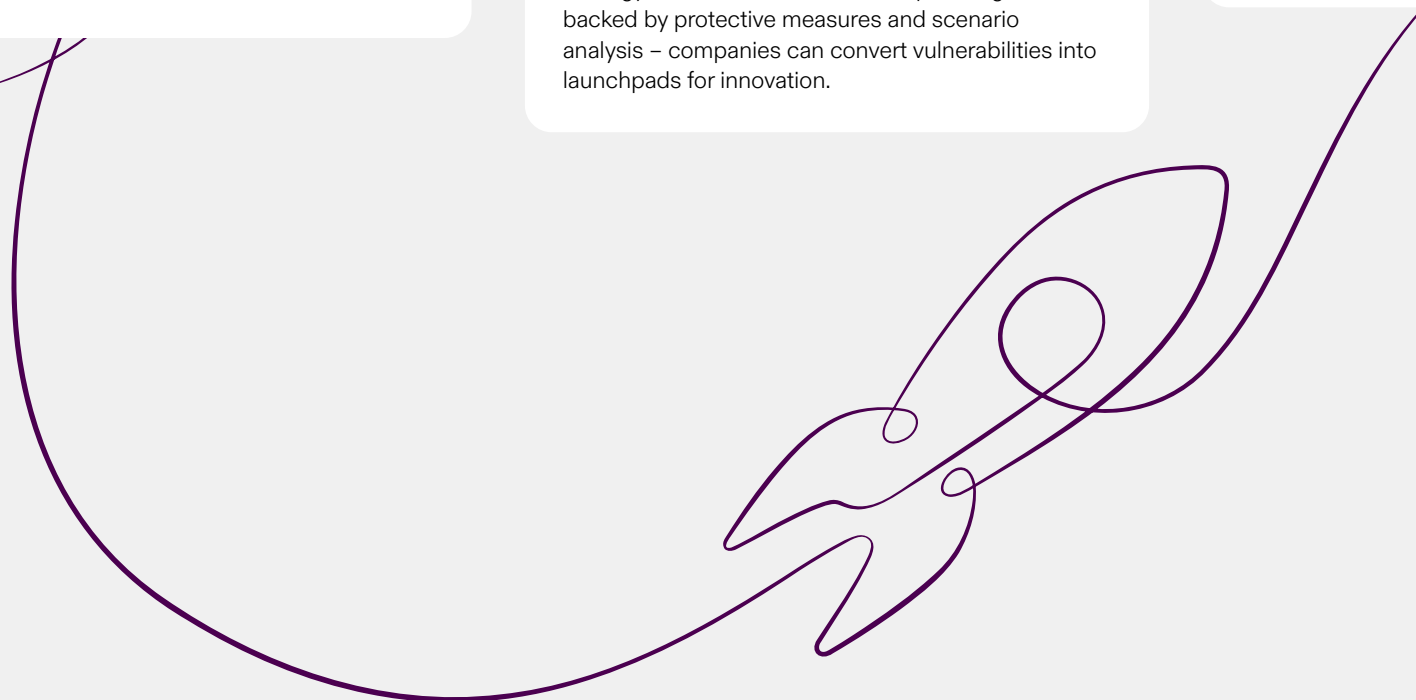
Mid-sized firms are investing in solar, storage, and microgrids – not just to cut costs, but to gain control. Those with diversified energy sources can scale faster, innovate more freely, and enter high-growth markets ahead of the curve.

Control brings new risks

Owning energy assets introduces unique property challenges, climate concerns and operational risks. This as well as cyber threats that demand their own distinct type of cyber resilience. But with energy strategy woven into core business planning – and backed by protective measures and scenario analysis – companies can convert vulnerabilities into launchpads for innovation.

Insurance unlocks expansion

With astute insurance underwriting developing the right cover, energy security and independence can transform a liability into a strategic edge – empowering confident, resilient growth.



Turning headwinds into tailwinds



Built to bend, ready to grow

Resilience used to mean survival, now, it's a pre-emptive strategy. As climate shocks, geopolitical flashpoints, disruptive economic policies and tech-driven shifts converge, volatility can be reimagined. Previously a threat, now it's a signal for strategic action.

But this transition is anything but smooth, especially amid fragmented regulations and economic nationalism.

So now, traditional models around hedging risk are being replaced by resilience-first approaches. That means rethinking the fundamentals:

- Prioritising operational risks
- Diversifying suppliers
- Designing for change and
- Investing in continuity

This is how firms can go from weathering disruption to thriving in uncertainty.

