

**Driving Transformation  
In Insurance**

**SAPIENS**



 **INSURANCE TRANSFORMATION  
AFRICA**

**19 February 2026**  
Cape Town, South Africa

**Graham Gordon**

AI in Insurance: Myths, a Reality  
Check and a Pathway Forward

[www.insurancetransformationafrica.com](http://www.insurancetransformationafrica.com)







Copilot  
Your everyday AI companion

- ✓ Buys a Co-Pilot licence
- ✓ Deploys across half of the staff
- ✓ After the initial enthusiasm 25% of the team use daily to aid their productivity







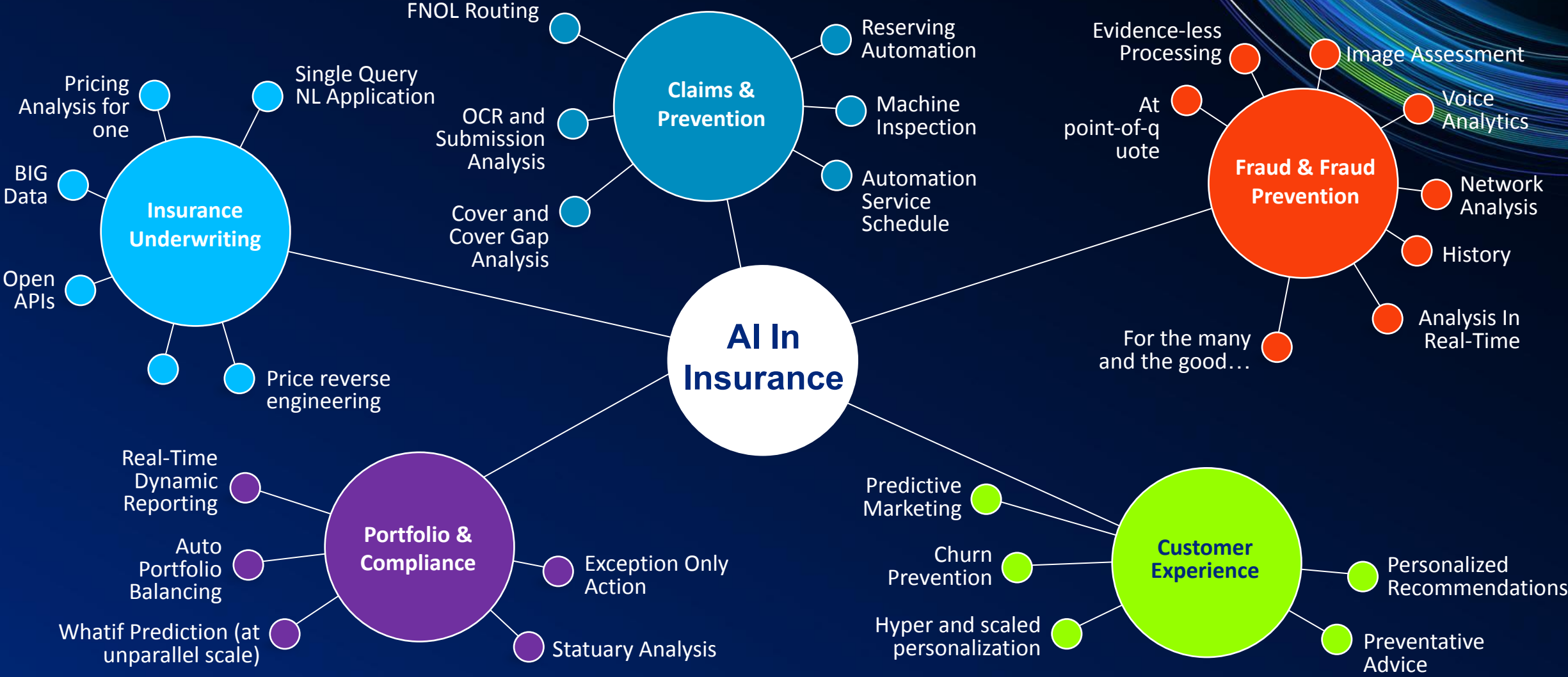


I don't know what  
I'm going to do  
when I get found  
out

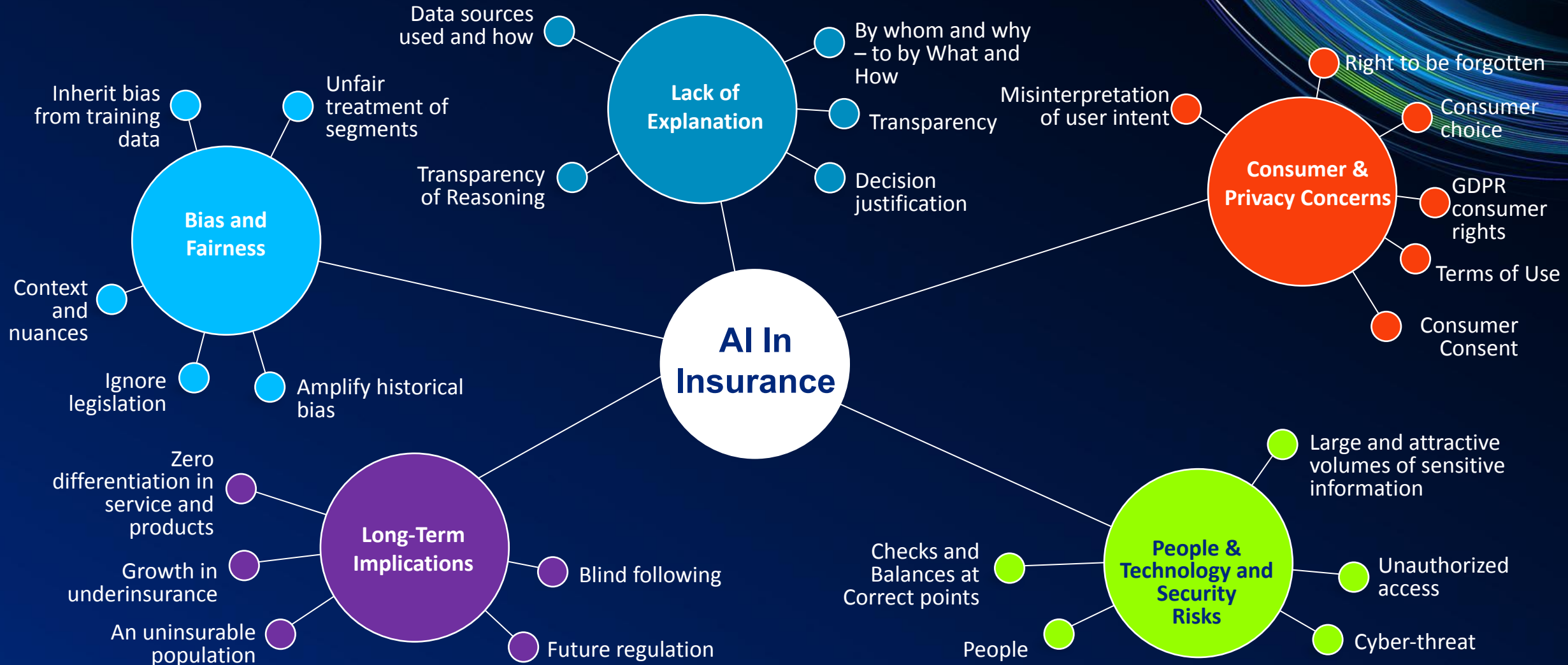



- No-one (really) can count or playback the investment case...
- As long as you are saying you are doing something, that's OK...
- Everyone will be more than happy, so long as they think you are doing something...
- This will give you enough time to figure out that something that you should be doing...

