

LONDON
MARKET
GROUP



LONDON MATTERS → DATA PACK



The London Market remains a significant contributor to the UK economy and global (re)insurance ecosystem and should continue to lead by example

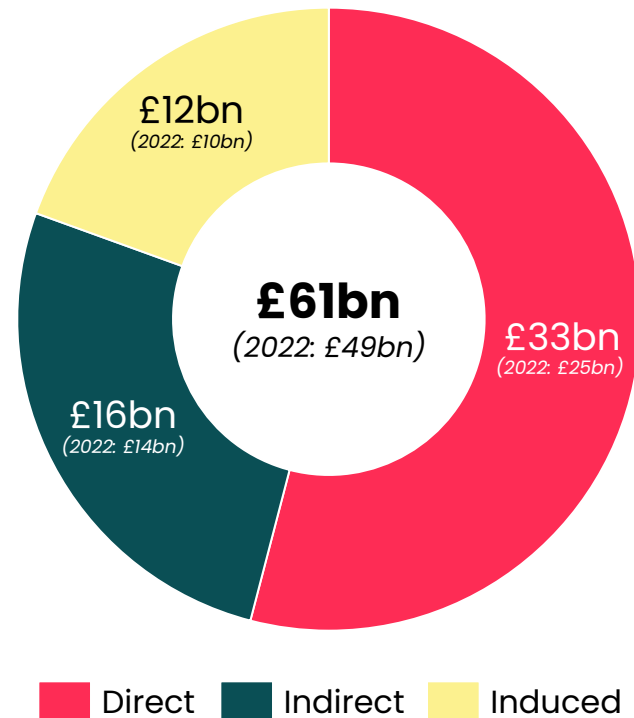
Executive summary

- The London Market uniquely mobilises deep global capital and expertise to de-risk growth, unlock investment and enable recovery after disaster
- It is a **crucial driver of growth** across “The City”, London and the UK
 - It contributes **£61bn to the UK GDP**, which is c.2.1% of the UK economy or equal to the UK defence budget for 2025, and 37% of “the City” GDP
 - It supports **c.61k people**, 67% of which are based in London. Up from c.59k in 2022 and lowering concentration in London (previously 74%)
- The London Market also **supports the wider domestic and global economy** through the claims it pays out, supporting economic resilience and investment
- The London Market is still growing and has doubled in size over the last c.10 years
 - It is worth **\$187bn in GWP**, up 17% from 2022 and doubling since 2015
 - All **major segments are growing** with Lloyd’s, the Company Market and London brokered business increasing
- The London Market has outpaced global market growth, increasing its overall share to 8.7% in 2024, up from 8.2% in 2022
 - This was driven by its growing share of **reinsurance**, which increased from 13.0% in 2022 to **16.1%**
 - Its share of **commercial insurance** remained stable at **7.0%** from 2022
 - London consolidated its dominance in **specialty insurance**, increasing its share from 43.0% in 2022 to **45.4%**
 - **Casualty and Financial Lines** share dropped from 7.2% in 2022 to **6.4%** while **property** share increased from 8.8% in 2022 to **9.1%**
- Despite its position as a global market leader and anchor to the UK economy, the London Market cannot be complacent and needs to continue to generate growth
 - **Cyber, AI and energy security** can generate significant further demand for the London Market
 - The London Market needs the requisite infrastructure to support this demand by attracting more **alternative capital**, ensuring there are enough **FTEs** and building a proportionate **regulatory environment**, that is constantly improving

The London Market remains a significant contributor to the UK economy

London Market's Gross Domestic Product contribution, £bn

2024 GDP impact^{1,2}



% of UK GDP

2.1%

(2022: 2.0%)*

% of London GDP⁴

9.4%

(2022: 8.5%)*

% of "the City" GDP⁵

37.0%

(2022: 32.2%)*

**Reported figures from 2024 London Matters Report*

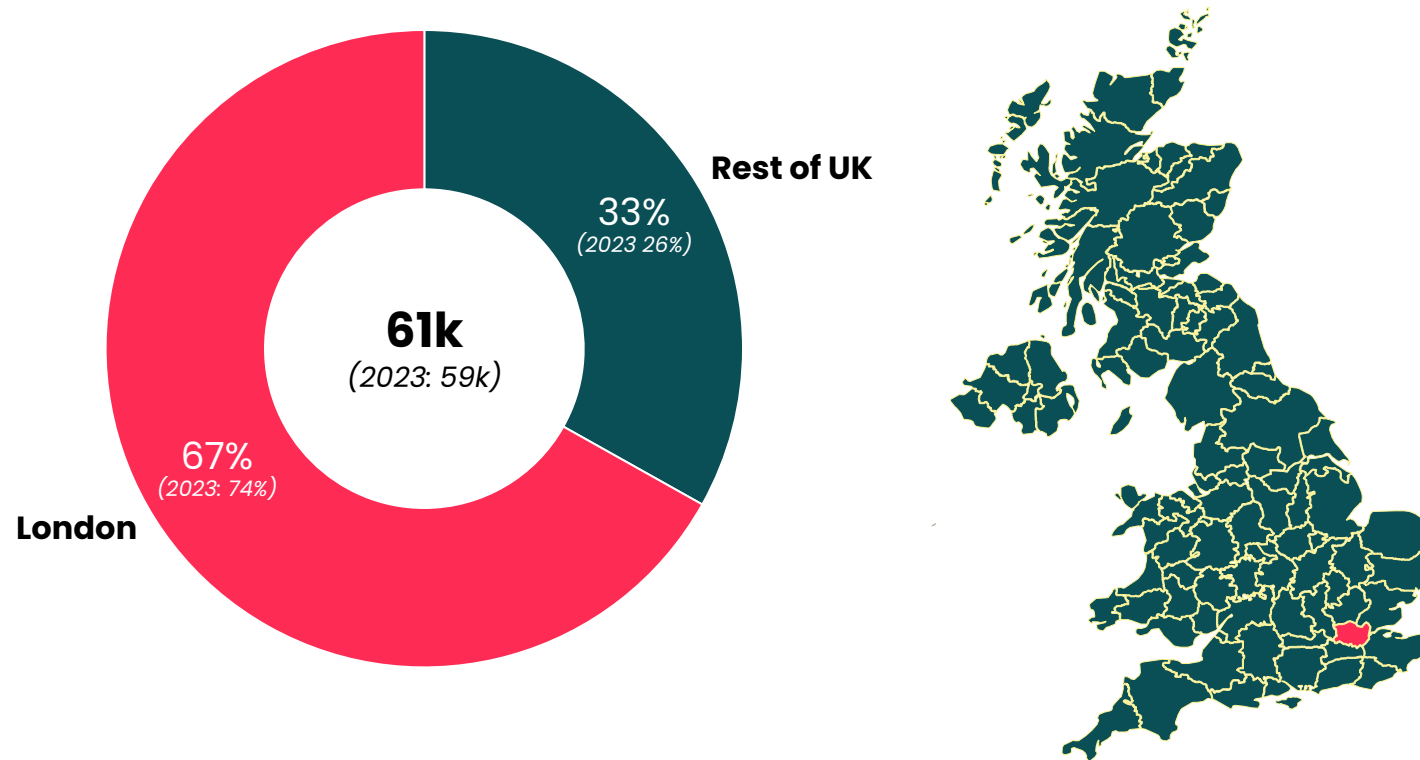
Note: 1) 2024 update assumes a smooth effect of profit contribution to Gross Value Added based on the 5-year average loss ratio; 2) Indirect and induced effects for 2024 impacts are based upon latest ONS Supply-Use Tables, which represents 2022 actuals; 3) Employment levels for Brokers and Managing Agents are based on 2025 Market Policies and Practices Survey location data IUA survey. The data for this MP&P is accurate as of 31 December 2024; 4) London GDP has been estimated based on UK GDP growth rate (4.8%); 5) The geography of "The City" relates to the local authorities of Camden, Tower Hamlets and Westminster & City of London

Source: ONS, Lloyd's Annual Reports, 2025 MP&P Survey, IUA Carrier Survey, UK Companies House

The London Market employs most of its workforce in London, yet continues to provide recruitment in other UK regions

Geography of London Market employment

Geographic breakdown of jobs supporting the London Market (2024)

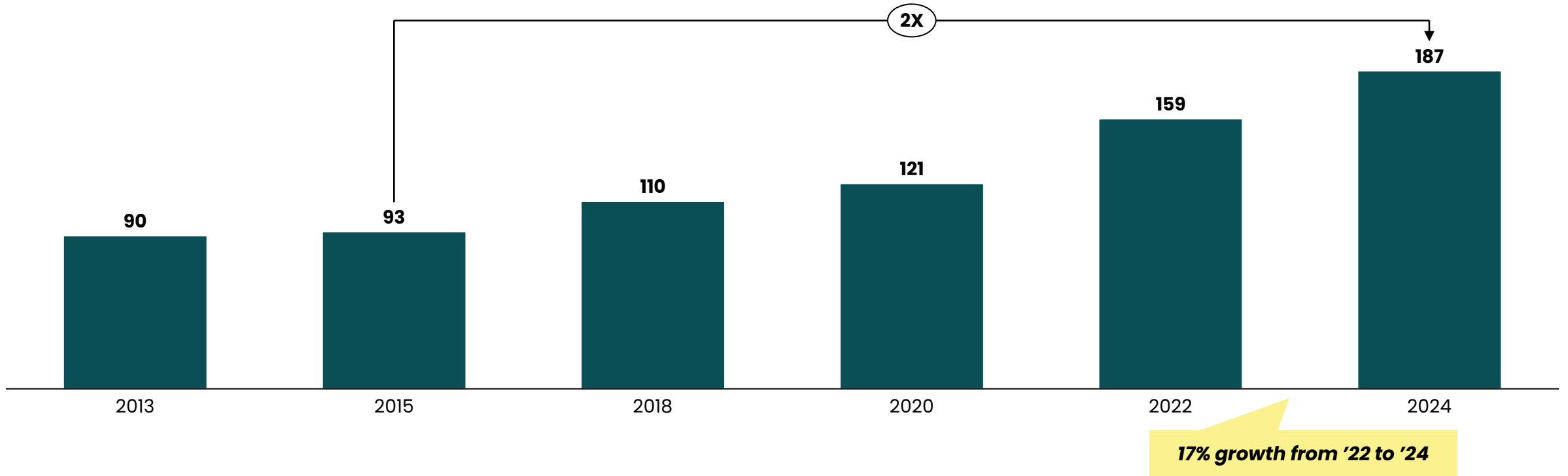


Note: 1) Comparison to 2020 figures was used rather than 2023 figures to demonstrate the difference to a consistent benchmark
Source: Based on Lloyd's Market Policies and Practices 2025, weighted by company size

