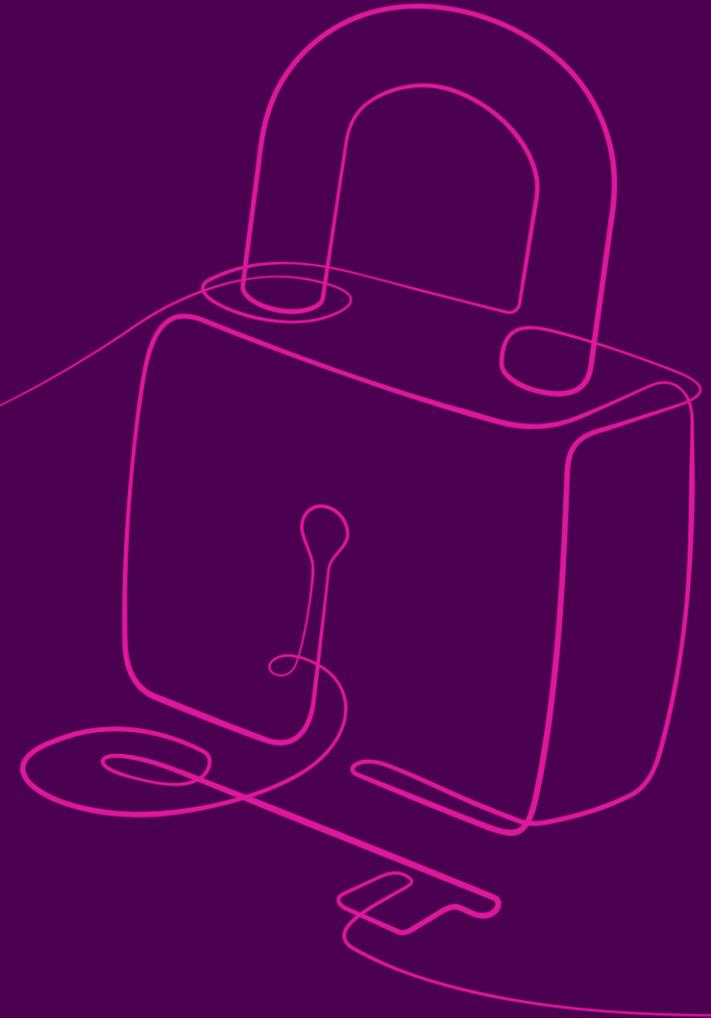


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# Spotlight on Tech Transformation & Cyber Risk 2025

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Global insights



# Our research

## We asked 3,500 business leaders about...

their biggest business **risk** concerns and how **resilient** they feel to the following risks...

- Cyber risk
- Technology disruption risk
- Technology obsolescence risk
- Intellectual property risk

We undertook this research in January 2025 with global business leaders (insurance buyers), from across these different industry sectors:

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

This year's survey was undertaken between 06.01.25 and 17.01.25

In 2021 the survey was undertaken with respondents based in the UK and US. In 2022 and 2023 the sample base also included respondents based in Canada and Singapore, and in 2024 the sample base was expanded to include respondents in France, Germany and Spain.

# Perception

Cyber & tech risk concern is rising, but executives feel more prepared for these risks.

# Reality

Many firms are exposed and unprepared for fast-evolving digital threats.

Global businesses face a **'whack-a-mole'** of cyber and tech risks that demand vigilant, continuous risk management.

Businesses need help employing **defence in depth** strategies to boost their resilience.

**29%**

Selected cyber risks as their greatest threat this year, up from 26% in 2024. Despite this, 83% feel 'prepared'\* to deal with these risks, up from 75% in 2024.

**37%**

Plan to invest in improved cyber security this year, up from 24% in 2024.

**25%**

Ranked tech obsolescence risk as their top cyber & tech threat this year, down from 27% in 2024.

**79%**

Agreed their business is planning to improve its cyber security with its third-party suppliers following high-profile systemic cyber incidents.

**79%**

Agreed that AI will have a positive impact on their business' economic prospects this year, while 66% agreed that AI will replace jobs in their company over the next 18 months.