# Because when we talk about “AI in insurance”, we mean everything...



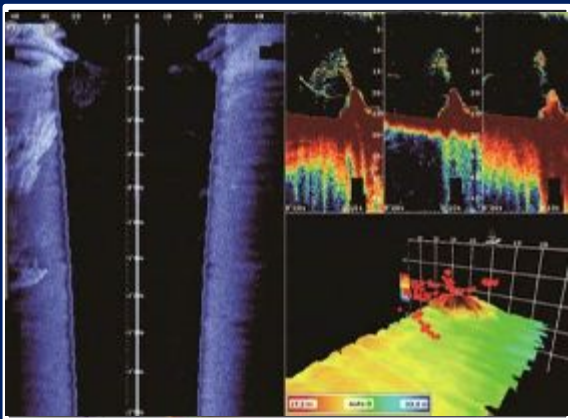
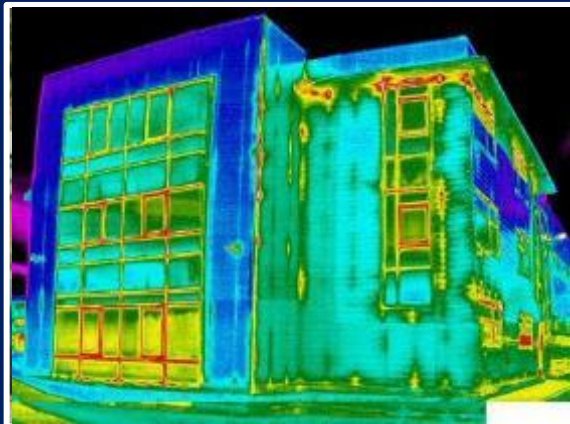
# ...so whilst we are very excited, we are also highly pragmatic

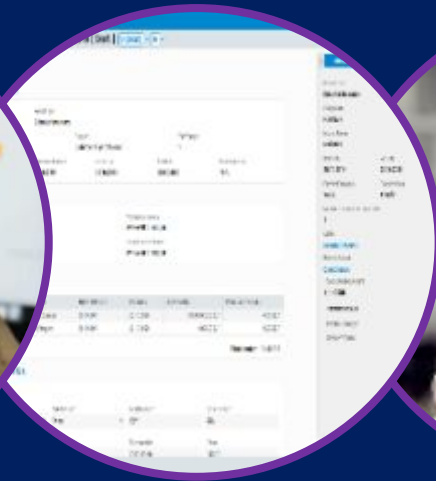


- 
1. The Vision: The AI driven future insurance organization
  2. Looking to 2030
  3. Lessons from other insurers
  4. Case Studies and what's working
  5. Conclusion – A pathway and considerations

# Rosettenville, Johannesburg









.....Has just received the hourly automated P&L (Contract and Company View) with the restaurant claim cost factored in...



- Embedded Insurance at point-of-need
- AI / Machine-learned automated FNOL
- AI enabled supplier verification and dispatch
- AI driven touchless “No-Proof” claim
- AI enabled parametric claim payment
- AI enabled auto-reserving
- AI driven real-time underwriting

# The Macro Picture

# The Southern African Market- Where is the tech benefit?

The ratio of growth cost/expenses almost has a 1:1 relationship in South Africa

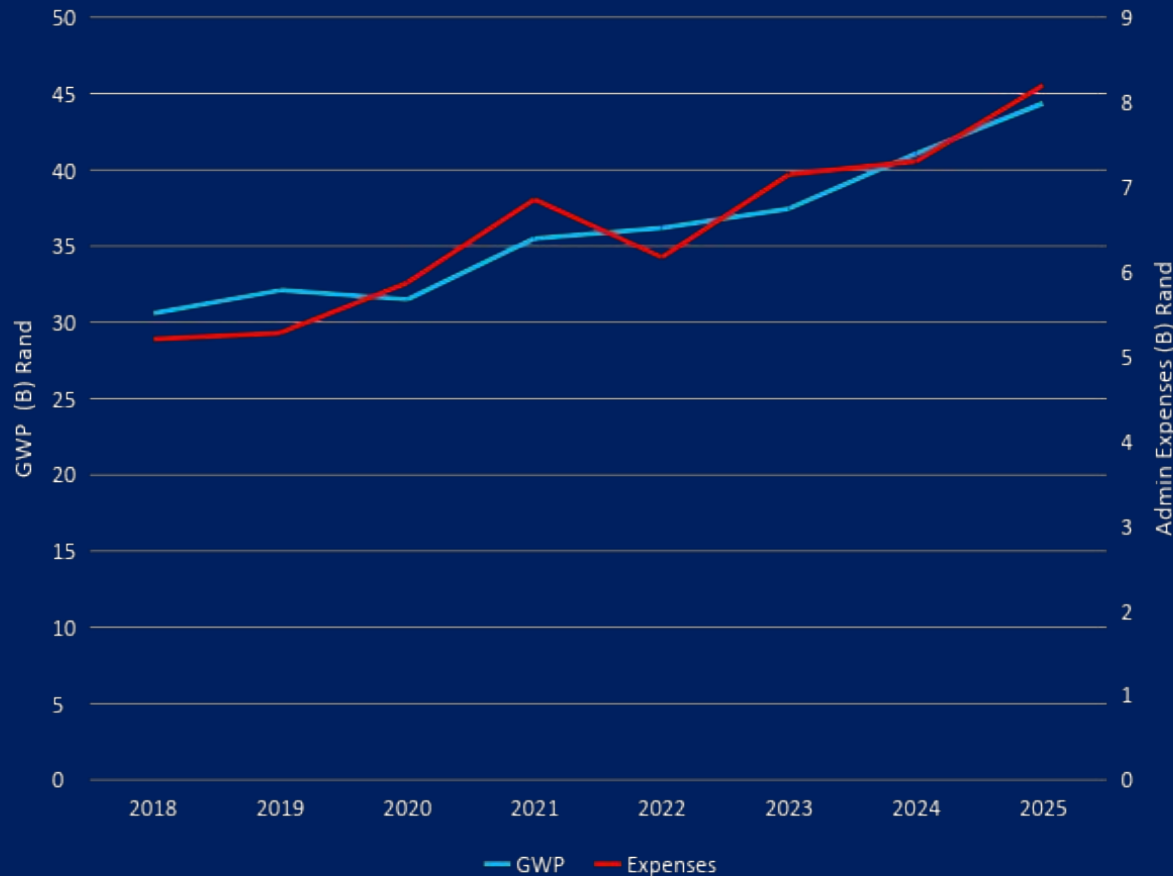


- For every Rand of premium written there is a corresponding rise in cost
- For every Rand of premium written there is a corresponding rise in fraud
- It's a simple equation: Do more business, add more people
- Shameless advert (see me after!)

