**Antonio Huertas at the Geneva Association Summit 50:**

**Keynote address: Insuring the Future, Safeguarding the Planet**

Ladies and gentlemen, esteemed colleagues..

It is an honor to stand before you today as we gather as a collective force, representing the world's largest insurers. Our industry is not merely a business endeavor; it is a responsibility, a commitment to safeguarding lives, livelihoods, and the world we inhabit. As we convene today and tomorrow at the Geneva Association’s 50th Summit, we acknowledge the profound impact our decisions have on the trajectory of our global society and the very planet we call home.

Before we proceed, let us take a moment to reflect on a remarkable milestone in our industry's journey. This year marks the 50th anniversary of the Geneva Association, an institution that has played an instrumental role in shaping the insurance landscape and advocating for the betterment of our world.

For half a century, the Geneva Association has been a driving force, a beacon of knowledge, and a platform for collaboration within our industry. Its commitment to advancing understanding, fostering dialogue, and promoting innovation has propelled us toward new horizons.

Founded on the principles of global cooperation and shared knowledge, the Geneva Association has facilitated conversations that transcend borders, ideologies, and business interests. Through its research, publications, and initiatives, the association has enriched our collective understanding of risk, resilience, and responsibility.

In recent years, we have witnessed an undeniable shift in the global landscape – a landscape characterized by geopolitical turmoil, like war in Ukraine or the Middle East, the energy crisis, rapid technological change, inflation, and macro-economic volatility all having a major impact on our business. Despite these turbulent times, the insurance industry has been steadfast in supporting economic resilience, through prudent investment and sound expertise in risk management.

The world is changing, regulation is evolving, and insurance business is getting more complex.

As an example, simply allow me to recall that in 2007 European insurers only needed to comply with around 12 Directives to operate. Fifteen years later, these 12 directives have turned into more than 30. …. And…if we have a look at what is to come in the immediate near future, we could be talking of more than 60 EU Directives for operating just at EU level.

Consequently, policymakers should be careful and cautious when promoting regulation with effects on the insurance industry’s role. In this context, organizations, forums and think tanks such as the GA, acquire more importance than ever since they allow insurers’ voices to be present in the debate, addressing important issues like Protection gaps, Resilience or Social and Financial Inclusion.

Now, I’d like to begin the main part of my speech by talking about Insurance and Technology.

Over the last 15 years, all of us have continued to digitalize our operations, to make our services more efficient and put the customer at the center.

During this time, new players have also emerged, both large companies that have considered entering insurance and competing with us and digital neo-insurers, who brought apparently a more agile model, without structures inherited from the past, and therefore capable of generating disruption.

And I say only apparently, because there is no doubt that insurance has to innovate as much as possible, but it cannot lose sight of the fact that in the end, it is also a financial business that must meet demanding requirements of solvency, capital, and financial return. We have seen how in recent months the tightening of financial conditions has called into question some of these models.

But innovation cannot simply be a *“nice to have”, innovation* has to be a living part of the business purpose. *“We take care of what matters to you”* is MAPFRE’s motto. But what if what matters to our customers is changing? Well, we must change too. If we want to continue contributing to social progress, if we want to continue participating in the transformation that society is experiencing as a result of the technological changes that are coming, we all must place transformation at the center of our strategy.

AI has the potential to become one of the most disruptive technologies humanity will ever develop. It is not a passing fad, it is a tool that will most likely mean an absolute transformation of many aspects of our lives, not only on the economic level.

It is still early to predict how it will develop, but what is incontestable is that all the boards of directors and management committees of all our companies are already analyzing and internalizing it, and those who do not do so run the risk of being left out of the game.

The technology is there, the leap in generative intelligence is exponential and, without a doubt, the insurance industry and its clients will end up benefiting from all its contributions.

There are also open questions about the impact that tools like ChatGPT- can have not only on economic activity, but on other variables such as productivity or workers' jobs.

There is a question that those of us who are already working with AI ask ourselves: how can it affect people?

My vision is quite optimistic, I believe that if we do it right, we can turn these technologies into powerful tools at the service of workers, improving their skills and experience, while boosting the economy in general.

But clearly, it is necessary to establish a management framework for operational and regulatory risks and we must legislate on ethical risk. We must move forward in the ethical and responsible development of artificial intelligence. But in a global market, Europe has to find the balance between regulation, which is undoubtedly necessary, and the development framework for these technologies. It is necessary to experiment with this technology precisely to know its limits and verify ethical operation free of bias towards people and their circumstances.

Now I’d like to turn to the second point in my speech, which is Cyber.

In our increasingly interconnected world, the digital landscape has become an intricate tapestry woven into every facet of modern life. While it brings unparalleled conveniences and efficiencies, it also exposes us to unprecedented risks. The threat of cyberattacks, data breaches, and digital disruption looms large, capable of toppling industries and economies with a few keystrokes. As insurers, we stand at the crossroads of both challenges and opportunities in this digital frontier.