**23%**

Ranked IP risk as their greatest threat this year – unchanged from 2024, but their sense of resilience to this risk has increased with just 17% feeling unprepared\*\* compared to 25% in 2024.

\* Very and moderately prepared answers combined.

\*\* Not very well and not at all prepared answers combined.

# What the data reveals

- Many firms still overestimate their resilience to cyber & tech risk.
- There are many organisations underprepared for a cyber or data breach incident.
- Firms are looking to improve their cyber security.
- Optimism around the business benefits of AI is growing.
- Perception around tech obsolescence and IP risk resilience is rising.

# Report takeaways

## For brokers

- 1. Cyber resilience is more than insurance cover**  
Businesses need layered cyber security and pre-emptive, responsive and adaptive support to help them pre, during and post a cyber incident, in addition to just buying cyber security insurance.
- 2. First and third-party liability**  
Today's tech interconnectivity creates supplier vulnerabilities resulting in both first and third party liability, ranging from cyber risk and business interruption to D&O claims and loss of reputation.
- 3. Political tensions increase cyber risk**  
As geopolitical tensions rise and relationships shift, so too does cyber risk, as nation state threat actors create new vulnerabilities that cyber criminals can exploit

## For business leaders

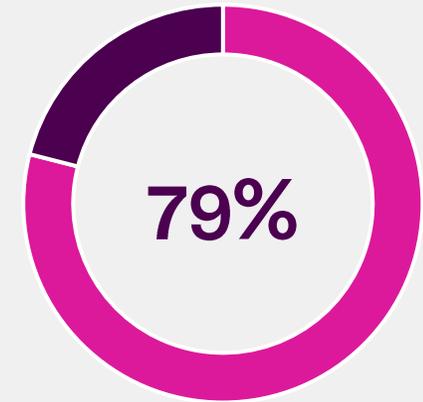
- 1. A growing concern for shareholders**  
As cyber risk grows so too does the risk of disruption and reputational harm. Poor cyber security decisions now face greater scrutiny, exposing firms to legal, financial and operational consequences.
- 2. All eyes on IP and data privacy**  
National IP and data privacy regulations are fragmented and create risks for firms operating internationally who might inadvertently fall foul of new legislation.
- 3. Harnessing the power of AI**  
With global executives planning to invest in new technologies this year, many firms need to stay alert to best practice and evolving AI-related risks as they emerge.

# The Cyber Security Mirage

Global businesses face a 'whack-a-mole' of cyber and tech risks

## Vulnerable connections

- Third party supplier cyber risk is escalating, as supply chains become interconnected and increasing vulnerability to cyber attacks.
- Hackers target larger firms through smaller suppliers who may lack the resources to maintain robust cyber security.
- Outsourcing cyber security can create a false sense of security, as it doesn't eliminate the need for:
  - Active employee training
  - Business continuity planning
  - Maintaining internal best practices
  - Defence in depth cyber security



79% of global executives agreed that their business is planning to improve its cyber security with its third-party suppliers following recent high-profile systemic cyber incidents.

# The Cyber Security Mirage

Nation state actors are using cyber as a form of cyber warfare, and AI is making cyber criminals more effective