# The Southern African Market- Where is the tech benefit?

Source: South African Reserve Bank Quarterly Update

Expenses vs GWP



Non-Life insurance: Primary insurers			
Balance sheet	Mar-2024	Mar-2025	12 Monthly % growth
	R'mil	R'mil	
<b>Total assets</b>	<b>222,913</b>	<b>223,971</b>	<b>0.5</b>
<i>Of which:</i>			
Total investments	151,146	154,832	2.4
Government bonds	29,166	32,654	12.0
Corporate bonds	38,036	38,998	2.5
Equity	20,144	17,100	-15.1
Investment funds	23,734	26,226	10.5
Structured notes	422	363	-14.0
Collateralised securities	643	1,542	139.8
Cash and deposits	37,451	36,980	-1.3
Mortgages and loans	1,505	965	-35.9
Property	46	2	-95.4
Total reinsurance recoverables/ (payable)	28,126	22,024	-21.7
Derivatives	-262	110	141.9
Owner occupied property	1,620	1,868	15.3
Other assets	42,282	45,136	6.8
<b>Total liabilities</b>	<b>120,250</b>	<b>118,266</b>	<b>-1.6</b>
<i>Of which:</i>			
Gross technical provisions	85,234	78,169	-8.3
Accounts payable	12,223	10,786	-11.8
Payables (trade, not insurance)	6,039	8,227	36.2
<b>Basic own funds</b>	<b>102,663</b>	<b>105,704</b>	<b>3.0</b>
Eligible own funds to meet SCR	101,819	106,183	4.3
Eligible own funds to meet MCR	96,539	100,553	4.2
<b>Profitability</b>			
Gross written premium	41,079	44,373	8.0
Reinsurance	11,285	12,911	14.4
Net premiums	29,794	31,461	5.6
Net earned premium	28,495	29,038	1.9
Investment income <sup>4</sup>	2,610	2,647	1.4
Net claims paid	16,806	15,819	-5.9
Management expenses	7,318	8,233	12.5
Commission paid/ (received)	2,223	2,663	19.8
Underwriting profit <sup>5</sup>	2,311	3,465	49.9
Underwriting and investment income	4,921	6,112	24.2
Net profit before tax and dividends	5,301	5,532	4.4

Performance indicators		Mar-2024	Mar-2025
Claims ratio <sup>1</sup>		59.0	54.5
Management expenses ratio <sup>1</sup>		25.7	28.4
Commission ratio <sup>1</sup>		7.5	8.5
Combined ratio <sup>2</sup>		92.5	92.0
Underwriting profit/(loss) ratio <sup>3</sup>		8.1	11.9
Underwriting and investment income ratio		17.3	21.0

Solvency and capital		Mar-2024	Mar-2025
SCR cover ratio (Median)		1.6	1.7
MCR cover ratio (Median)		4.1	4.1

SCR risk components	
Market Risk	45.0%
Non-Life Underwriting Risk	59.6%
Operational Risk	8.8%
Loss Absorbing capacity of deferred taxes	-11.7%
Participations	11.9%
Diversification	-12.7%
SCR	100.0%

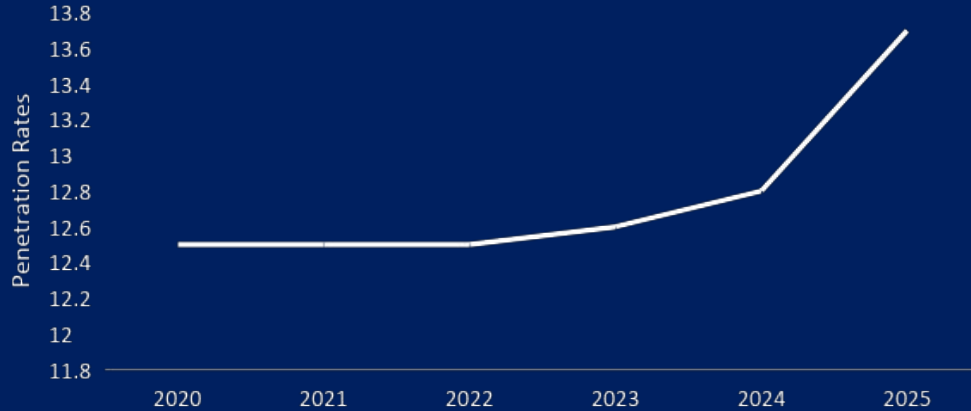
7 Insurance sector data

Selected South African Insurance Sector March 2025.pdf



# Is there a need for AI in South Africa? Assuming Insurance does good!

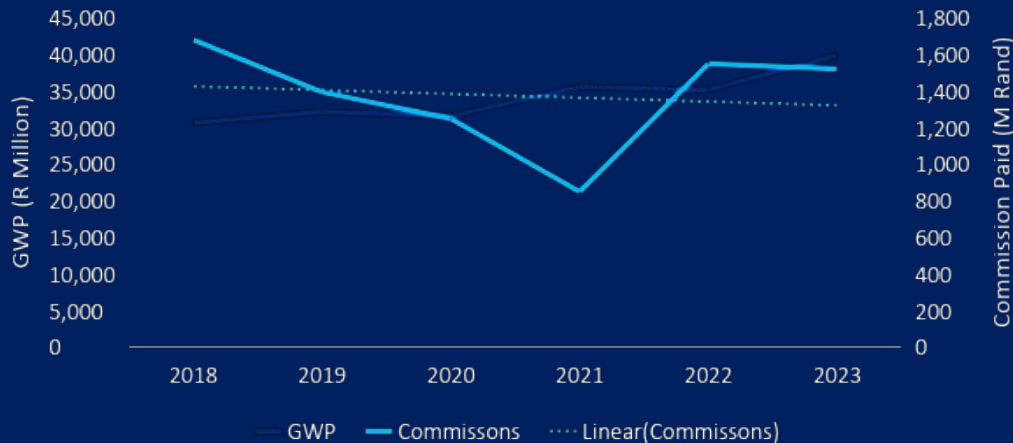
SA Short-term Penetration



## Societal Benefits

- Growth of micro-insurance products (in this case funeral cover) – Penetration still under 14%
- Digitalisation and Digital first channels
- Will track impact of more direct vs traditional broker channels (i.e. less commissions!)
- Feels like a changing market...