We have witnessed the devastating consequences of high-profile cyberattacks that cripple businesses, compromise personal data, and erode public trust. The financial implications of such events can be catastrophic, undermining confidence in markets and institutions. As insurers, our responsibility extends beyond financial compensation – we are entrusted with helping our clients navigate the complex landscape of cyber threats, offering risk management solutions that fortify their digital infrastructure and build resilience against the unknown.

A report by the Geneva Association last year laid out the challenge for us all: To expand the limits of insurability, insurers need to be proactive in assessing feasible options for sharing cyber risks, including with governments via Public Private Partnerships. Such collaborative efforts between insurers and governments will enable cyber protection gaps to be narrowed and ensure the full societal benefits of cyberspace can be realized.

Yet, amid these challenges, cyber insurance also presents profóund opportunities. It allows us to re-imagine our role as partners in risk mitigation, empowering organizations to embrace digital transformation with confidence. By crafting innovative policies that encompass not only financial protection but proactive risk assessment, incident response, and cyber hygiene education, we enable our clients to navigate the digital age with resilience.

Furthermore, the growth of the cyber insurance market is a testament to the innovative potential of our industry. It is an arena where data analytics, artificial intelligence, and risk modeling converge to create products that safeguard our clients' digital assets. As pioneers in this space, we have the chance to lead by example, influencing global standards for cyber resilience and catalyzing the adoption of best practices across industries.

Cyber insurance is a microcosm of the broader challenges and opportunities we face as insurers in an ever-evolving world. By embracing the complexities of the digital age, we have the power to forge a safer, more secure, and more prosperous future for the generations that will inherit the legacy we shape today.

And that brings me to my next point, Safeguarding the Planet:

Today, we are confronted by an undeniable truth – the health of our planet is inextricably linked to the wellbeing of humanity. Climate change, deforestation, biodiversity loss – these are not mere buzzwords but urgent calls to action. As insurers, we bear witness to the devastating effects of natural disasters and their impact on communities and economies. It is our duty to drive change, to mitigate risks, and to create a sustainable future for generations to come.

We must pioneer new products that incentivize sustainable practices and investments. By aligning our interests with those of a healthier planet, we can shape markets and direct capital towards environmentally responsible initiatives. Let us embrace the concept of "green insurance" not as a niche, but as an integral part of our industry's evolution.

There is a colossal challenge that demands our immediate attention – the looming threat of climate disruption. Our world is undergoing unprecedented changes, with extreme weather events, rising sea levels, and ecological imbalances reshaping the very fabric of our existence. In this global crisis, insurers have a pivotal role to play, not only as financial protectors but as catalysts for meaningful change.

The escalating frequency and severity of natural disasters result in immense human suffering and economic losses. As insurers, we have seen firsthand the devastating impact of hurricanes, wildfires, and floods. But beyond immediate financial liabilities, we have a moral imperative to confront the deeper consequences of climate change.

But at MAPFRE we defend that the energy transition, in addition to being inalienable, must above all be socially fair. We cannot deprive one generation of life with the promise that the next will inherit a better planet. We have to be committed to this transition, helping, and accompanying our clients so that they too can move towards new production models, but there are regions where the activity that we today consider to be the most polluting is practically the only one carried out in those territories. We have an obligation to move forward, without a doubt, but also to offer alternatives to the generations of people who have had to make the transition and who, generally, earn their living in activities that are usually carried out in emerging countries.

In this regard, I for one believe that developed countries, which are responsible for 80% of CO2 emissions into the atmosphere, should make the greatest effort. It is impossible for poorer countries to pay for this, and it would condemn their people to a greater social and economic gap.

Furthermore, insurers can champion sustainable investments, channeling capital towards projects that drive the transition to a low-carbon economy. By incorporating ESG factors into our decision-making, we shape markets, influence corporate behavior, and promote a more sustainable future.

Collaboration is key. Our industry must engage with governments, scientists, and civil society to advocate for policy changes that foster climate resilience. We have the expertise to quantify risks, project potential losses, and inform policy decisions. By offering insights into the economic ramifications of climate inaction, we can spur meaningful change on a global scale.

In conclusion, as we navigate the complex terrain of ensuring the future and safeguarding the planet, the threat of climate disruption stands as a defining challenge of our time. The role of insurers is not confined to indemnification; it extends to shaping behaviors, policies, and investments that steer us away from the precipice. We have the tools, the knowledge, and the moral obligation to be agents of transformation.