The London Market has doubled its premium in 10 years

Growth of London Market gross written premium over time, \$bn

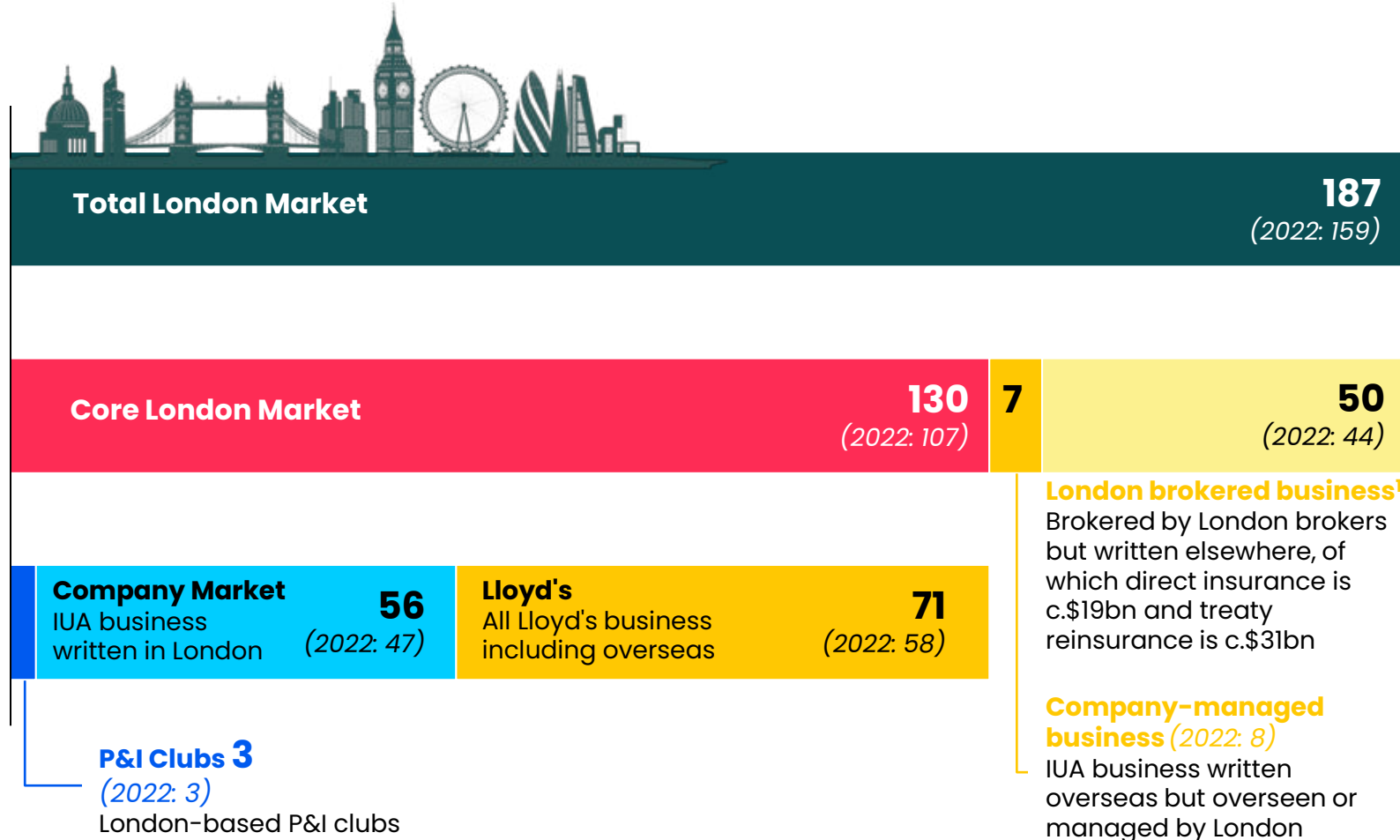
London Market gross written premium, \$bn, (including written overseas but overseen, managed or brokered by London-based teams)



Note: 1) London Market premium managed via brokers obtained via survey responses received from London Market brokers, grossed up to estimate premium from non-respondents
Source: Lloyd's, IUA, Tysers P&I Report, London Market broker survey

The London Market grew to c. \$187bn GWP in 2024, a 17% increase since 2022

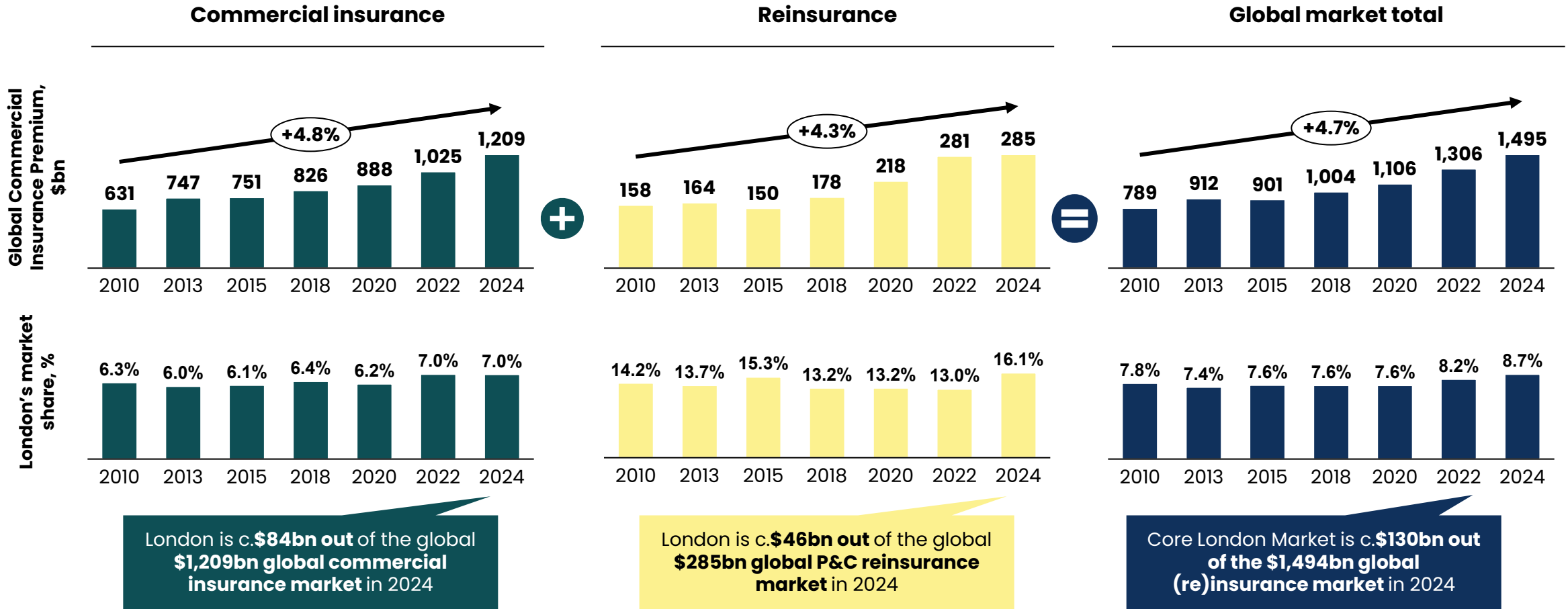
London Market gross written premium in 2024, \$bn



Note: 1) London Market premium managed via brokers obtained via survey responses received from London Market brokers, grossed up to estimate premium from non-respondents, data subject to rounding errors
 Source: Lloyd's, IUA, Tysers P&I Report, London Market broker survey

London's share of the global market has increased to 8.7%, driven by increases in reinsurance

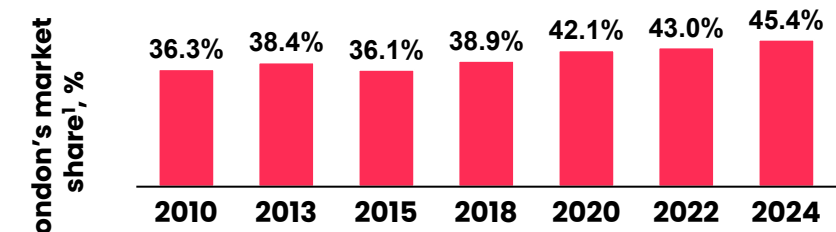
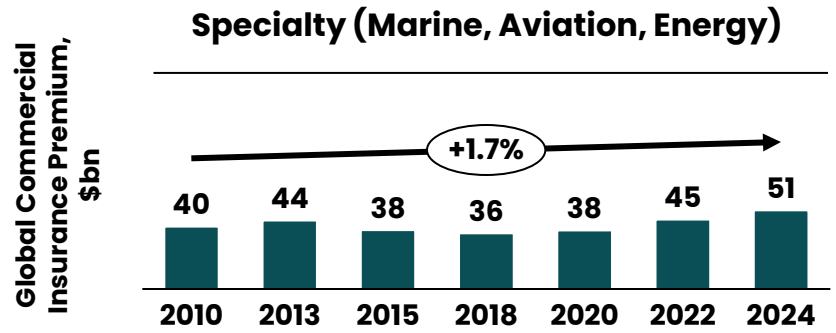
Size of the global (re)insurance market and London Market share^{1,2}, \$bn



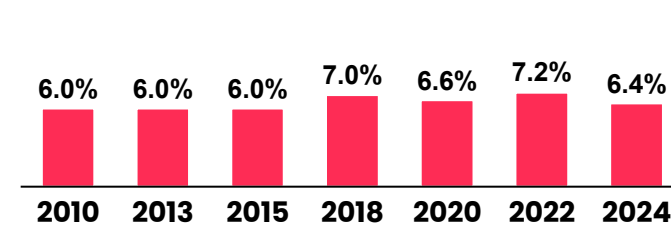
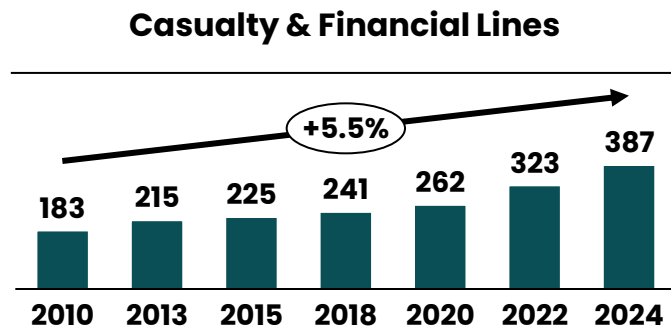
Notes: 1) For London Market, Reinsurance includes all treaty reinsurance, and facultative reinsurance for casualty, motor, property, and other. For aviation, energy and marine, facultative reinsurance is included in commercial insurance as these business types share similar underlying risk characteristics; 2) 2020 figures updated based on new source releases; 2024 figures based on latest available country estimates. | Source: London Market sizing: Lloyd's, IUA, Tysers P&I Report, London Market broker survey, Global Insurance sizing: GlobalData. The commercial insurance share for each country have been calculated by applying a split to the overall premium based upon the GDP levels. GDP levels obtained from World Bank. Global Reinsurance values: Approximated from AM Best, S&P, and research

The London Market continues to gain share across Specialty and Property, but has lost some share on Casualty