GWP vs Commission Payments



# Insurance 2030

### **By 2030 (Celent)**

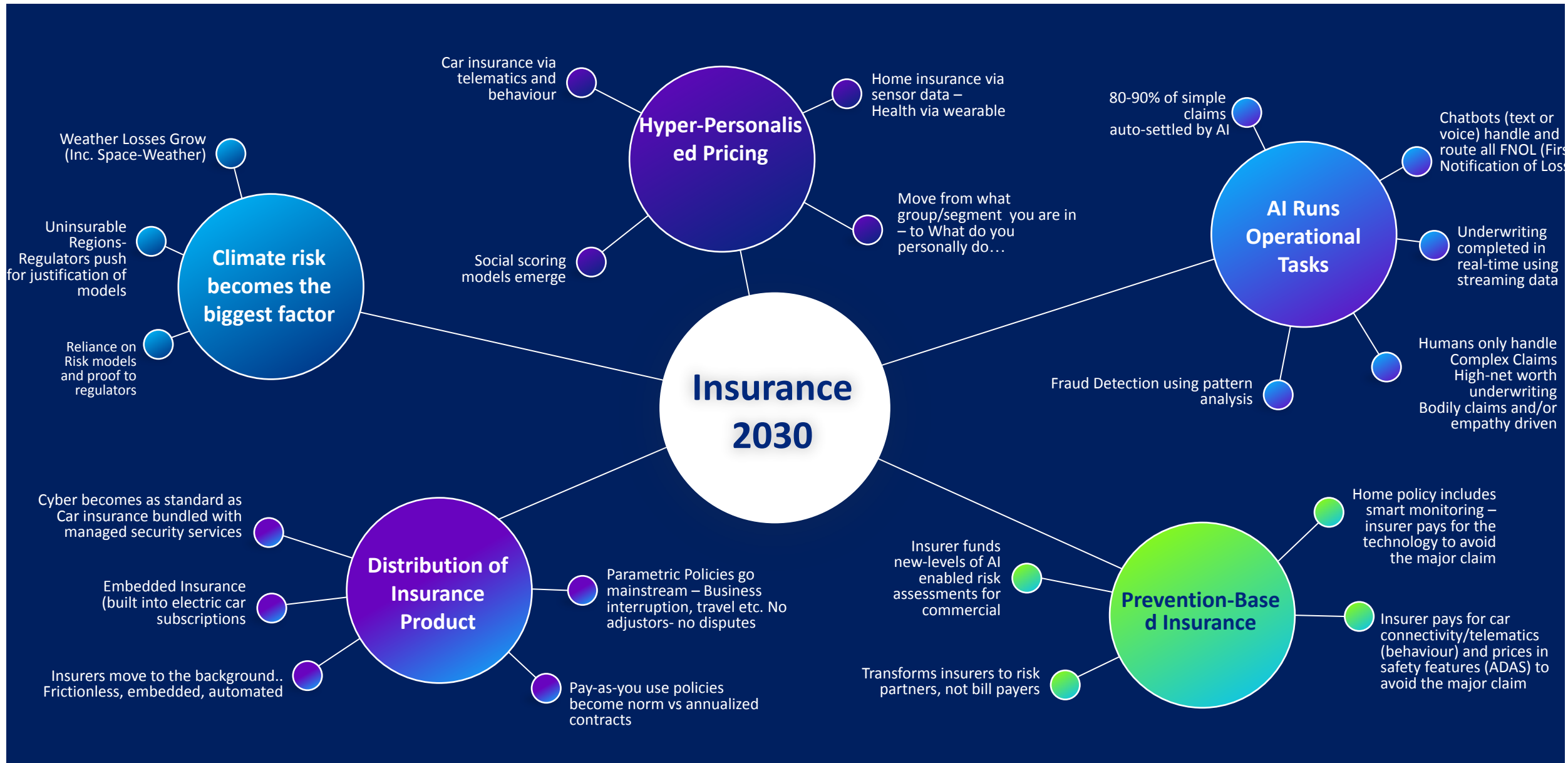
Insurance is no longer a forms (digitalized or not) and claims business. It becomes an AI & data-led, prediction and prevention business. Insurers shift from paying when things happen to helping customers avoid loss in the first-place.

### **2020 (Gartner)**

By 2025, The industry will have made a profound change over the next five-years and will be focused on new distribution, greater range of products and greater specialisation - much more emphasis on servicing clients (personalized, professional)

### **2010 (All)**

By 2020 The industry will have digitalized and customer self-service will be the norm. Core systems will be modernized replacing mainframe and batch systems. External data (credit, public records etc.) will drive pricing and risk selection beyond claims years discounting.

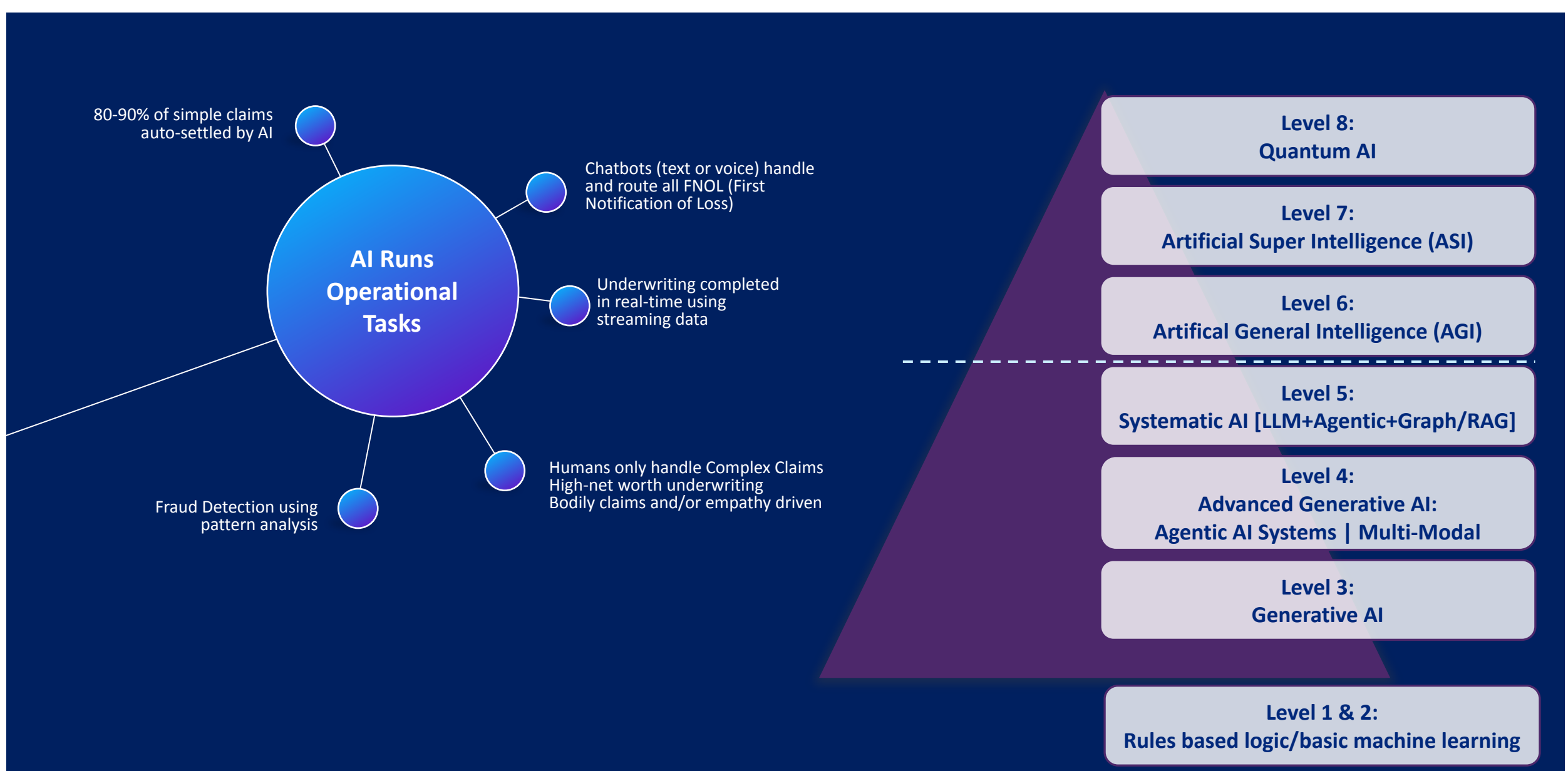




## By 2030

Insurance is no longer a paperwork (digitalized or not) and claims business. It becomes a data, prediction and prevention business. Insurers shift from paying when things happen to helping customers avoid loss in the first-place.

1. We look far more like tech-enabled risk advisors than a traditional insurer.
2. We win by using more data than anyone else (ethically)
3. We win by adopting automation and using AI early
4. We win by adapting to climate reality
5. The customer experience is *finally* good...
  - Claims settle instantly (quickly) where possible
  - We give proactive warnings (we detected a leak, shutting off water now)
  - Insurance products feel simpler, clearer and integrated into the world around us



# Quick Reality Check – Making it Real

# We started with Business Insurance – (Business Data vs Consumer Data)

Input:

Company Name +  
Postcode or phone or  
website or company  
registration etc.