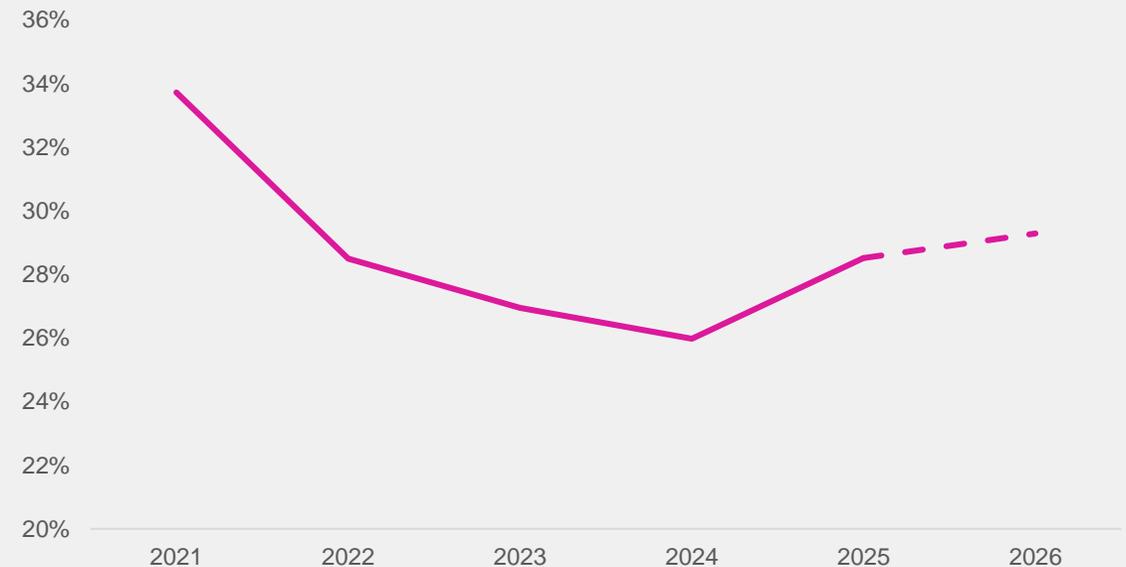
## The intersection of politics and cyber security

- Cyber attacks are now tools of hybrid warfare, used to create disruption and apply political pressure.
- Hacktivists use cyber attacks to push agendas, often lingering in systems and posing a long-term threat.

## Ransomware evolution

- The rise of Edge devices and IoT is giving cyber criminals new entry points into systems.
- AI is helping cybercriminals automate attacks, enhance phishing and create more convincing deepfakes.

## Global concern around cyber risk over time



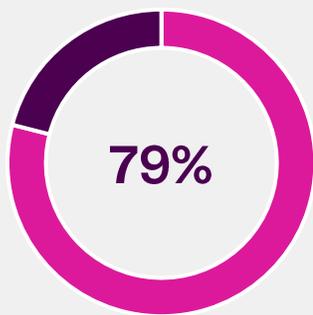
The percentage of global executives who ranked cyber risk - company failure to ensure data privacy or external criminal threat including ransomware or broader systemic threat generating severe business interruption – as their top cyber & technology risk over time.

# Tech Transformation – from code to cognition

AI is forcing businesses to balance its benefits with the need for strong safeguards against emerging risks

## Risk and reward

- AI optimism is surging. Today, the risk of underinvesting in AI outweighs the risk of overinvesting.
- Human oversight is essential to mitigate risks such as copyright infringement, intellectual property violation, bias and defamation.

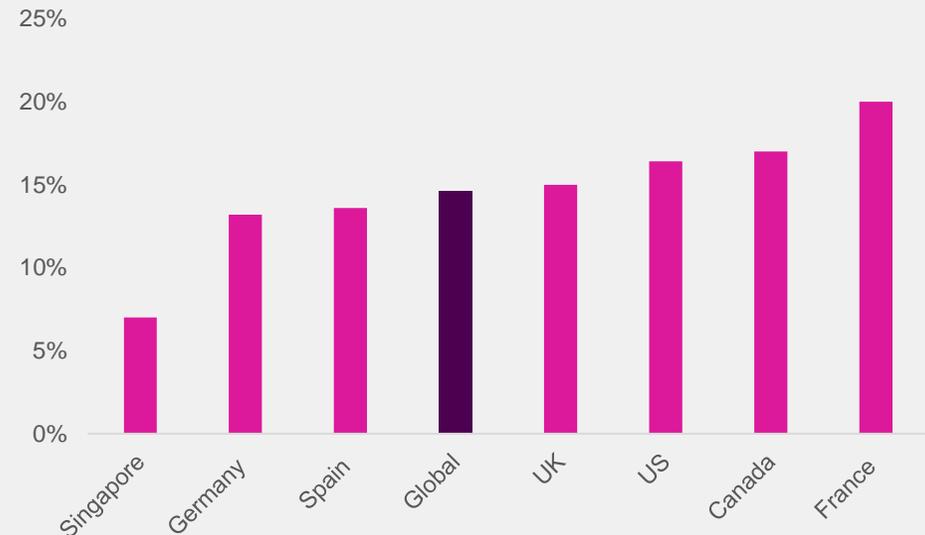


79% of global executives agreed that AI will have a positive impact on their business' economic prospects this year

## Outdated tech

- AI raises concerns about tech obsolescence, disruption, and declining competitiveness.