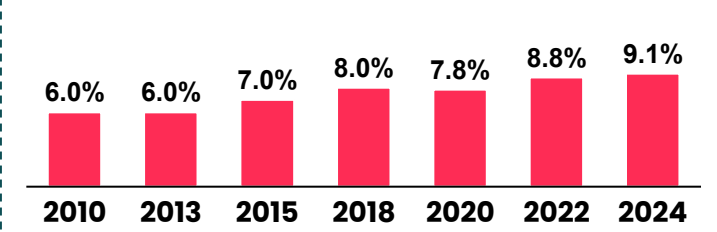
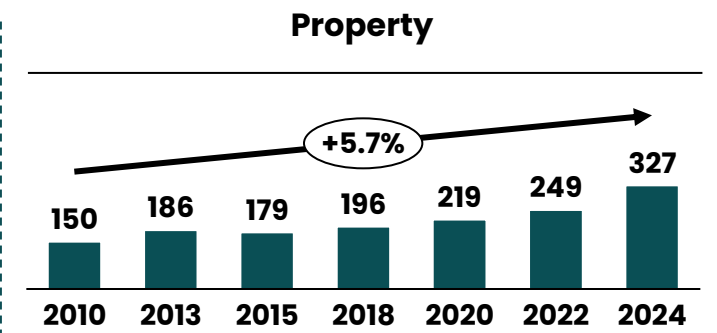
Size of the market by class of business, premiums, \$bn



- London Market Specialty continues to grow at c.9% CAGR in '22-'24 outpacing global specialty market growth of c.6% in the same period
- London's Marine and Energy premium growths in '22-'24 outpaces the global market while aviation lags



- '20-'22: growth was price-led as market hardened with limited capacity, especially in Cyber and D&O (avg. quarterly rate change: c.5% in Casualty and c.22% in FinPro)
- '22-'24: capacity returned, and pricing cooled (avg. quarterly rate change: c.4% in Casualty and c.6% in FinPro)
- London Market grew at 9% CAGR in '20-'24 while global increased at 10%

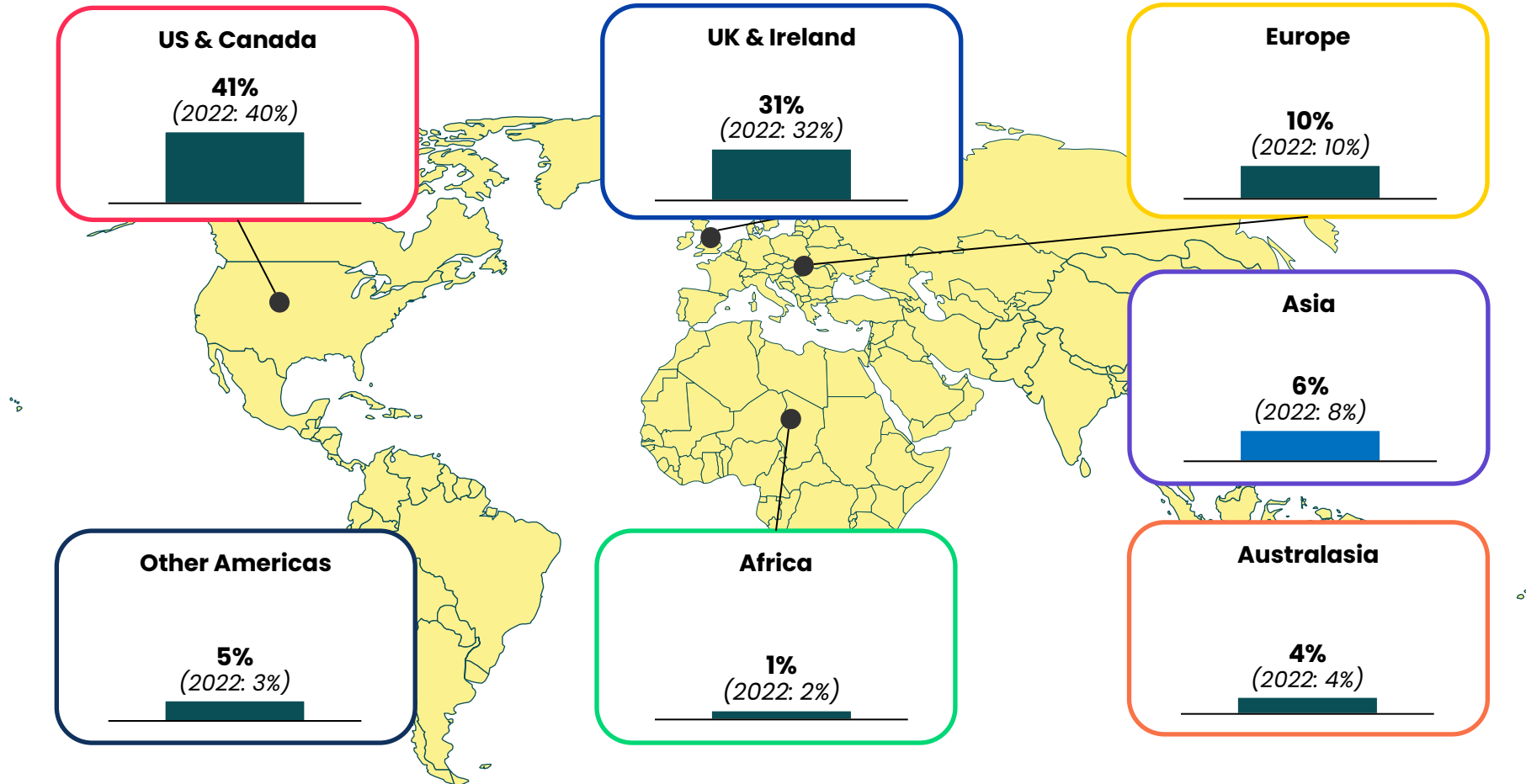


- Continued severe catastrophic weather events since 2020 have driven overall premium growth
- London Market growth of c.17% in '22-'24 – driven by shift of complex international risks into London, notably from North America and Asia – outpaced global growth of c.10%

Source: Global Insurance sizing: Global data, Willis Global Energy Review, IUMI, The commercial insurance share for each country have been calculated by applying a split to the overall premium based upon the GDP levels. GDP levels obtained from World Bank. All London Market excludes reinsurance premium. London Market Sizing Lloyd's, IUA, Tysers P&I Report, Gallagher Marine P&I Pre-renewal Review

The London Market provides expertise to insure risks globally

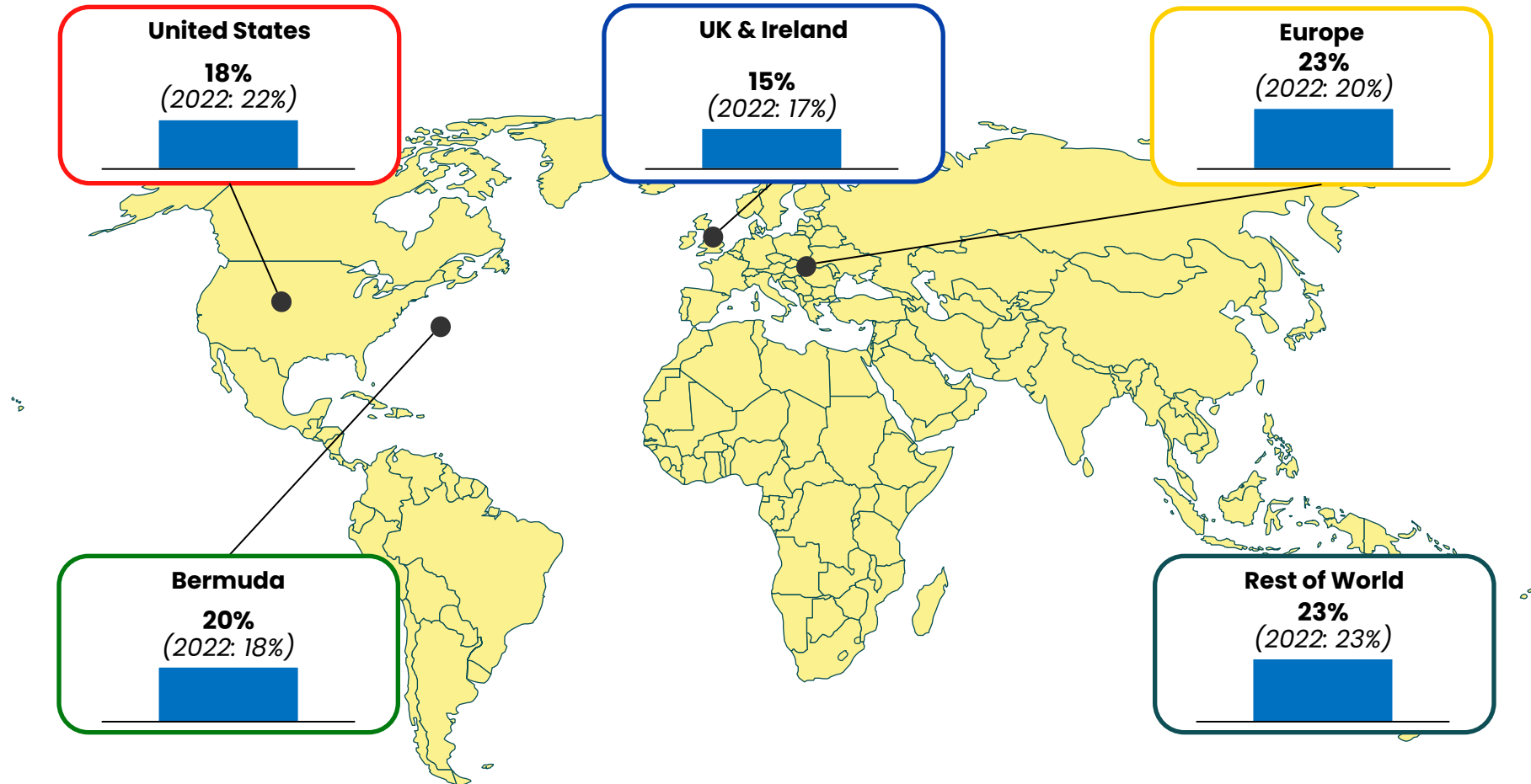
London Market GWP¹ by insured location, 2024 (includes commercial insurance and reinsurance)



Note: 1) Includes Lloyd's and Company Market GWP
Source: London Market Sizing: Lloyd's, IUA, Tysers P&I Report, Gallagher Marine P&I Pre-renewal Review

Capital in the London Market continues to be supplied by a diverse range of global providers