Two bits of information

The screenshot displays the SAPIENS insurance platform interface. At the top, there is a search bar and user information for Justin Time. Below the search bar, there are several key performance indicators (KPIs) and risk assessment metrics:

- Customer Lifetime Value (\$):** Three buttons representing values: 1 Yrs., 3 Yrs., and 5 Yrs.
- Buying Propensity:** A gauge showing 70% with the text "High likelihood to buy Engage promptly!".
- Theft and Burglary:** A gauge showing 95% with the text "Similar customer buying potential".
- Natural Hazards:** A gauge showing 75% with the text "Similar customer buying potential".
- Legal expenses:** A gauge showing 67% with the text "Similar customer buying potential".

The main navigation bar includes steps: Company, Contact, Policy, Assets, Coverage (5), Summary (6), and Payment (7). The central section is titled "Coverage" and is divided into "Available covers" and "Selected covers".

**Available covers:**

- SME Floating covers (selected)
- Damages to Third Parties (checked)
- Cyber (checked)
- Key man protection / Accident (+)
- Business Interruption (checked)
- Goods in transit (expanded view with placeholder text)
- Employer's liability (+)

**Selected covers:**

- Damages to Third Parties: Sum assured €3,000,000.00 (range 100K to 10M), Excess €450,000.00 (range 5% to 40%).
- Cyber: Sum assured €30,000.00 (range 100K to 10M), Excess €4,500.00 (range 5% to 40%), Total cost €268.54.
- Business interruption: Sum assured €9,000.00 (range 100K to 10M), Total cost €667.42.

On the right side, there are additional sections:

- Business Insights:** A summary of information for an insurance agent regarding Rycio Optics Ltd, including Business Type, Industry, Size, and Location.
- Customer References:** A map showing the location of ABC Company (95087).
- Notes:** A section for adding notes, currently showing "Sample Note" and a text input field.

# Go.AI Deployed Across All Client Facing PAS Software and Digital Screens

Input:

“What additional covers, renewal strategies... I’m going to speak to them...”

The screenshot displays the SAPIENS GOAI Opportunity overview interface. At the top, the SAPIENS logo and a search bar are visible. The user profile 'Justin Time' is shown in the top right corner. The main content area is titled 'GOAI Opportunity overview' and features a client profile for 'Village Green Cafe' with the email 'info@villagegreencafe.co.uk'. A text input field contains the prompt: 'What additional covers can I offer this client. Give me a couple of renewal suggestions. Output this in a small report I can copy for email to the client'. Below the input, the system has generated a subject line: 'Subject: Renewal Suggestions for Village Green Cafe'. The email body starts with 'Dear [Client's Name], I hope this message finds you well. As we approach the renewal period for your current insurance policy, I wanted to provide you with a couple of suggestions for additional coverage options that could enhance your protection.' The 'Current Policy Overview' section lists: Policy Number: PL-SME0000056873/00, Product: SME Insurance, Policy Holder: Village Green Cafe, Policy Status: Active, Policy Period: 25th November 2025 to 24th November 2026, and Yearly Premium: £797. The 'Additional Coverage Suggestions' section includes 'Business Interruption Insurance' (protects against loss of income, estimated additional premium of £150 per year) and 'Cyber Liability Insurance'. On the right side, a detailed view of the 'SME' policy is shown for '1 Batherton Lane Nantwich CW5 7QH' with a total premium of €332.00. This view lists four cover types: Glass (Sum Assured: €5,000.00, Deductibles: €250.00), Theft and Burglary (Sum Assured: €10,000.00, Deductibles: €250.00), Natural Hazards (Sum Assured: €1,000,000.00, Deductibles: €250.00), and Electronic equipment Failure (Sum Assured: €10,000.00, Deductibles: €250.00).

# Next- Task Management Development – Go.AI “help me manage my day...”

Input:

“What’s on today!”

**Business SME Opportunity** Powered by GoAI

< Back / Opportunity overview

**GT** Gil Trotino  
Burwell, Cambridgeshire | gil.trotino@mailinator.com | +44 7500 905262

Let's start to build this opportunity >

Gender	Male
Date of Birth	17 October 1970
Age	54
Occupation	Business Owner
Language	English
Contact Method	Phone

**Motor Policy Expires** 05/05/2026

**Motor Gold Drive**  
Car Nissan Qashqai  
Registration: YD18 KRU  
Annual premium €1,222.17

**GoAI Suggestions**  
Offer SME Insurance Package  
Customer owns a business (self-employed) and should be receptive to SME quote and business coverage check.

**Client Insight**

- ✓ This customer is low-churn
- ✓ This customer is valuable
- ✓ This customer has a flawless claims history
- ✓ This customer is receptive to our organisation
- ✓ This customer has just interacted with an agent and is delighted
- ✓ This customer has given us the right contact permissions
- ✓ This customer runs a small business

**Perception**  
Gil is a loyal, low-risk customer who has been with us for 2 years. He currently holds a motor insurance policy. He represents a good opportunity for expanding his coverage, particularly with life insurance or a larger home policy.

**Client History Snapshot**  
Quoted for home, not purchased - unsure of the reasons (Sept 2024). Has an active motor policy (purchased 6th May). Has Income Protection Insurance (Policy #405809)

**Past Quotes**

- #405813 - Home Insurance - €1,492.94 (Quoted)
- #405964 - Income Protection - €1,222.17 (Active)

**Active Change** **Business Loyalty** **Committed**  
**Contact Approved** **Upsell Possible**  
**New Opportunity**

# Next- Into Complex/Specialty Risk Management and Complex Underwriting

Input: Multiple documents / contracts / data enrichment for complex (global speciality)

DOT: Decision on Tap

The screenshot displays a software interface for risk management. At the top, a header shows 'QUOTE' and key details: Risk Reference (RSK0011737601Q001), Inception - Expiry Date (15/04/2025 - 14/04/2026), Insured (Marriot Hotels), Intermediary (Ace Insurance and Rein), and Product (Property). Below this is a navigation bar with tabs: HOME, SUMMARY, DETAILS, SECTIONS, NOTES, DOCUMENTS, HISTORY. A status indicator 'Provisional - In Progress' is visible in the top right.

The main content area is divided into several sections:

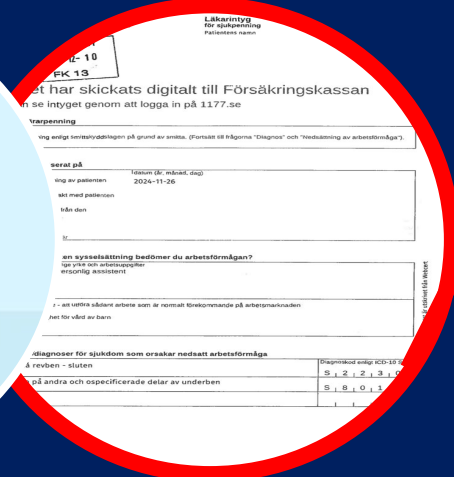
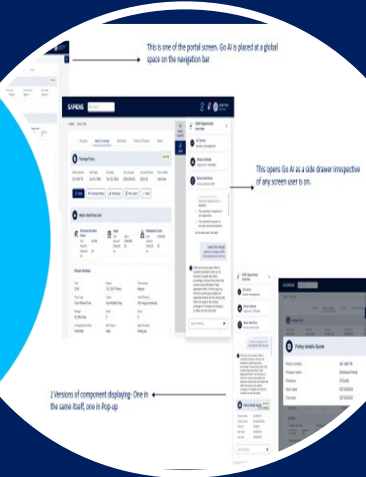
- Left Panel (Light Purple):** A chat window titled 'Hello, Aaron. I'm DOT & I'm here to help you solve problems' with a progress bar (Received, Assembly, Pricing, Quoted) and a 'What's Hot' button. Below it is an 'Instrument Dashboard' with two line charts labeled 'Appetite' and 'Perils'. Further down is a 'Risk Intelligence & Recommendations' section with two more line charts labeled 'Accumulation of Risk - Location' and 'Accumulation of Risk - LoB/Product'. At the bottom of this panel is a search bar: 'How does this compare to other insured party?' with a 'How...' button and a text input field 'Type your question here...'.
- Right Panel (White):** A grid of task cards:
  - Validate Ingested Broker:** 0 Dependency. Description: 'Validate AI ingested data falling below your configured confidence threshold.' Buttons: 'Validate', 'View Tasks'. 2 Task(s) assigned to you (AT).
  - Request Data:** 1 Dependency. Last updated: 15/02/2025 11:30 AM. Description: 'Review a list of potential duplicates and mark as duplicates or not.' Buttons: 'Review', 'View Tasks'. Tasks assigned to others (TI SD).
  - Run Sanctions Check:** 1 Dependency. Description: 'Record extra information about this quote.' Buttons: 'Initiate', 'View Tasks'. Tasks assigned to others (TI S +2).
- Far Right (Analytics):** A vertical sidebar with three sections:
  - Status:** 'Sanction Service' with a play button and 'Marriot Hotels' (31/01/2025 09:34 AM).
  - New Business Premium vs Renewal Business Premium:** A donut chart showing a blue segment.
  - Tasks Assigned Per Quote:** 'Comparison of actual vs. average count' with a bar chart showing a value of 10.

# Claims – A True Story

# Example of POC: More complex workflows (i.e. super-automation)



168,000 ICD  
Diagnosis &  
Procedure  
Codes



# Example of POC: More complex workflows (i.e. super-automation)

- ✓ The claim intake form digitalised.
- ✓ An AI generated natural language summary
- ✓ AI Natural language Q&A

We also provide combinations of business rules, AI to check this digitalised claim...

- ✓ The ICD coding is correct
- ✓ That the client is covered
- ✓ Policy terms are verified
- ✓ Deductibles / Limits / Treatment Exclusions
- ✓ The payment schedule
- ✓ Fraud or (gaming checks)

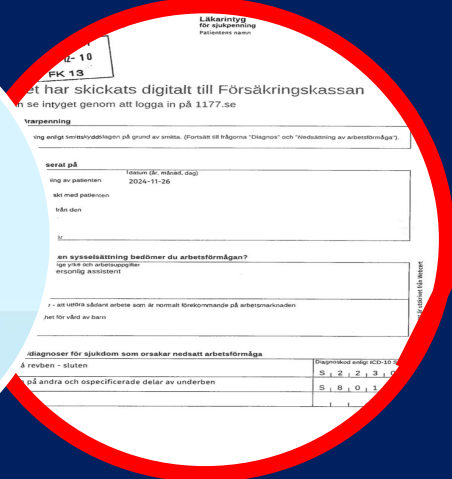
...And Pay the claimant in near-real-time



# Example of POC: More complex workflows (i.e. super-automation)



168,000 ICD  
Diagnosis &  
Procedure  
Codes

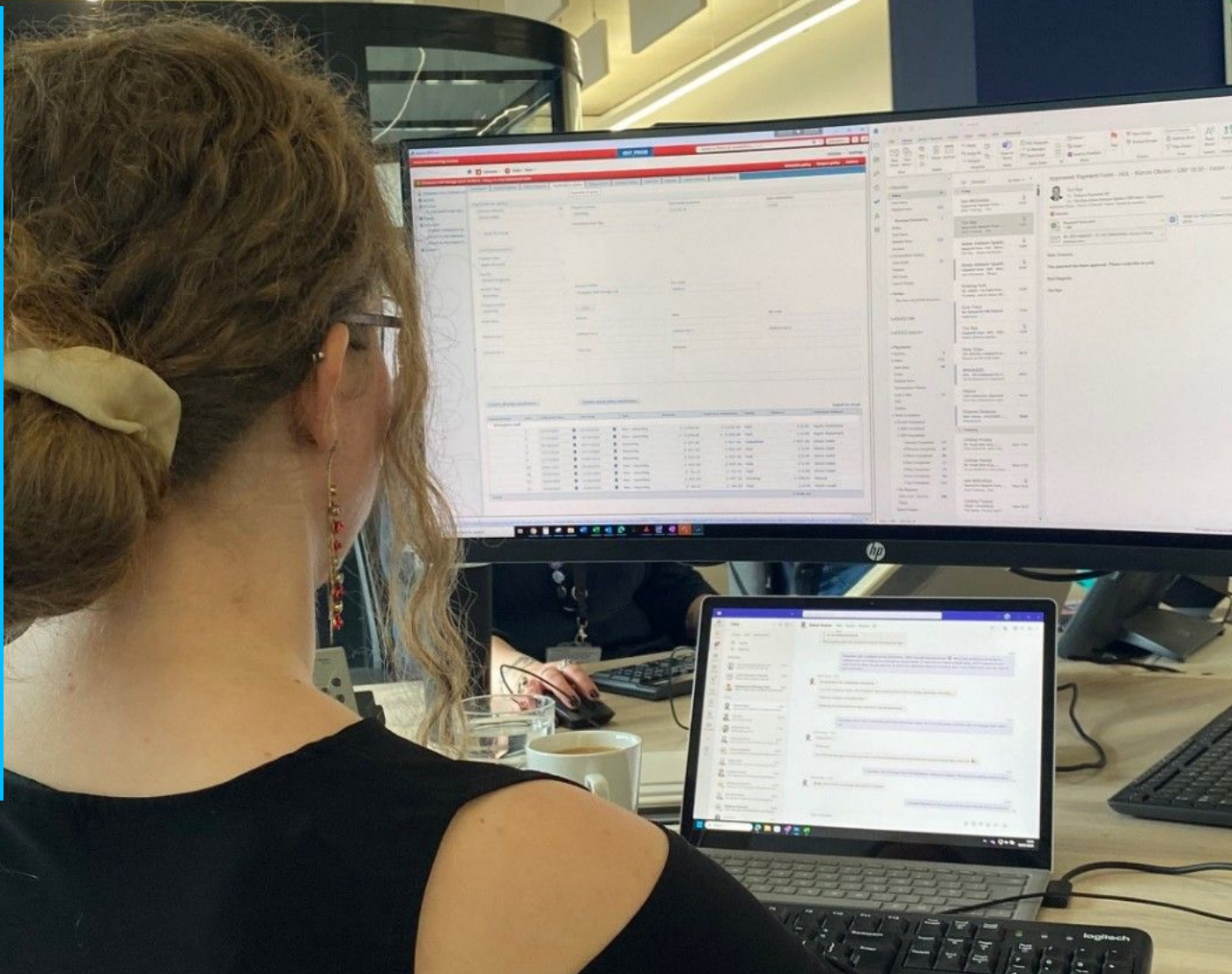


It's around this time two people realised the same thing.....