## Tech obsolescence concern varies by region



The percentage of executives who feel unprepared ('not very well' and 'not at all' prepared answers combined) to anticipate and respond to tech obsolescence risk – the failure to keep pace with changing technology development and opportunities (e.g. Generative AI, IoT and automation); failure to update systems – as their top cyber & technology risk by region.

# Secured or Exposed – IP & data privacy

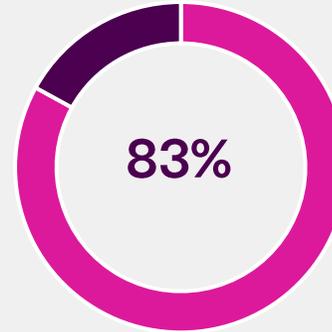
Protecting data and ensuring the security of intellectual property has become increasingly important

## Lurking risks

- Rules around AI and copyright are still unclear, and the risk of theft of existing IP is significant.

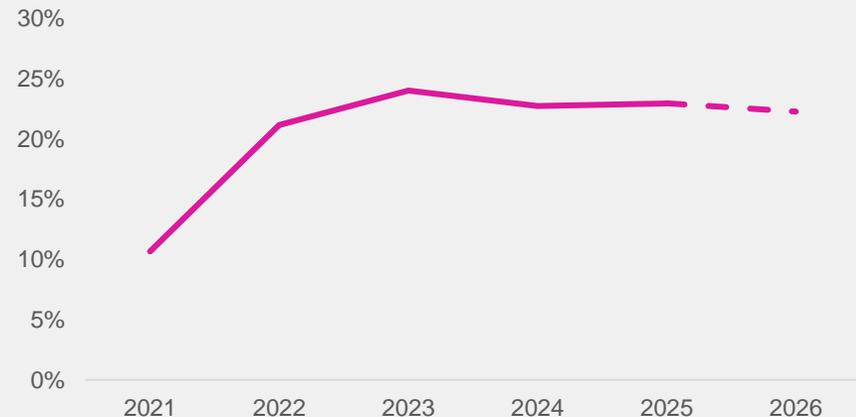
## Regulatory labyrinth

- New national regulations to counter risks around data privacy and IP, are creating additional complexity for international businesses.
- As geopolitical tensions endure, organisations are at risk of IP theft and data breaches from hostile governments.



of global executives have a blind spot around IP risk, with concern rising, but perception of preparedness up from 74% in 2024.

## Concern around IP risk remains elevated



The percentage of global executives who ranked intellectual property risk – the failure to recognise and protect the value of intellectual property assets such as know-how, patents or intangible assets – as their top cyber & technology risk over time.

# Building resilience

The need for a multi layered, defence in depth approach to cyber security has never been greater

## Walls within walls

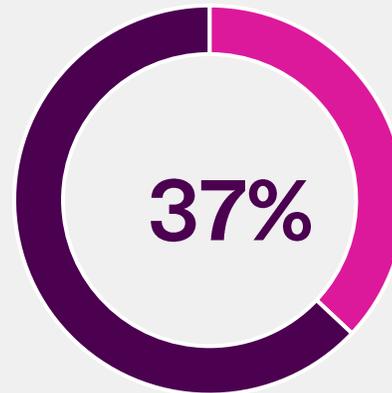
- Ensuring multiple layers of defence to restrict access to systems and data is critical.
- Organisations need a tailored, defence in depth strategy that reflects their unique supply chain and risk profile.