The ultimate goal is not only a sustainable insurance sector, but also a resilient economy and a resilient society. Therefore we consider public climate-related adaptation measures essential for society to prevent large-scale catastrophes and destruction. Among others, these public adaptation measures should also focus on keeping insurance premiums affordable for all and reduce uninsured losses among local communities.

Now, moving on, I’d like to look at the impact of Demographic Disruption

Demographic and societal changes are putting unprecedented pressure on health and pension systems globally, requiring them to sustain more people as the expected lifespan after retirement increases alongside the number of people entering these systems.

The aging population, changing family structures, and shifting workforce dynamics are ushering in new complexities that demand our attention.

The rise of an aging population presents a twofold challenge. On one hand, there is a growing demand for insurance products that cater to the unique needs of seniors, from healthcare coverage to retirement planning. On the other hand, this demographic shift also necessitates a reevaluation of our approach to underwriting and pricing, as longevity and age-related health issues redefine risk profiles.

Family structures are also evolving, impacting our industry. Non-traditional families, single-parent households, and multi-generational living arrangements require us to craft policies that reflect diverse family dynamics. The need for flexible coverage that accommodates these variations is evident, as is the importance of offering financial protection that adapts to changing life circumstances.

The transformation of the workforce, driven by technological advancements and changing societal norms, introduces another layer of complexity. The rise of the gig economy, remote work, and the evolving nature of employment relationships challenge our understanding of occupational risk. As insurers, we must develop innovative solutions that safeguard the financial stability of this dynamic workforce.

Also, let’s not forget the need to count on the elderly in countries with lower birth rates, which will imply the need to have experienced senior workers, who at the same time continue to obtain income to consume and pay taxes and sustain public accounts.

It is also important to note that aging is not only a reality in developed countries because it is also an emergent situation in many other nations with huge populations. They already need products and services that the governments are not going to be able to provide, due to the lack of a welfare system, which is an opportunity for insurance activity because it also offers us the enormous privilege of being able to extend the progress made over the years in more mature countries, in terms of savings, health, social care, etc.

Everything I have told you so far reflects the relationship between insurance and society, people, and economic development. That's why I think I need to focus more on the social role of insurance, particularly in emerging markets where insurance is not merely a financial transaction; it is a lifeline that bridges the gap between vulnerability and security.

The social significance of insurance is magnified in these regions, where our industry steps in to mitigate risks that could otherwise devastate fragile economies and undermine social progress. Whether it's safeguarding farmers against climate volatility, providing access to healthcare for underserved populations, or enabling small businesses to thrive despite adversity, insurance plays a pivotal role in fostering resilience and uplifting lives.

The focus has shifted from supporting the development of microinsurance products to creating inclusive insurance markets. The concept of microinsurance has been extended to “Inclusive Insurance”, which now also includes people who have a higher income but no access to adequate insurance.

The social role of insurance underscores our industry's noble mission. We are not mere risk managers; we are enablers of progress. As we embrace the future and safeguard our planet, let us remain steadfast in our dedication to making a tangible difference in the lives of those we serve.

There is no sustainable, free, and growing economic or social activity in which private insurance is not in one way or another involved as a fundamental pillar.

Increasing the resilience of our society will represent a major challenge for economic prosperity and well-being of both individuals and companies.

The common denominator is the importance of joint efforts between public and private stakeholders, which could lead in some cases to the promotion of public-private partnerships, or new types of public-private risk-sharing mechanisms with the aim of creating greater risk awareness, mitigation and enhanced preparedness.

I firmly believe that the current challenging times will offer opportunities for insurers and will provide for real momentum for regulators and policy makers to set ambitious goals.

Leadership, too, is an indispensable pillar of our journey ahead. We have the opportunity – and indeed the obligation – to lead by example. Let us scrutinize our own operations and supply chains, striving for carbon neutrality and ethical sourcing. By walking the path of sustainability, ourselves, we inspire others to follow suit.

Ladies and gentlemen, the future is not an abstract concept. It is the sum of our collective decisions. As leaders of the world's largest insurers, we possess the capacity to shape the course of history, and citizens expect from leading companies that we exercise that leadership by helping societies navigate safely in this disruptive and changing environment.

As we look ahead to the next 50 years, let us continue to champion the spirit of innovation, inclusivity, and cooperation that has defined our journey. Let us heed its call to envision an insurance landscape that not only safeguard against uncertainties but actively contributes to the wellbeing of our planet and its inhabitants.

In the spirit of celebration and renewal, I invite each of you to engage with the Geneva Association's initiatives, to share your insights, and to contribute your expertise toward a future that is prosperous, sustainable, and just.

Let us seize this moment to reimagine our industry, to redefine our purpose, and to leave a lasting legacy of positive change.

Together, we chart a course towards a brighter future, where every life is protected, every aspiration empowered, and every community fortified by the promise of insurance. The challenges we face are great, but so too is our potential.

Thank you very much.