London Market GWP by holding domicile^{1,2}, 2024

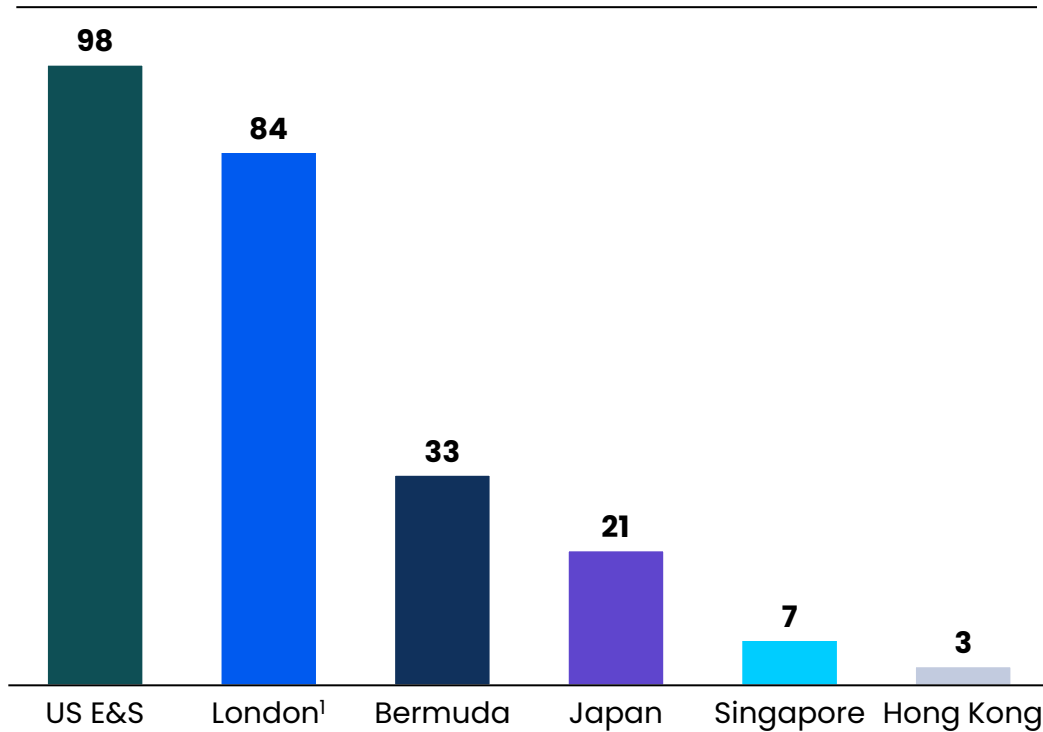


Notes: 1) IUA GWP distribution compiled from IUA single-platform UK entity company reports where available which together amount to c.70% of IUA single-platform (re)insurers; 2) We have assumed that 100% of IUA single-platform UK entity GWP is recorded as IUA GWP (the holding domicile is taken to be the domicile of the UK entity's parent where applicable)
Source: London Market Sizing: Lloyd's, IUA, Tysers P&I Report, Gallagher Marine P&I Pre-renewal Review

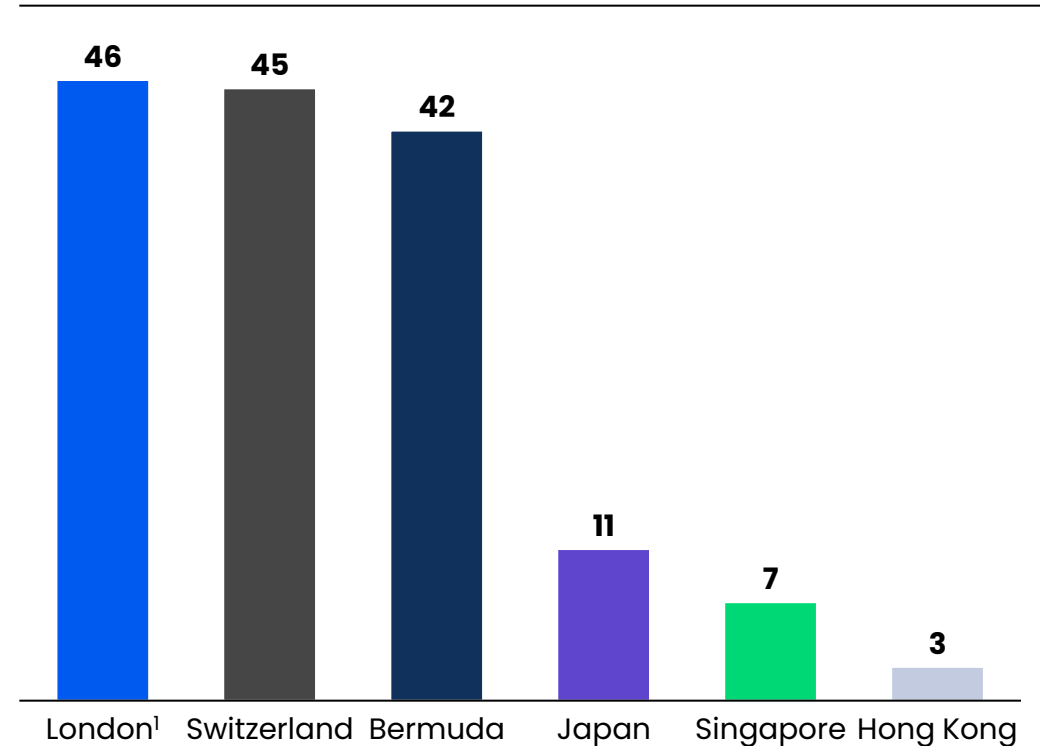
London Market acts as a large hub of direct insurance and reinsurance when compared to other centres in 2024

Global hubs gross premium, \$bn, 2024

Direct Insurance



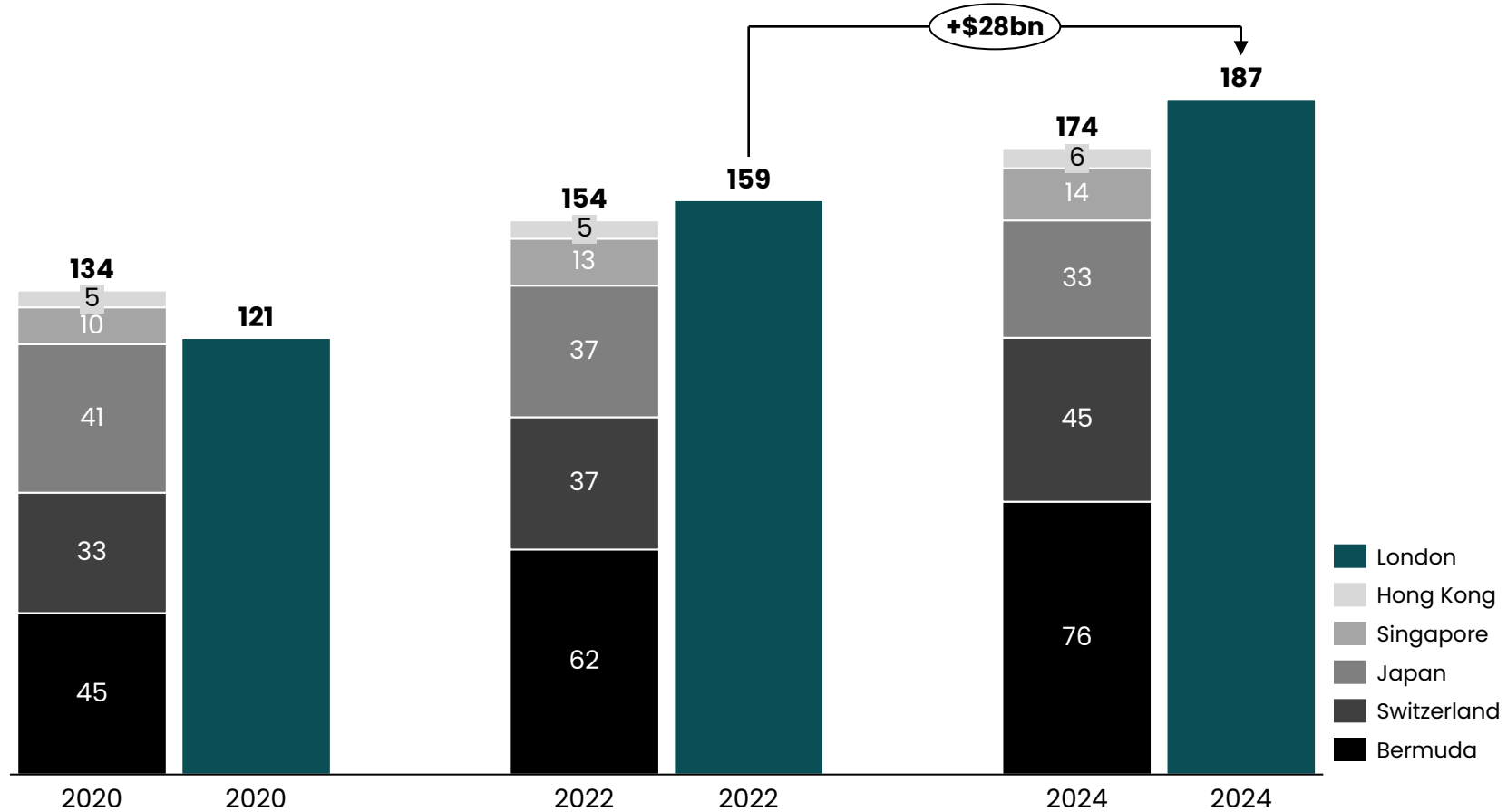
Reinsurance



Note: 1) Excludes E&S premiums written through Lloyd's of London | Source: London Market sizing: Lloyd's, IUA, Tysers P&I Report, Gallagher Marine P&I Pre-renewal Review; Bermuda: BMA, Class 4 insurance and reinsurance. Switzerland: FINMA, Swiss Inwards reinsurance, Singapore: MAS, offshore premium and onshore commercial premium. Hong Kong: Insurance Authority of Hong Kong. US: Direct written premiums S&P; Wholesale & Specialty Insurance Association. Bermuda 2022 figure is estimation based on 2020/21 results. Industry interviews taken place during March-April 2024