## Third party threat

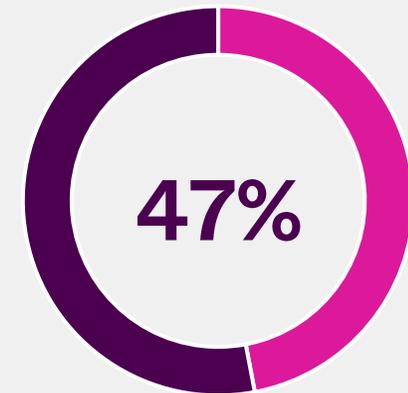
- Vendor contracts can cap liability, leaving firms to shoulder the legal fallout and the financial hit from third-party attacks and disruptions.

## Improving cyber hygiene

- Good cyber security includes a pre-emptive, responsive and adaptive approach to cyber risk mitigation.
- Investment in cyber security can help make an incident less likely as most cyber criminals are looking for the path of least resistance.



of global executives plan to explore insurance options this year, including risk and crisis management

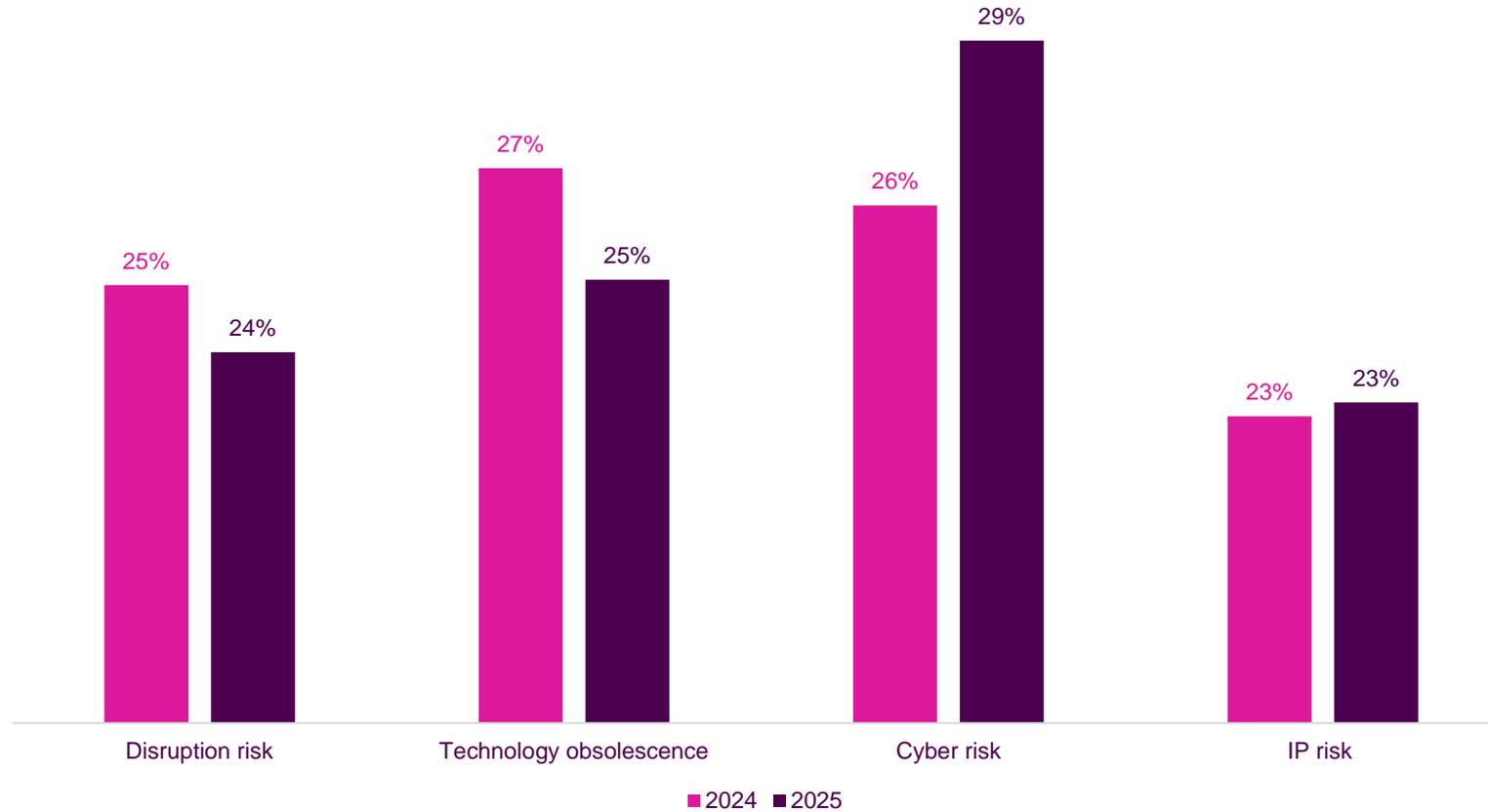


of global executives say their trust in the value of insurance has increased

# Deep dive into the data



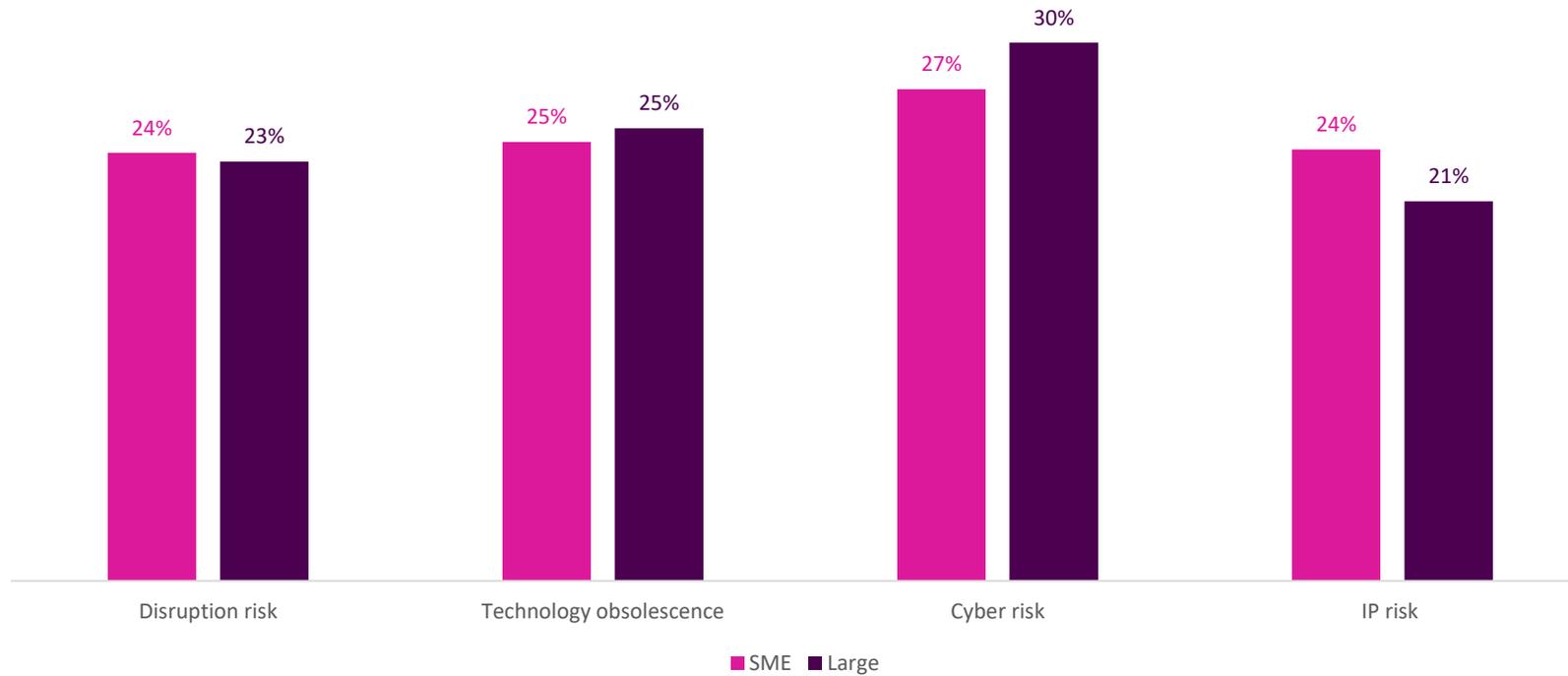
# Cyber & Technology global risk ranking



Percentage of global executives that ranked these cyber & tech risks as their top concern in 2024 and 2025.