# Example of POC: More complex workflows (i.e. super-automation)

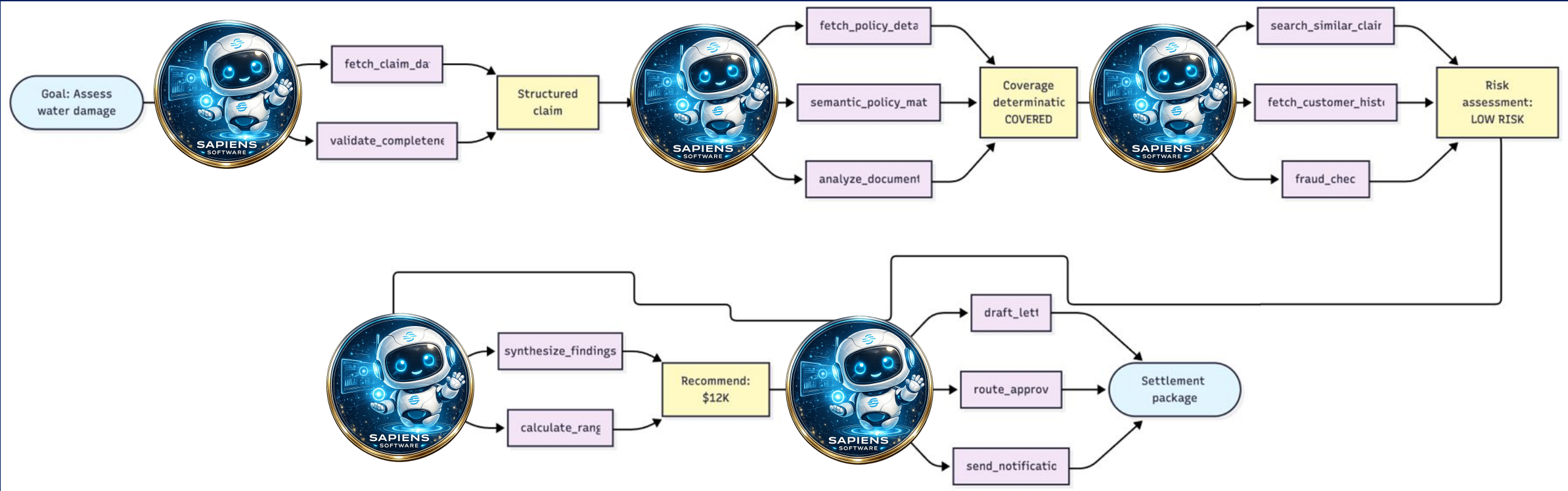


Super-sized efficiency  
Speed of claim  
handling- accuracy  
Happy end customer  
(The claimant)  
Go Sapiens!

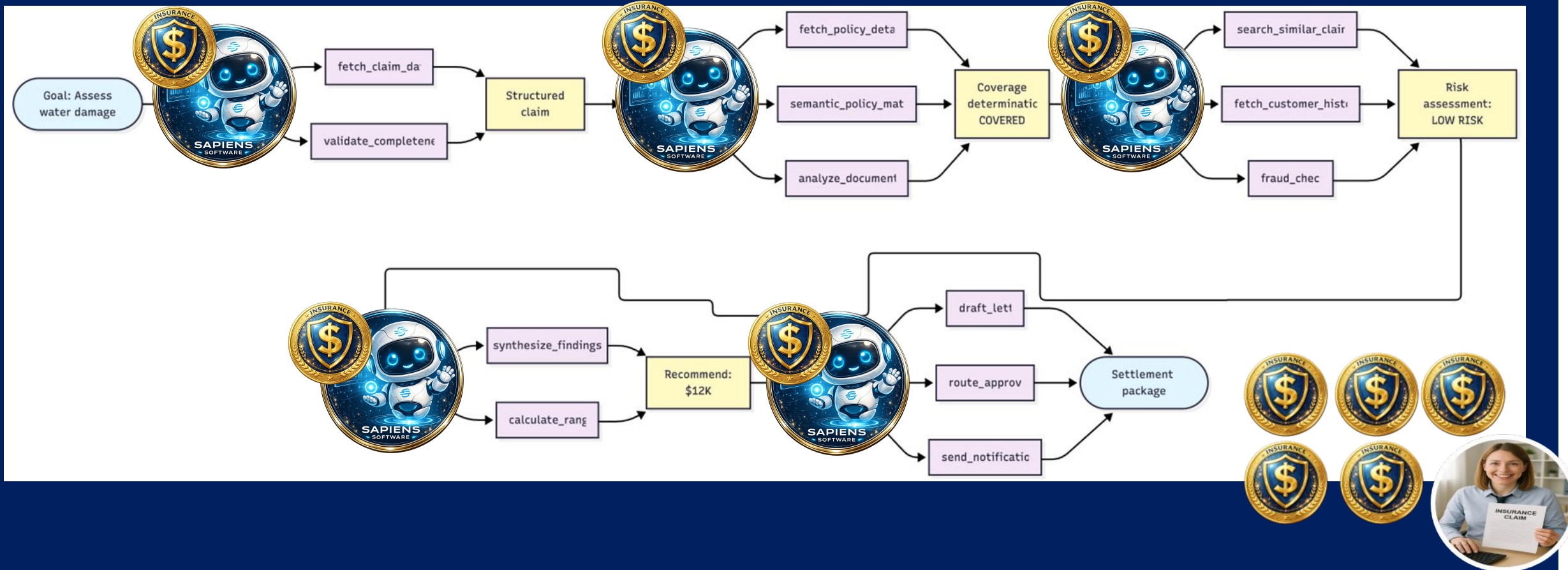


This Guy is about to  
decimate my  
department and  
probably will decimate  
my career

# Where we are likely heading... An example from a real-world claim workflow



“Tokenisation of the task” e.g. “\$1 to structure claim, \$4 to determine cover etc”







Internally focused

90% of PoC's Didn't Go Anywhere

"Its only as good as our data"

U/W & staff are using side-desk

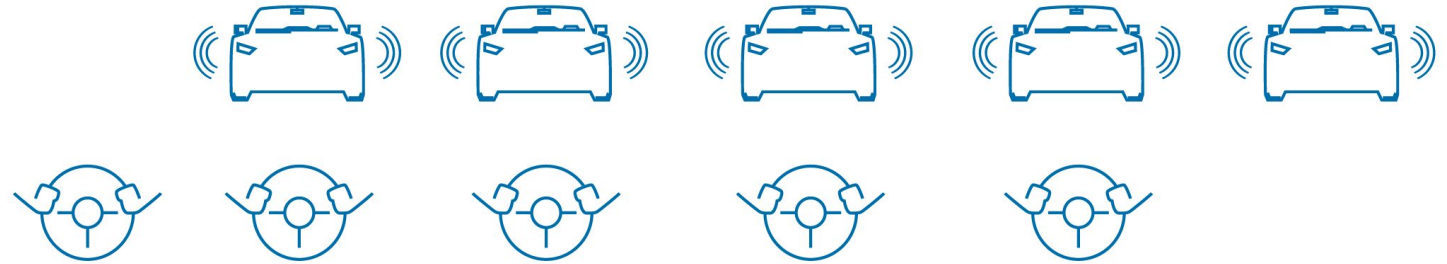
We should learn together

# A Pathway

# Business Confidence – We have actually been here before



## FIVE LEVELS OF VEHICLE AUTONOMY



### LEVEL 0

**No Automation:** the driver is in complete control of the vehicle at all times.

### LEVEL 1

**Driver Assistance:** the vehicle can assist the driver or take control of either the vehicle's speed, through cruise control, or its lane position, through lane guidance.

### LEVEL 2

**Occasional Self-Driving:** the vehicle can take control of both the vehicle's speed and lane position in some situations, for example on limited-access freeways.

### LEVEL 3

**Limited Self-Driving:** the vehicle is in full control in some situations, monitors the road and traffic, and will inform the driver when he or she must take control.