London Market is larger than its five closest competitors combined

Global (hubs) gross premiums in 2024, \$bn

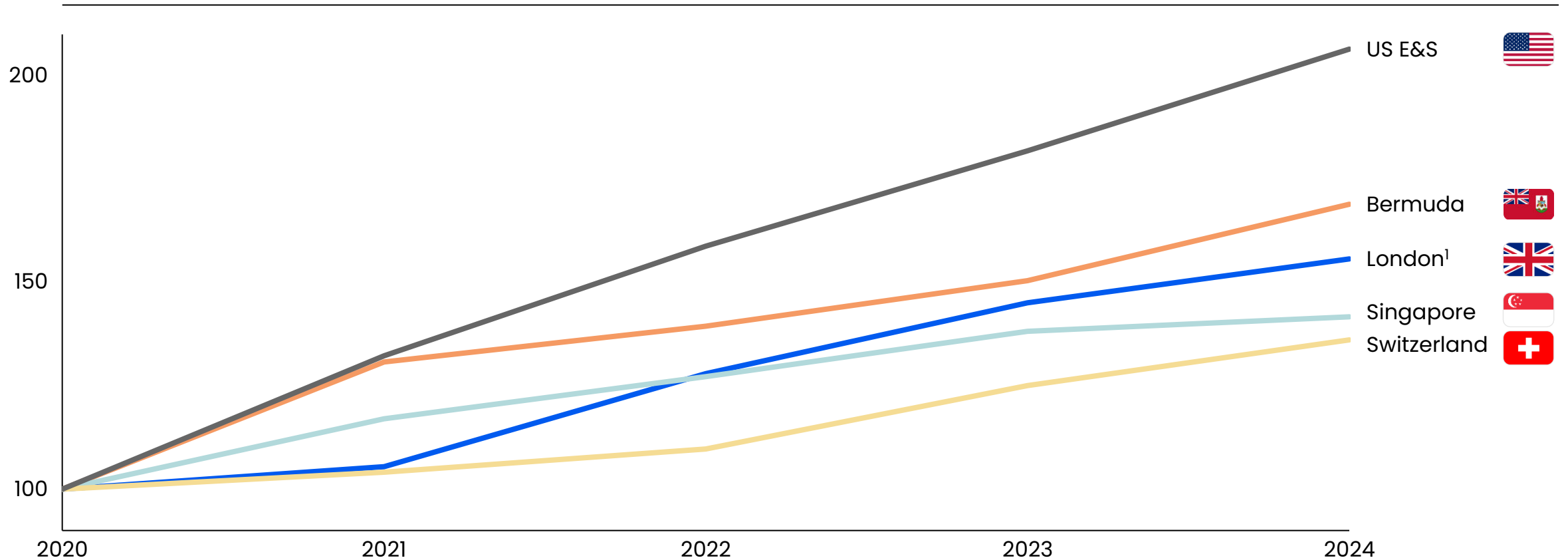


Note: 1) Bermuda and Hong Kong are estimates based on last 5-year CAGR given 2023 figures are latest data available and excludes US E&S
 Source: London Market Sizing Lloyd's, IUA, Tysers P&I Report, Gallagher Marine P&I Pre-renewal Review. Bermuda: BMA, Class 4 insurance and reinsurance. Switzerland: FINMA, Swiss Inwards reinsurance, Singapore: MAS, offshore premium and onshore commercial premium. Hong Kong: Insurance Authority of Hong Kong; Wholesale & Specialty Insurance Association. Bermuda 2022 figure is estimation based on 2020/21 results, Fitch Ratings

London's growth since 2020 has trailed other notable hubs

Growth comparison with other key hubs

Size of key (re)insurance hubs, indexed to 2020 = 100



Note: 1) 'London' refers to Core London Market and excludes E&S premiums written through Lloyd's of London | Source: London Market Sizing Lloyd's, IUA, Tysers P&I Report, Gallagher Marine P&I Pre-renewal Review. Bermuda: BMA, Class 4 insurance and reinsurance. Switzerland: FINMA, Swiss Inwards reinsurance, Singapore: MAS, offshore premium and onshore commercial premium. Hong Kong: Insurance Authority of Hong Kong. US E&S: Direct written premiums S&P, 2022 figures revised based on latest release of new data; Wholesale & Specialty Insurance Association. Bermuda 2022 figure is estimation based on 2020/21 results. Compared to the previous edition, 2020 figures are updated from forecasts to actuals

Where will growth come from?

Key trends and forward-looking innovation for the London Market to capitalise on

Demand-side factors

Where will growth come from?

The following are the key areas for which customers are increasingly demanding greater protection:



Cyber



AI



Energy security



Defence



Data centre construction

The London Market as a sustained **global market leader** that can support future demand



Supported by a sophisticated and agile



Regulatory environment

Deep dives on following pages

Supply-side factors

What are the additional sources of capital that the London Market could target?

A mix of traditional and alternative sources



Alternative capital

How will the workforce support this?

The replacement rate of FTEs will need to be higher to ensure a consistent pipeline of talent can come through



Talent capacity

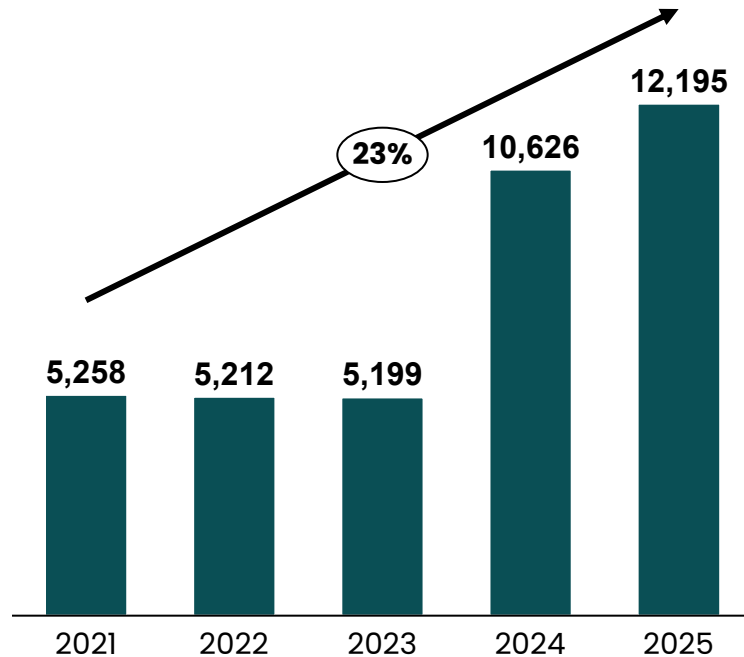
Other factors for consideration but not assessed are technology, changes to pricing, UW, distribution and cost discipline etc.

Growing demand for cyber liability is fuelling growth in London and the US

London Market and cyber (re)insurance

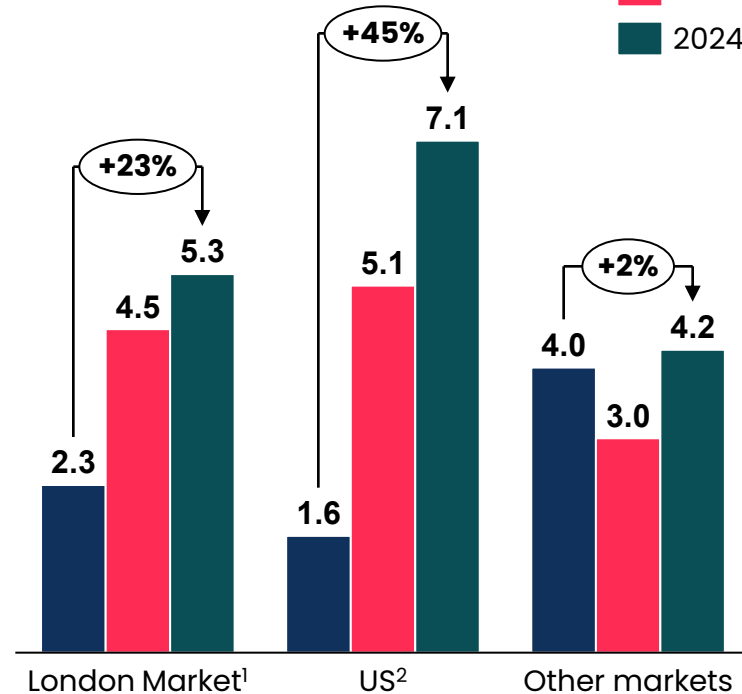
The number of cyber incidents and breaches is significantly increasing...

Number of confirmed global cyber breaches (2021-2025)



...This is driving growth in the London cyber market

Global cyber insurance market size (\$bn, 2020-2024)



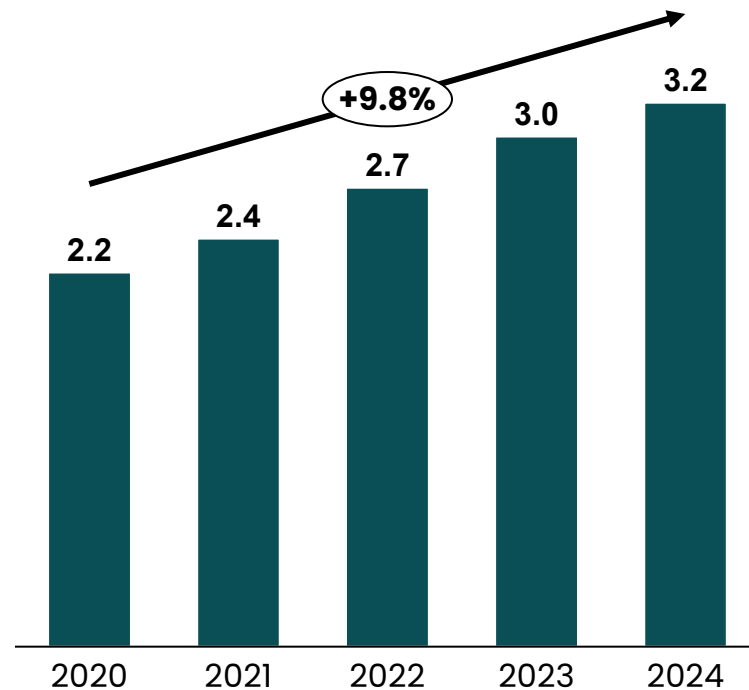
Notes: 1) London Market includes Lloyd's and Company Market (reported via IUA Annual Reports); Lloyd's GWP estimated as c.25% of global cyber GWP as reported in 2017 and 2022; 2) US recorded as direct written premiums; 3) Businesses with at least 250 employees; 4) Businesses with between 10 and 249 employees | Source: Verizon, Lloyd's, IUA, Guy Carpenter, Insurance Insider US, Gov.uk, Aon, Bloomberg, CMC

Record levels of energy investment will be required to maintain energy security; the London Market is well placed to support this

London Market and energy security

Energy is attracting increasing levels of investment...






Global investment in energy (\$trn, 2020-2024)



...This will likely continue, and is driven by many different areas...

- 1 **Renewables** Rapid expansion led by solar and wind, with falling costs and deep pipeline
- 2 **Oil, natural gas and coal** Sustained investment from security-driven spending and LNG¹ projects
- 3 **Energy efficiency and use electrification** Driven by increasing demand for retrofits, heat pumps and EVs
- 4 **Grids and storage** To integrate variable renewables and add resilience
- 5 **Nuclear** Driven by life extensions and new builds of nuclear plants

...The London Market is well placed to support these needs and grow

-  **Scale and influence:** It is the largest global hub and energy projects require significant financing and insurance
-  **Specialisation, depth and expertise:** Unique mix of expertise surrounding new technologies and energy
-  **Market collaboration:** Has the highest global concentration of insurance talent (over 60,000 FTEs)
-  **Risk sharing:** Strong history of sharing risks helps as projects are often too big for a single insurer
-  **Innovation and flexibility:** Culture of innovation and being a first-mover suits underwriting novel projects

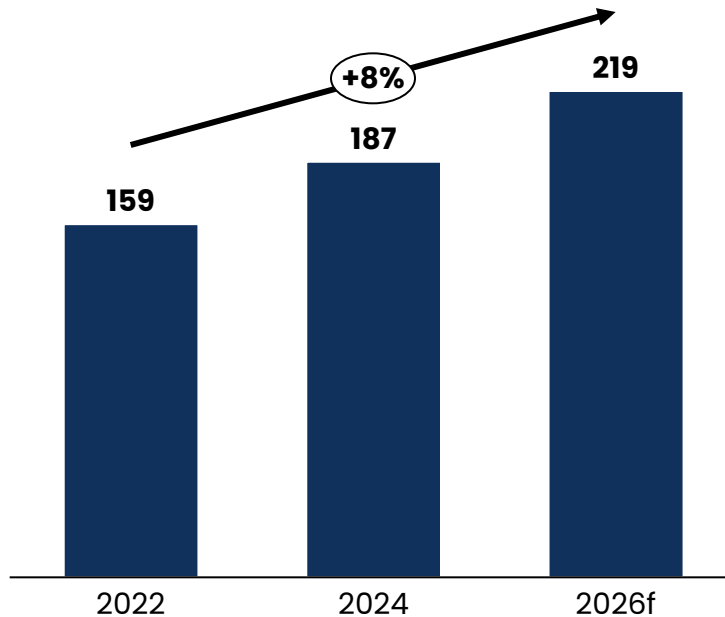
Notes: 1) Liquefied natural gas
Source: International Energy Agency

Additional capital will be required to service this demand

Future capital needs

The London Market will reach c. \$219bn if current growth levels continue...