Insurance investment

35%

of global firms plan to invest in risk management strategies and loss prevention measures to help build resilience, compared to just **23%** in January 2024

Reconfiguring for resilience

- **Location strategies:** nearshoring²³ and friendshoring²⁴ is gaining traction, with supply chains shifting closer to politically aligned or logistically stable regions (e.g. US, Mexico, EU–North Africa²⁵) to reduce risk and improve agility.
- **Risk mitigation:** creating regional hubs decentralises operations to avoid bottlenecks when a single site or route is compromised.
- **Visibility and vulnerability:** companies are investing in more detailed supply chain risk management and mapping to uncover vulnerabilities in critical inputs like semiconductors, rare earths, and energy components.
- **Mapping dependencies:** attention is expanding to sub-tier suppliers, especially in strategic areas such as semiconductors, rare earths, and other key manufacturing inputs.

Insurance is evolving to support this shift, offering protection and risk transfer across relocation, business interruption, asset transition, political and trade credit risk management, cyber threats and executive risk insurance to cover exposures.

Political risk on the agenda

By protecting infrastructure, enabling investment, and building resilience, coverage such as political risk insurance can help businesses scale confidently, even in volatile conditions.

“

We're seeing increased demand for political risk and trade credit cover from US and European companies with legacy investments in China. Many are looking to relocate to markets like Vietnam or Cambodia but shifting tariff structures and political risk continue to complicate the picture. The good news is, there's still ample capacity available to support clients as they shift operations to new markets.”



Alex Hill
Claims Focus Group Leader –
Political and Terrorism Claims
Beazley

Recalibrating for growth

As global trade fractures, companies have stopped waiting for stability:

- **Emerging market expansion:** they have moved into underserved markets – ASEAN,²⁶ Africa,²⁷ Latin America²⁸ – not out of idealism, but necessity. Minerals, energy, infrastructure: the basics are all there.
- **Resilience-aligned sustainability:** rethinking supply proximity is aligning resilience with sustainability – reducing transport emissions while increasing control. Supply chains shortened. Not for show, but for control. Less distance meant fewer emissions, fewer surprises.
- **Insurance as enabler:** new insurance models – from parametric supply chain covers, embedded credit risk management and political risk solutions, to developing products for new innovations – are helping businesses invest with greater ease by helping to keep financial risks in check and balance sheets secure, upping financial resilience.

Commercial hope can prevail even when the global economy splinters. Businesses are branching out from simply insulating themselves, they're seizing new opportunity.

Governance in the age of AI and unrest

At the boardroom table and across leadership teams, the ground is shifting. They're exposed – strategically and personally.

From the meteoric rise of AI to the loud rumblings of global unrest, and all the while energy insecurity hums beneath the surface like a fault line – resilience isn't a nice-to-have, it's a governance issue. The pandemic was a warning shot: when foresight fails, directors & officers' liability (D&O) claims rise. And today, boards need to get their house in order to ensure they can demonstrate preparedness so if choppy waters emerge, resilience comes into play, or if claims hit, they have evidence of their foresight and vigilance.

Risk levels remain steady, but perceived resilience is climbing – especially among large firms. Inflation concern holds firm, yet confidence in managing it is growing across the board.

“

We are experiencing a rise in enquiries for broader political violence coverage that goes all the way up to war, not just sabotage and terrorism. There are clients who have never bought this cover before, and they are now desperately wanting to as they are concerned about current levels of geopolitical and economic uncertainty.”



Chris Parker
Head of Political Violence & Deadly
Weapons Protection
Beazley

From risk to readiness: where businesses are investing in resilience during 2025



Resilience and insurance are the steel in the spine of strategy

They are the operational and competitive edge in a world that won't hold still. Strategic resilience, supported by insurance includes:

- Protecting assets and operations during supply chain shifts or manufacturing pivots to help keep transformation on track.
- Shielding investments in volatile jurisdictions, enabling expansion despite shifting policy landscapes and political risks.
- Supporting innovation and bold ideas to enable bankable growth.
- Strengthening strategic moves with financial protection, reducing exposure and unlocking capital confidence.

“

When the water gets choppy, it's the strength of a firm's governance infrastructure and board muscle memory that determines resilience. Having the right experience, committees, processes, and decision-making frameworks in place isn't just operational hygiene – it's strategic armour against whatever crisis comes next.”



Bethany Greenwood

Chief Executive Officer of Beazley Furlong Limited and Group Head of Specialty Risks, Beazley

[Visit the online report](#)

Methodology

About the survey

In January 2025, we partnered with research firm **Opinion Matters** to survey over **3,500 business leaders and insurance buyers** from internationally operating companies based in the **UK, US, Canada, Singapore, France, Germany, and Spain**.