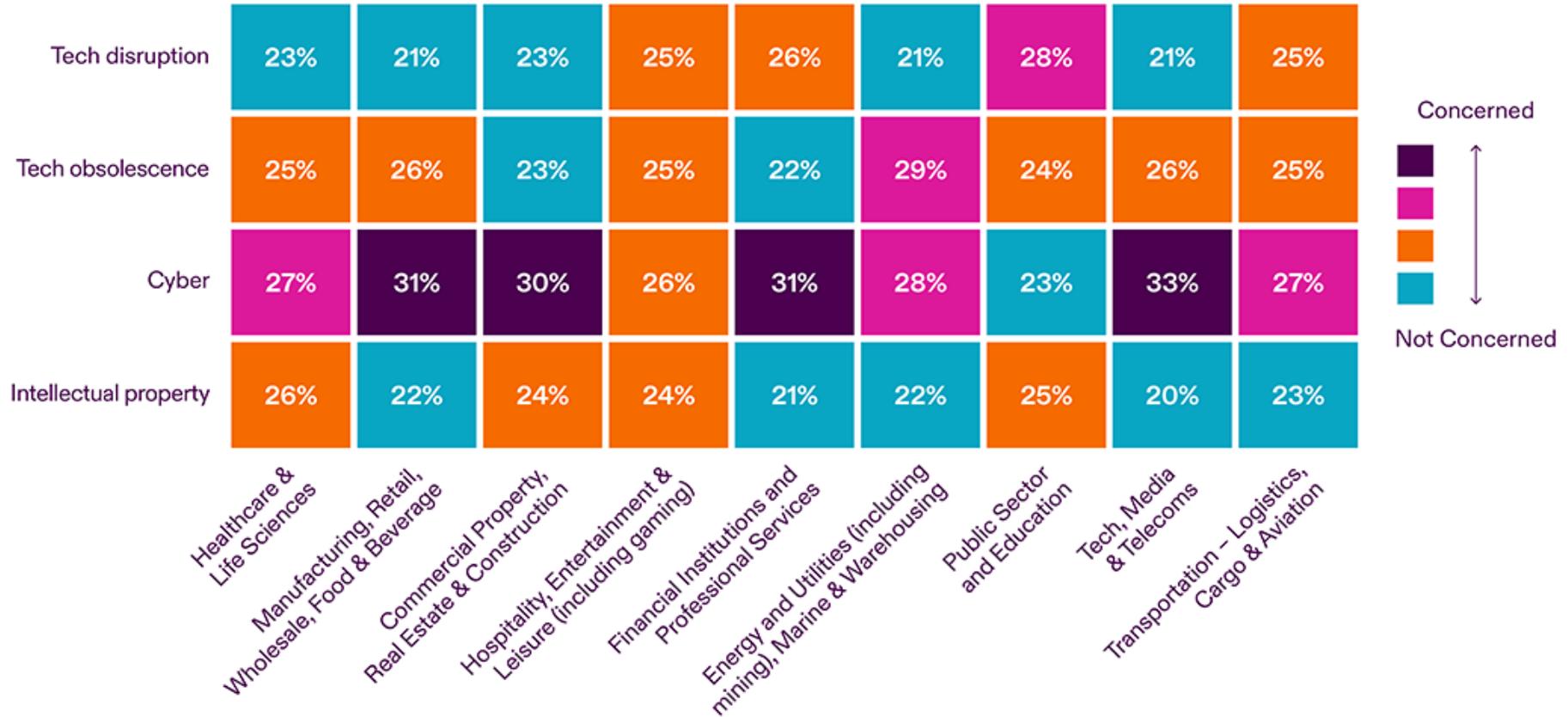
# Cyber & Technology risk concerns

## Small to medium firms vs large firm risk concerns 2025



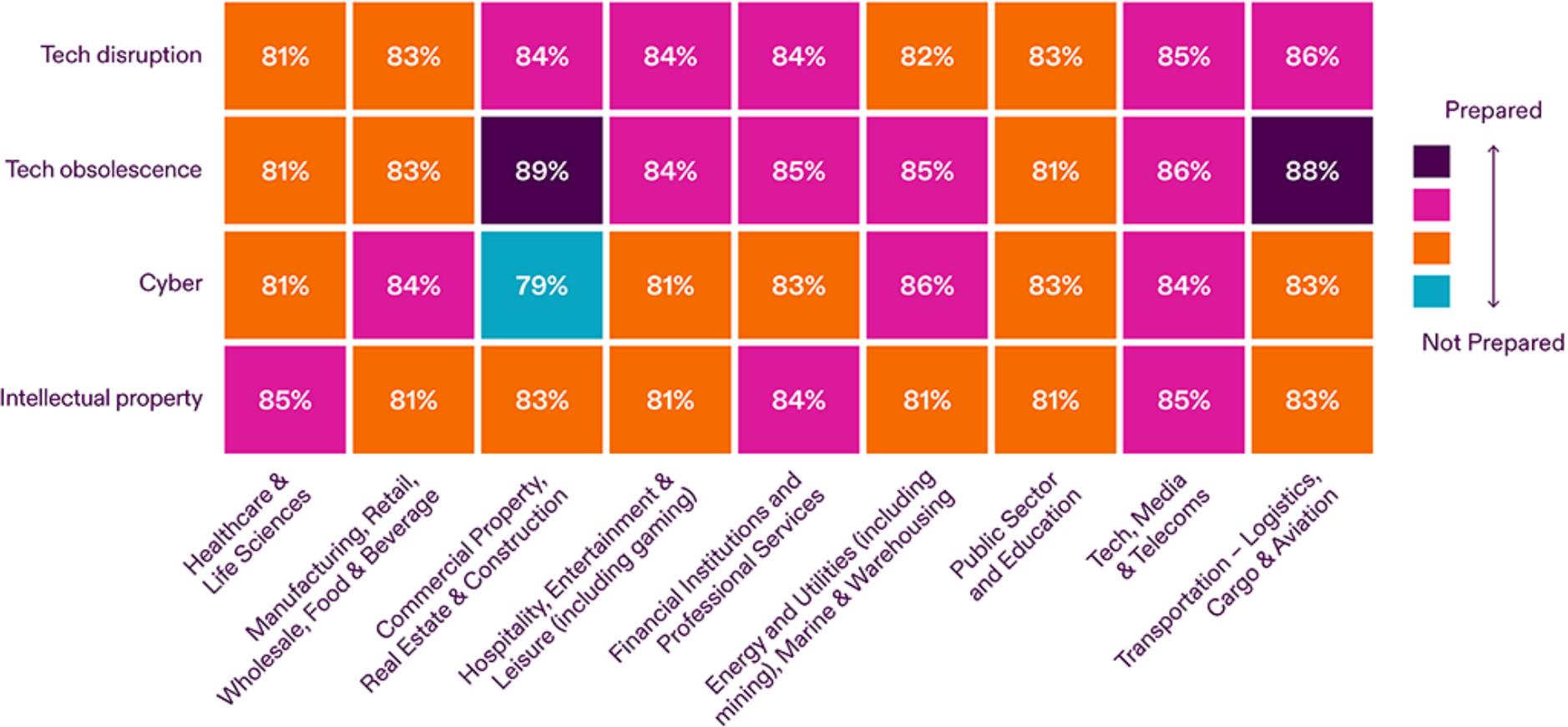
# Global Industry Risk Heatmap

How concerned is your industry about technology & cyber risk?



# Global Industry Resilience Heatmap

How prepared does your industry feel about technology & cyber risk?





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