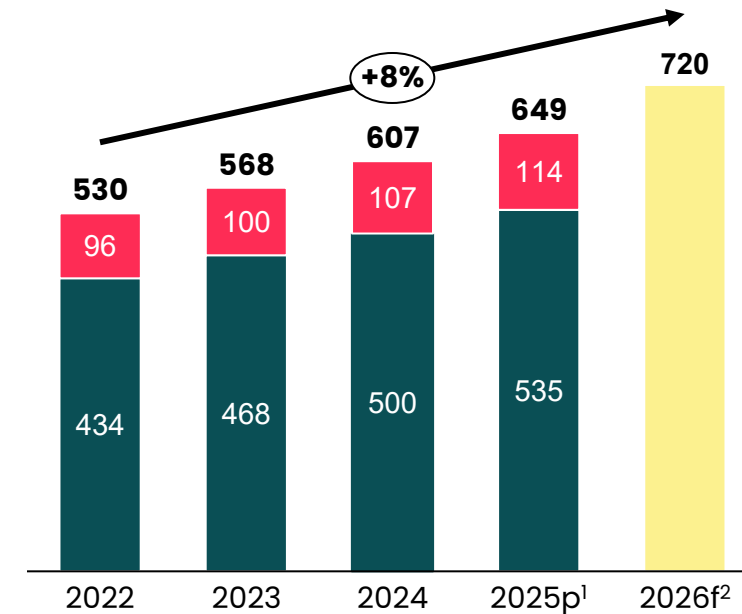
London Market size
(Gross Written Premiums, 2022-2026f)



...Capital needs to continue growing at the same rate to sustain this

Total reinsurance dedicated capital
(\$bn, 2021-2024, 2030f)

■ Traditional capital ■ Alternative capital



Notes:1) As projected by AM Best; 2) If total global capital grows at the same rate as the London Market
Source: Lloyd's, IUA, Tysers P&I Report, London Market broker survey, AM Best

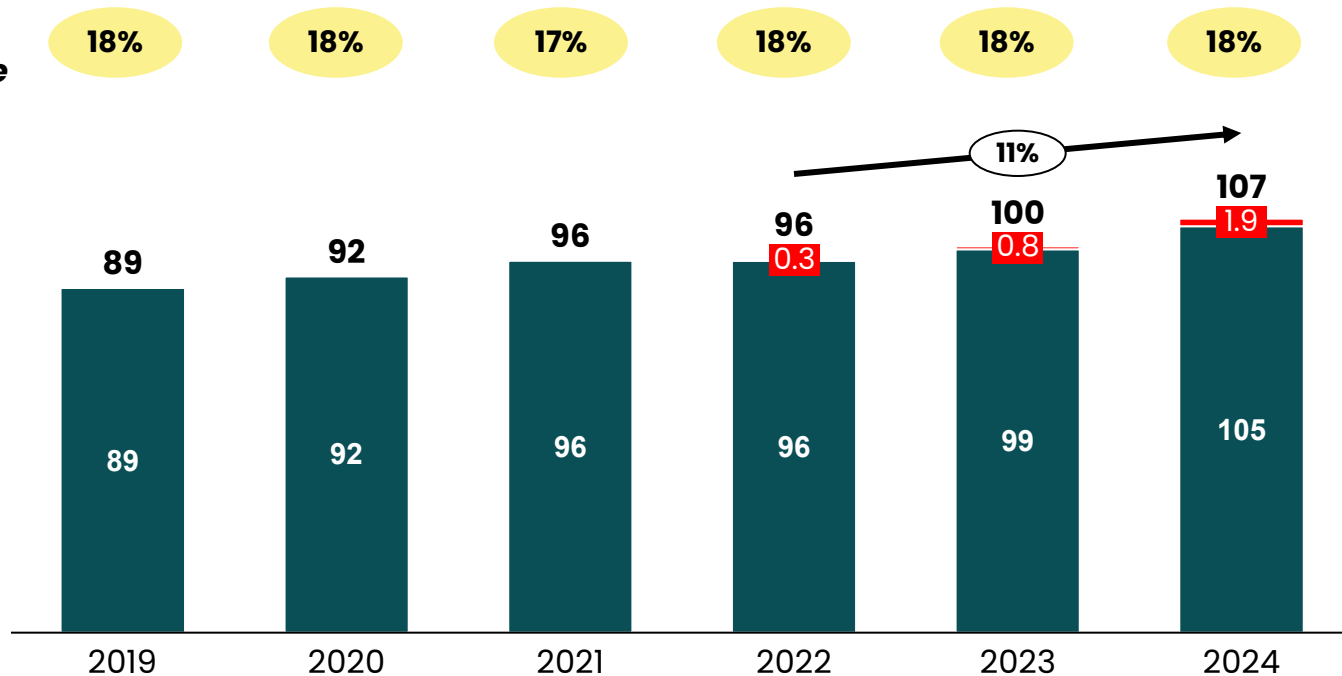
The London Market needs to do more to attract this capital

Alternative sources of capital

Global alternative capital has grown at 11% since 2022, but LB2 remains small

Global dedicated reinsurance capital (\$bn, 2019-2024) ■ London Bridge 2 ■ Alternative Capital

Alternative capital share of total capital



Note: 1) Protected Cell Company
Source: AM Best, Lloyd's, IUA

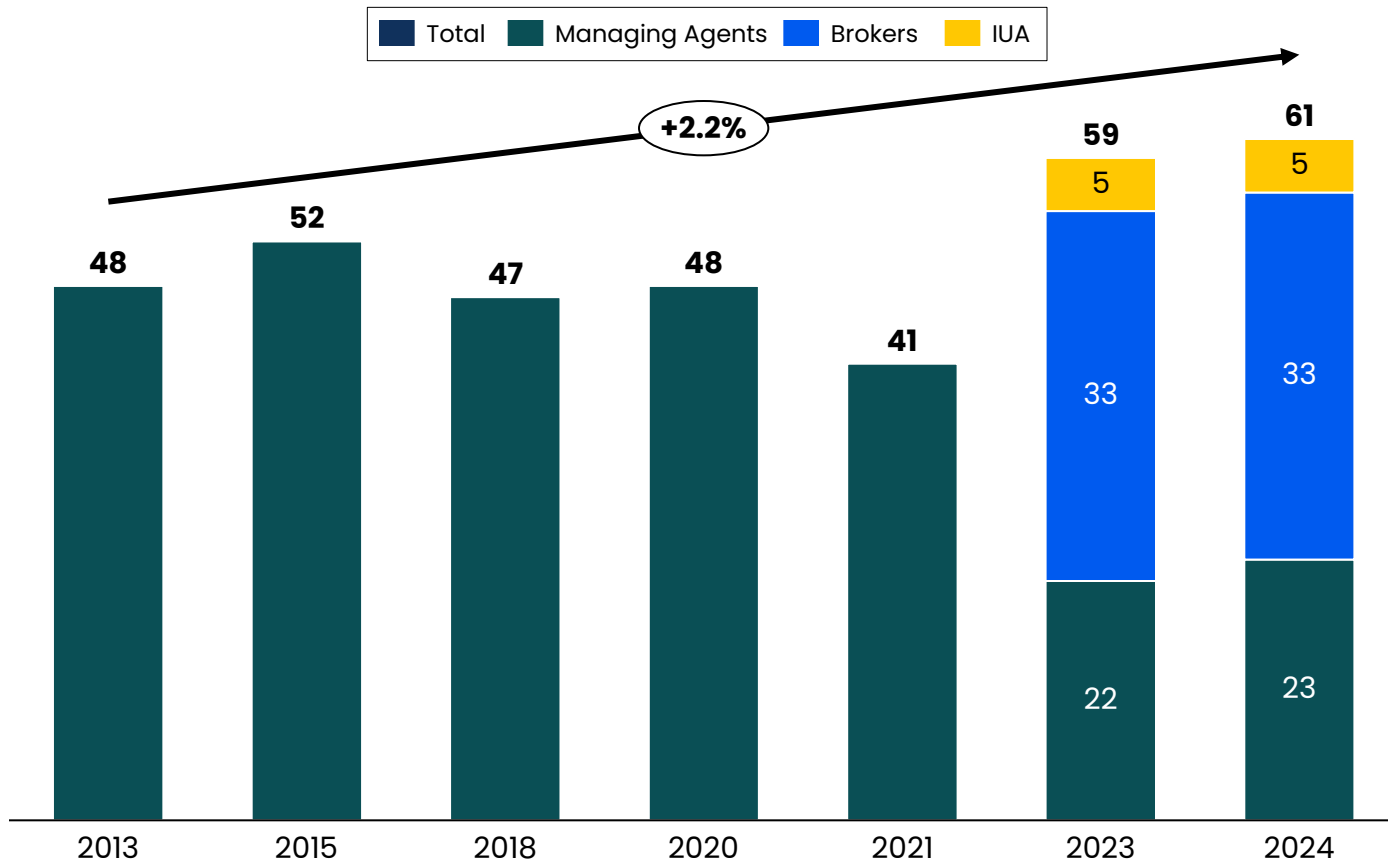
Key takeaways

- The London Market was not present in this space prior to 2022
- **London Bridge 2 (LB2) was launched** in 2022 and has **grown at c.150% per annum to reach c.\$1.9bn** of deployed capital (c.2% of global alternative capital)
 - LB2 has succeeded as it's a **low-friction PCC¹** with predictable approvals, connecting investors to diversified risks
- The London Market needs to build on this success and do more to attract alternative capital through structures such as **captives and ILS**

London Market continues to grow its headcount, with c.61k directly employed, an increase by ~3% from last year's figures

Jobs supporting the London Market

London Market headcount¹ in the UK ('000 employees, 2013-2024)