Participants shared their views on insurers and insurance, as well as their perceptions of risk and resilience across four key categories:

- **Geopolitical & Economic Risks:** Strikes, civil unrest, regulatory changes, economic uncertainty, inflation, war, and terrorism.
- **Business Risks:** Supply chain instability, business interruption, boardroom risk, crime, reputation, employer liability, and ESG compliance.
- **Environmental Risks:** Climate change, catastrophic events, environmental damage, emissions, pandemics, and energy transition.
- **Cyber & Technology Risks:** Disruption threats, technological lag, cyber security threats, and intellectual property risks.

Respondents represented a range of company sizes, from US\$/CA\$/SG\$/GB£/EUR€ **250,000 to over 1 billion** in annual revenue, across all surveyed markets.

Each country included a minimum of **50 respondents per industry sector**, covering:

- Healthcare & Life Sciences
- Manufacturing, Retail, Wholesale & Food & Beverage
- Real Estate, Commercial Property & Construction
- Hospitality, Entertainment & Leisure (incl. Gaming)
- Financial Institutions & Professional Services
- Energy, Utilities, Mining, Marine & Warehousing
- Public Sector & Education
- Technology, Media & Telecoms
- Transportation, Logistics, Cargo & Aviation

The main survey was conducted between 6th–17th January 2025, with a follow-up survey focused on geopolitical and economic risks conducted between 30th July – 6th August 2025 with the same sample.

This annual **Risk & Resilience Survey** began in 2021 with 1,000 respondents from the UK and US. It expanded to 2,000 in 2022–2023 with the addition of Canada and Singapore, and to 3,500 in 2024 with France, Germany, and Spain.

Contributors

We also conducted a series of qualitative interviews with a range of internal and external experts, and these included:



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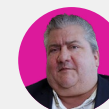
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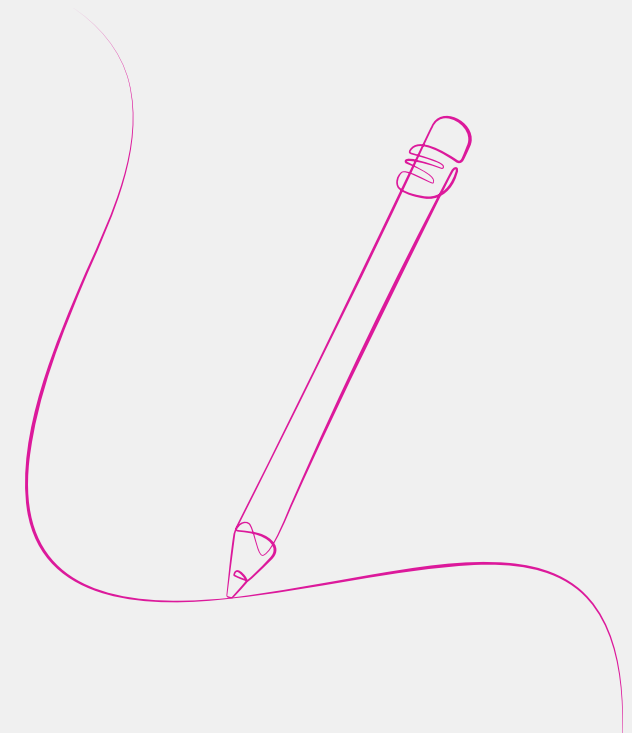
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Beazley plc (BEZ.L), is the parent company of specialist insurance businesses with operations in Europe, North America, Latin America, and Asia. Beazley manages seven Lloyd's syndicates and, in 2024, underwrote gross premiums worldwide of \$6,164.1million. All Lloyd's syndicates are rated A by A.M. Best.

Beazley's underwriters in the United States focus on writing a range of specialist insurance products. In the admitted market, coverage is provided by Beazley Insurance Company, Inc., an A.M. Best A rated carrier licensed in all 50 states and its subsidiary, Beazley America Insurance Company, Inc. In the surplus lines market, coverage is provided by the Beazley syndicates at Lloyd's, and from 1 January 2024, also from Beazley Excess and Surplus Insurance, Inc.

Beazley's European insurance company, Beazley Insurance dac, is regulated by the Central Bank of Ireland and is A rated by A.M. Best and A+ by Fitch.

Beazley is a market leader in many of its chosen lines, which include Professional Indemnity, Cyber Liability, Property, Marine, Reinsurance, Accident and Life, and Political Risks and Contingency business.

For more information, please go to: beazley.com

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