### LEVEL 4

**Full Self-Driving Under Certain Conditions:** the vehicle is in full control for the entire trip in these conditions, such as urban ride-sharing.

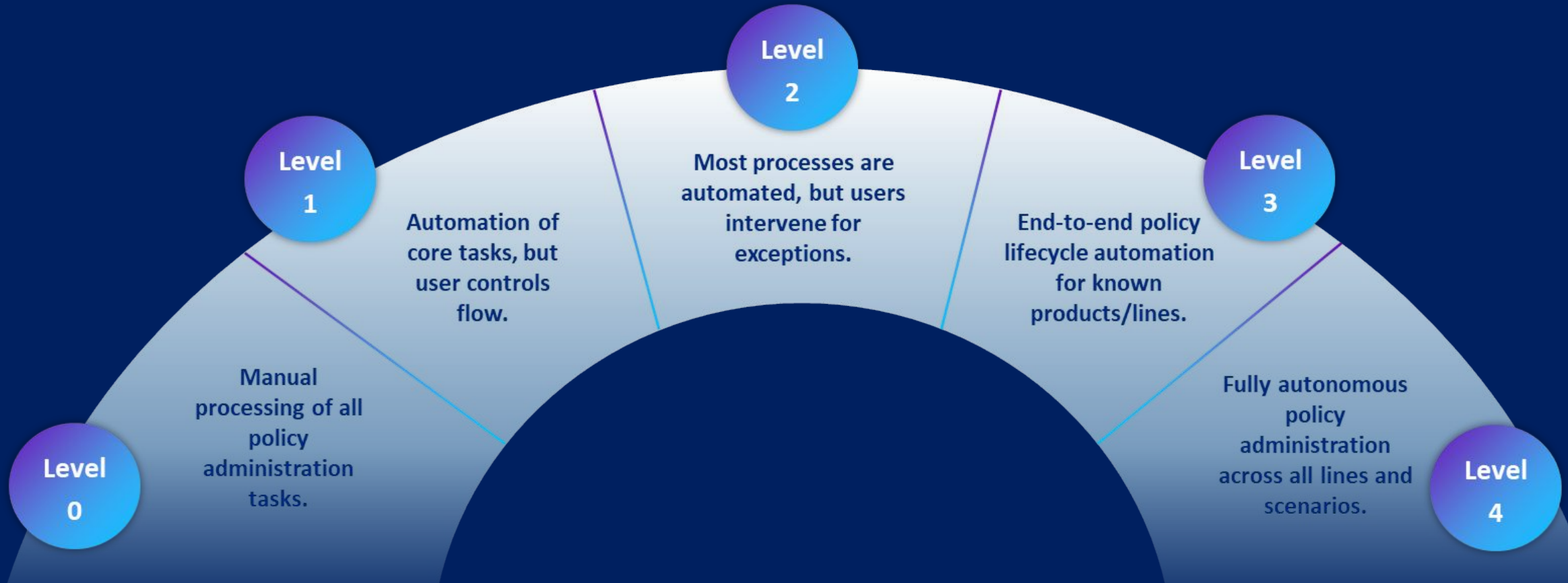
### LEVEL 5

**Full Self-Driving Under All Conditions:** the vehicle can operate without a human driver or occupants.

Source: SAE & NHTSA

# So we soften...and we need a pathway to help us communicate

With each other, the regulators, the market, our customers and more importantly with our business



# Your AI strategy is actually a Data Strategy



**Step 1** Get Your Data in Position

*Data Audit and Data Readiness Exercise*

**Step 2** Get Your Tech Stack Audited

*Can you change based on findings from #1*

**Step 3** Think-Big Workshop – User Cases

*Understand where you want to be*

**Step 4** Get Your Employees on Side

*Case Studies and Use-Case – Assistance*

**Step 5** Blue-Print Your Future Exercise

*If 1-4 completed – build the business case, bring the whole company on the journey – implement!*

# Get Excited



Function / Domain	Level 0 Manual	Level 1 Basic	Level 2 Emerging	Level 3 Advanced	Level 4 Full
Claims	[Progress bar from Level 0 to Level 2]				
Customer Service	[Progress bar from Level 0 to Level 2]				
Underwriting	[Progress bar from Level 0 to Level 1]				
Fraud Detection	[Progress bar from Level 0 to Level 1]				
Distribution & Sales	[Progress bar from Level 0 to Level 1]				
Policy Administration	[Progress bar from Level 0 to Level 1]				
Product Development	[Progress bar from Level 0 to Level 1]				
Risk & Compliance	[Progress bar from Level 0 to Level 0.5]				
Actuarial & Pricing	[Progress bar from Level 0 to Level 0.5]				

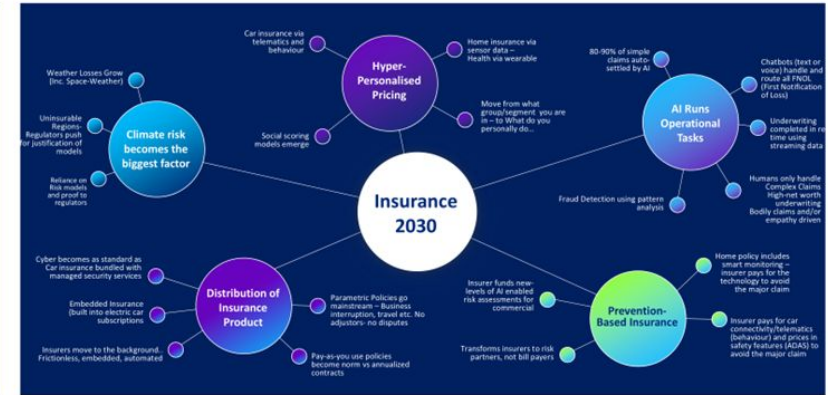


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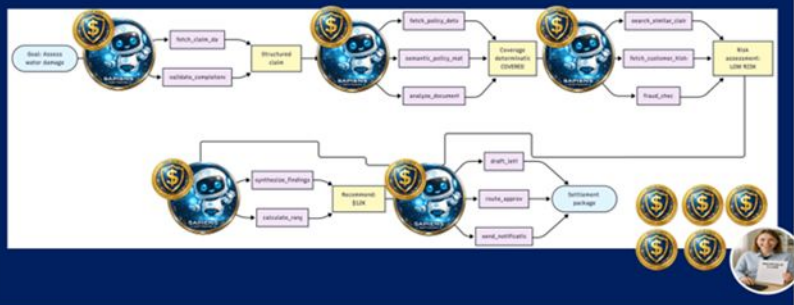


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- For every Rand of premium written there is a corresponding rise in fraud
- It's a simple equation: Do more business, add more people
- Shameless advert (see me after!)



# Last word... Thank-you!

"Tokenisation of the task" e.g. "\$1 to structure claim, \$4 to determine cover etc"



Example of POC: More complex workflows (i.e. super-automation)



It's around this time two people realised the same thing.....

What I am discussing with our customers....

Function / Domain	Level 0 Manual	Level 1 Basic	Level 2 Emerging	Level 3 Advanced	Level 4 Full
Claims	Progress bar	Progress bar	Progress bar	Progress bar	Progress bar
Customer Service	Progress bar	Progress bar	Progress bar	Progress bar	Progress bar
Underwriting	Progress bar	Progress bar	Progress bar	Progress bar	Progress bar
Fraud Detection	Progress bar	Progress bar	Progress bar	Progress bar	Progress bar
Distribution & Sales	Progress bar	Progress bar	Progress bar	Progress bar	Progress bar
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