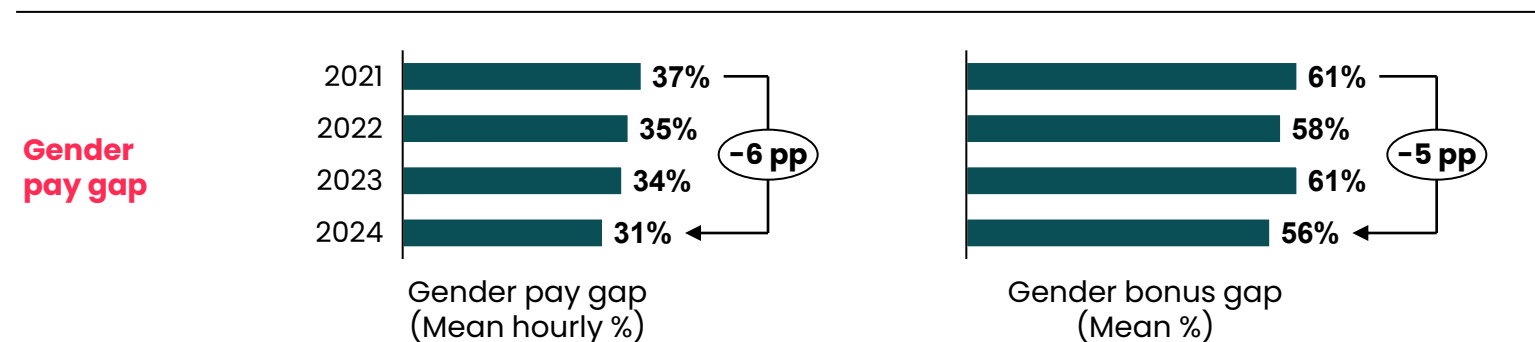
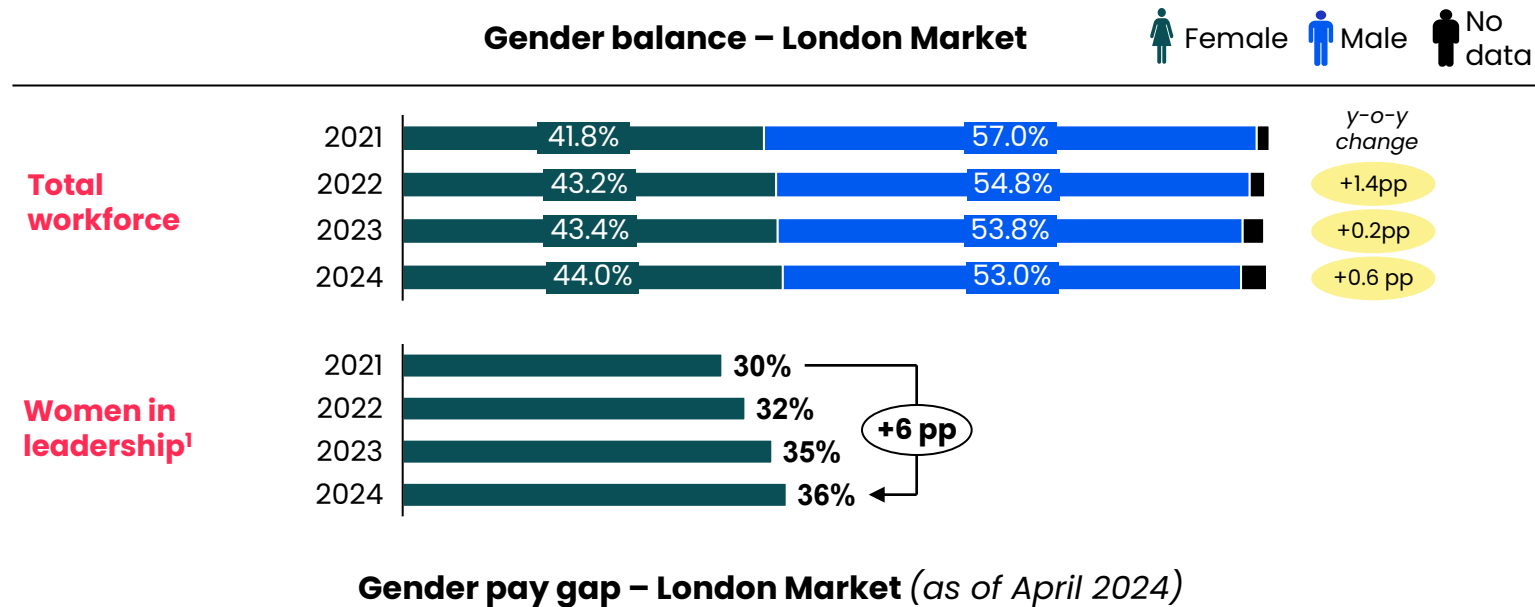
Key takeaways

- In the last 11 years, the **total London Market headcount has grown at a CAGR of 2.2%**.
- **London Market employment fell by 15% in 2021**, akin to Insurance employment as well as a reduction in 2020 vacancies in wider Financial and Insurance.
- Since 2021, post-covid recovery has ushered a significant increase in London Market employment:
 - This **follows global trends** that >33% of global insurers expected to increase headcount in 2022 to manage rising workload in preparation for a boost in business volume
 - This was in part driven by a projected **30% growth in claims vacancies** as insurers were found liable in post-covid legal settlements
 - **UK vacancy figures in the FS and Insurance²** market peaked at 51k in 2022 – which is a leading indicator for jobs filled in 2023.
- In 2024, **c. 950 graduates and apprentices³** were recruited, of which managing agents hired 330 (35%) and brokers hired 526 (55%).

Note: 1) Includes Managing agents, Brokers, and single-platform IUA employees, 2) Includes employees within London and rest of UK, including remote workers. 3) 856 by Lloyd's and 94 by IUA members. 4) Excludes 2022 due to lack of Lloyd's Market Policies and Practices data. Source: Lloyd's Market Policies and Practices 2025, IUA data, VacancySoft, ONS; Global Insurance Survey.

London Market has continued to progress in building a more gender diverse leadership

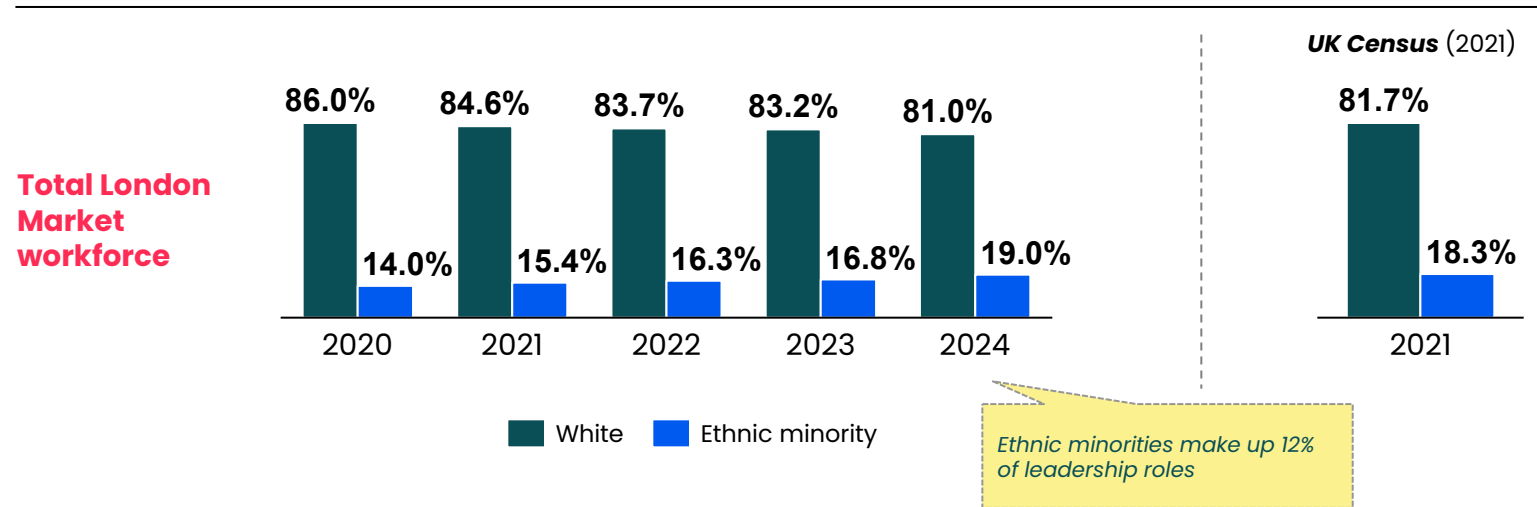
Workforce breakdown by gender



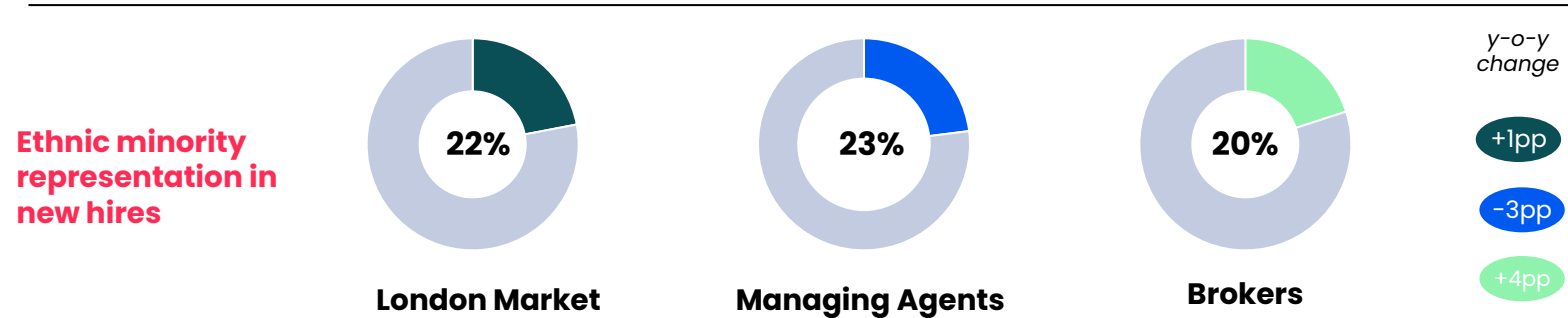
Efforts to widen ethnic diversity in the London Market has continued, with the strongest annual progress being made in the last five years

Workforce breakdown by ethnicity

Ethnicity representation in the workforce – London Market



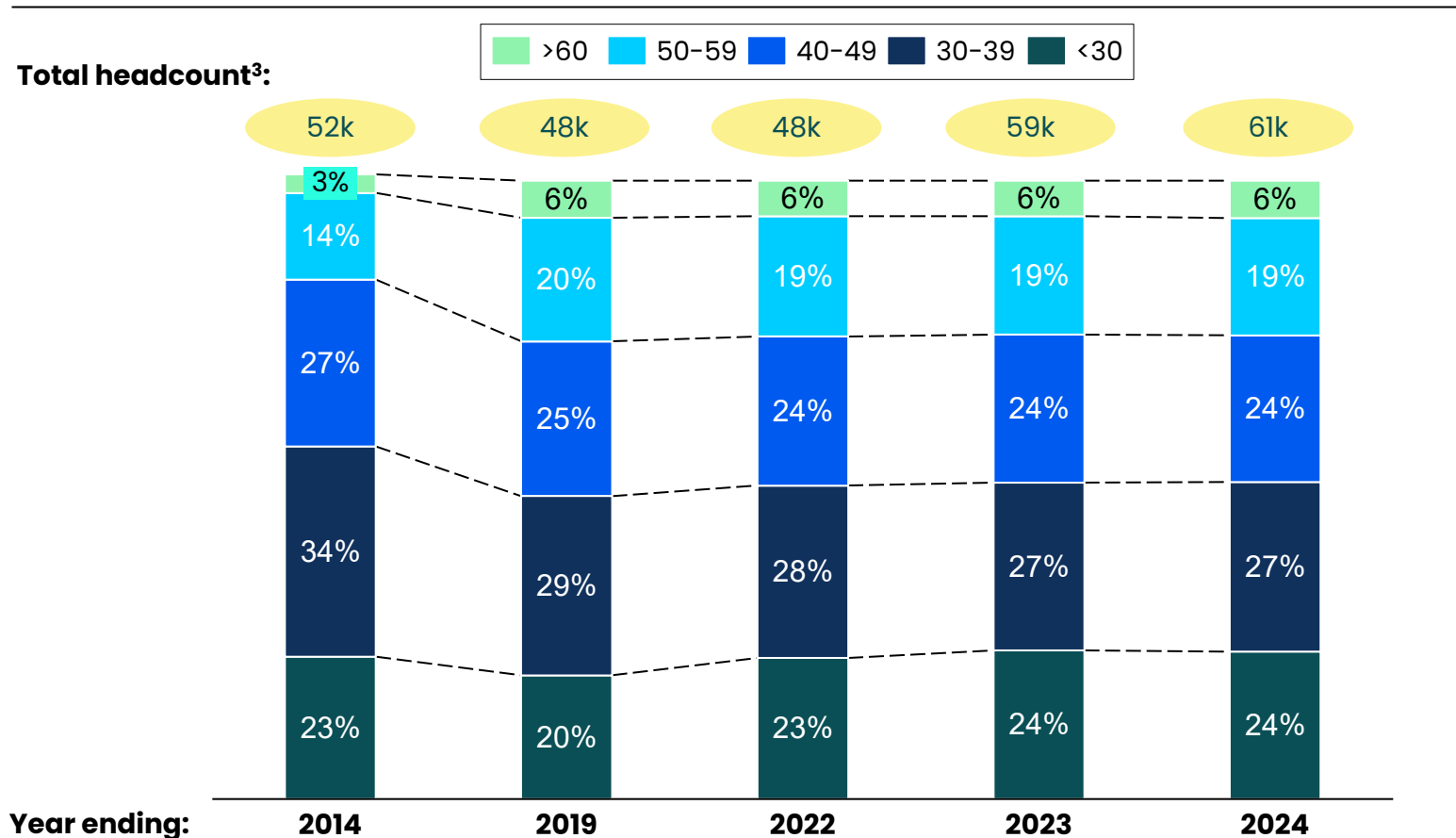
Ethnicity representation in hiring (Based on 11,433 hires in 2024 of which 81% disclosed ethnicity)



The age profile of the London Market workforce has remained stable over the last three years, led by historically high levels of new entrants and hires

Age profile of London Market (Historic)

Historic age profile of London Market workforce^{1,2}

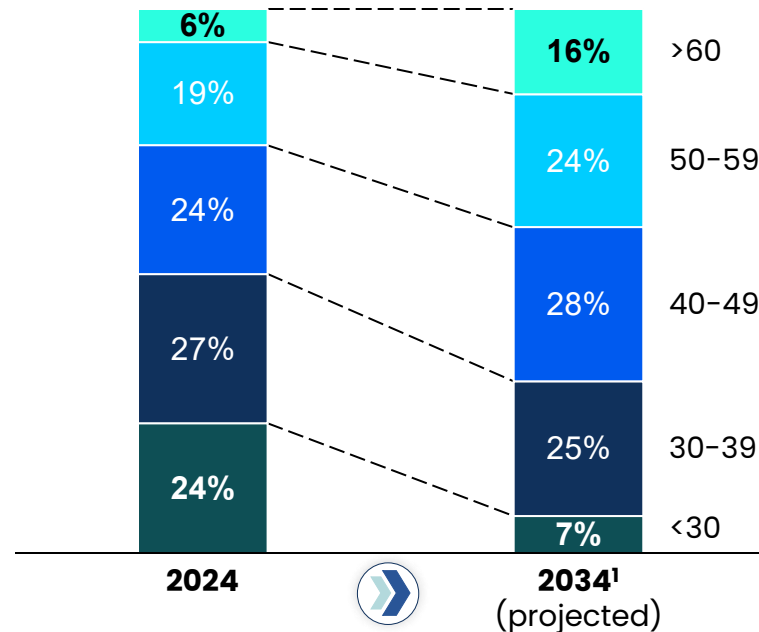


The total proportion of >60s in the London Market is likely to at least double, unless action is taken to recruit younger talent

Age profile of London Market (Future)

The London Market workforce is ageing and proportion under 30 will fall rapidly

Age profile of London Market workforce
2024 and 2034



Key takeaways

- The **age profile of the London Market is estimated to get significantly older** over the next ten years
- The **average age** of the London Market is expected to increase to **46 years** in 2034
- **51%** of the workforce are **aged 39 and under** in 2024. **This is expected to reduce to 32%** of the workforce in ten years' time
- This is most dramatic for **under 30s** whose share of the total workforce is expected to **fall from 24% to 7%**

Key implications

Wage inflation



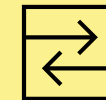
As individuals become more senior their wage demands will increase, creating a more expensive workforce as the mix becomes more mature

Skills shortages



As technology and workforce demands evolve there will not be a sufficient pipeline of junior talent to train with the requisite skills

Retention difficulty



Competition for talent will make retaining existing talent harder as their options increase

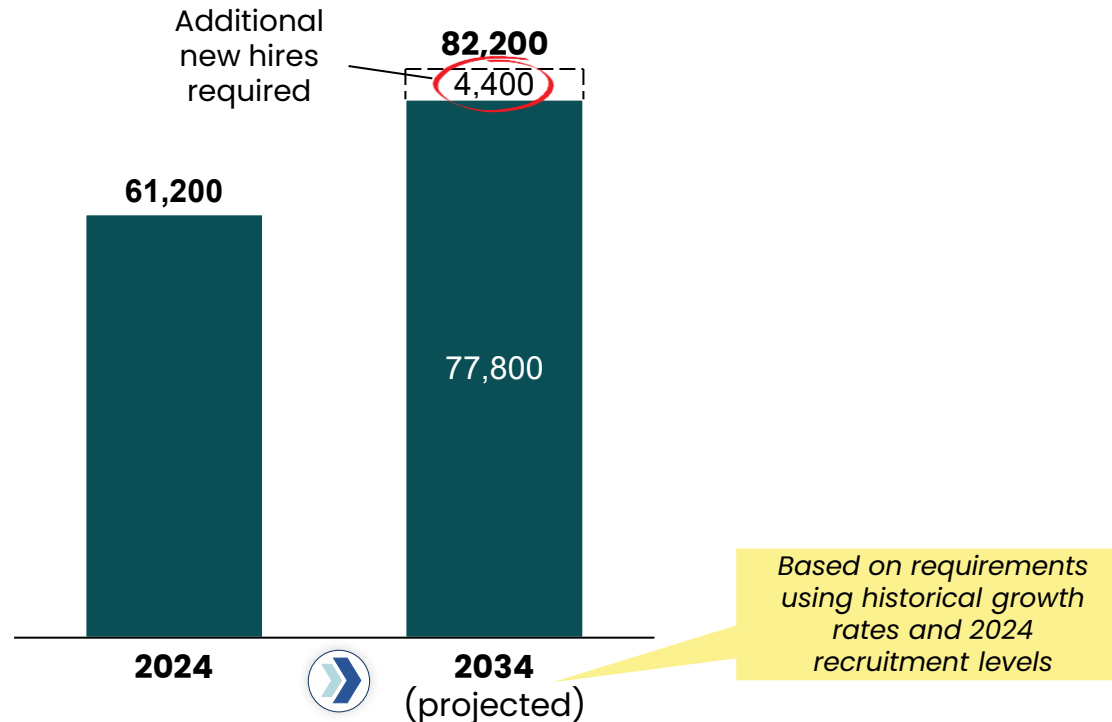
Note: 1) This assumes that: the workforce grows at 3% per annum (needed to sustain current productivity and meet future demand) and number of graduate and entry level hires is fixed at 2024 rates | Source: 2024 figures - 2025 MP&P Location Survey data & % breakdown data; 2027 - 2034 figures

There will be a gap of c. 400 FTEs per year, equivalent to c. 4,400 by 2034

Historic and future total headcount of the London Market

There will be a shortfall of entry level hires if trends continue

London Market – Workforce Forecast¹



Key implications



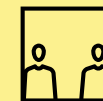
Graduate and entry level employment needs to increase

A c.50% increase in graduate and entry level hiring would be sufficient to solve this



The top brokers can lead this

The top 5 brokers (by recruitment), Aon, Marsh, Gallagher, WTW and Howden made up 47% of all apprentices / graduates recruited in 2024



The top U/Ws can support this

Lockton, McGill, Ardonagh, BMS and Miller all hired at least 10 apprentices / grads in 2024. More firms should adopt targets like this

Note: 1) Rounded to nearest 100 Forecast required reflect what the total headcount figure should look like, if the workforce was to continue growing at the Experienced Hire growth rate but graduate recruitment continued at 2024 rate | Source: 2025 MP&P data; Insurance Insider; Lloyd's data

The number of additional graduates will vary based on different market growth and AI led productivity impacts, the base case assumes c.4,400 is required

London Market workforce scenarios

London Market growth matrix

		Market growth scenarios		
		Low (1% p/a)	Medium (3% p/a)	High (5% p/a)
Productivity assumptions	Low	67,600 (2,000)	<i>Base case</i> 82,200 (4,400)	99,700 (8,100)
	Medium	67,300 (1,000)	81,800 (3,000)	99,200 (5,600)
	High	66,900 (400)	81,400 (1,800)	98,700 (4,200)

Key

Total headcount
(of which, additional graduates)

Key takeaways

- If AI delivers significant productivity gains, **the need for incremental graduate and entry-level hiring will reduce**
- This is particularly relevant for roles focused on activities such as underwriting support and risk selection, claims triage, document and slip processing, and client assistance
- These are **areas that are largely administrative and repetitive** in nature
- Current market growth scenarios assume that **headcount increases linearly in line with overall premium growth**

Contributors

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Additional thanks



The authors are grateful to the members of the London Market Group Board

With thanks to Global Data for the provision of global market figures.

ABOUT THE LONDON MARKET GROUP

The London Market Group is the only body which speaks collectively for all practitioners in this significant market, representing the views of insurance brokers (London & International Insurance Brokers' Association), those insurers and reinsurers operating within Lloyd's (Lloyd's and Lloyd's Market Association), and branches of overseas insurers and reinsurers operating in London (International Underwriting Association).

FOR FURTHER INFORMATION

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