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iPipeline Quarterly

Summer Edition 2026

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Growth with confidence

Rachel Edwards
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Growth remains the north star for the protection market, but this edition of iPipeline Quarterly makes one thing clear. The next phase of growth will not be defined by volume of new customers alone - it will be defined by how confidently we respond to a market that is changing in real-time.

Across protection and the advice market, opportunity remains.

Value (measured in APE) has held up well, whilst income protection continues to grow, and advisers are building broader and deeper protection solutions for customers. But we are also seeing the limits of old growth models. New policy volume remains hard won, customer needs are shifting, and adviser capacity is under pressure as complexity increases — Paul Yates reflects these trends as he looks back at this years Term & Health Watch.

That is why growth today needs to mean more than just more premium. It should mean more people protected, more families supported, and better access to cover that is relevant, flexible and affordable. If growth is concentrated only within the same core audience, we should challenge ourselves to go further. Real progress is not just commercial. It is also about broadening reach and improving financial resilience.

But confidence in growth is not only about proposition. It is also about execution.

Advisers cannot unlock demand if the process is manual, fragmented or too time consuming. Productivity is becoming a defining issue for our market; an issue that shines a light on a wider business challenge — the providers who win will be the ones who remove friction from their process, and advisers will vote with their feet.

For some insurers that will require continued investment and transformation. In this edition, Chris Samuel reflects what defines successful technology transformation — transformation that works best when it starts with outcomes, not systems, and when firms design around real customer and adviser journeys from the outset.

But there is also a human side to growth that we cannot ignore.

In a world shaped by online research, social channels and AI generated content, customers are forming views long before they speak to an adviser. If trusted firms stay silent, others will fill that space and often with poor quality information.

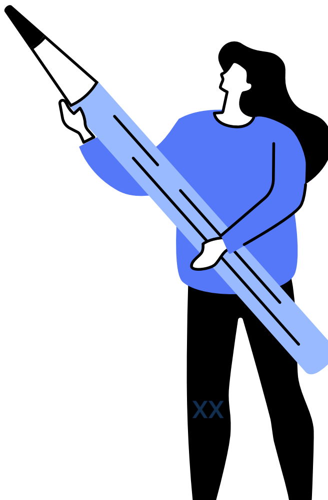
“Clear, balanced communication is not a compliance risk - in many cases, silence is indeed the biggest risk”

We hear from Rhys Williams, Director of Quietroom on how communications can become a superpower, not something to be feared.

Finding even greater value:

The articles in this issue point to a simple conclusion. Growth with confidence comes from relevance, efficiency and trust. It means reducing friction, helping advisers do more with the time they have, building technology around real needs, and communicating with customers in ways that are clear, helpful and human.

If we can do that consistently, we will not just create more value. We will build a stronger, more accessible protection market for the people who need it most.



Protection growth needs to mean more people covered, not just more premium

Stephanie Hydon
Director, Client Distribution
iPipeline

The latest Swiss Re Term and Health Watch has landed, offering the annual health check on the UK protection market. As ever, the figures give us all an opportunity to reflect on where the market is moving and whether progress is being felt in the right places.

This year, one headline stands out. In 2025, policy sales were broadly flat, or slightly down depending on how you view the data, while premium income rose more sharply.

That tells an important story. We should be celebrating the progress we have made within our existing market, it suggests a deeper protection coverage for more individuals and families, with growth in Multi-Ben, Income Protection and higher coverage amounts. We should also be celebrating new advisers engaging in protection for IHT purposes. However, it also suggests fewer new individuals and families are taking out protection.

Because if market growth is driven mainly by higher premiums and more product combinations rather than more people protected, we have to ask ourselves a difficult question: are we really broadening access, or are we simply increasing value within the same core audience?

That is a question the FCA will rightly take an interest in. The regulator has been clear that too many people in the UK still do not have an adequate financial safety net. Against that backdrop, premium growth alone cannot be the benchmark for success.

Many firms will look at these results with mixed emotions. Higher premium income is commercially important, and rightly so. Businesses need to grow, advisers need to be rewarded fairly, and stronger outcomes for individual customers matter. But if we stop there, we risk setting the bar too low.

For many across the market, and certainly from a regulatory and public interest perspective, this is not enough. We should aim higher than growth in premium alone. We should measure success by whether more people and more families have meaningful protection in place.

That matters because more than half the population still has no protection cover at all. That should concern all of us. Not simply because it represents untapped market potential, but because it leaves too many households financially exposed when life takes an unexpected turn.

So, if we are serious about growing the market in a way that matters, we need to focus on the barriers that continue to hold us back and address them together, with urgency and intent. For me, that means action in three areas.

01. Reduce friction

There are still not enough advisers consistently recommending protection, and among those who do, it is not always embedded as firmly in the advice process as it could be. The reasons are varied, but one factor is clear: process matters.

Where the journey is too manual, too slow or too complex, protection can become harder to prioritise alongside other areas of advice. That is not because advisers do not value it. It is because friction reduces efficiency, and efficiency shapes behaviour. If we want protection to become a more natural part of advice, we need to make it easier to recommend, easier to apply for and easier to place. Removing friction is not a nice to have. It is essential to unlocking broader growth.

2. Build Demand

A smoother advice process does more than improve efficiency. It also makes protection a more attractive area of business for advisers who may not currently focus on it. But supply is only part of the equation. Growth also depends on stronger customer engagement. There is clear evidence that interest in protection rises at key life moments, yet too much of that interest still goes unconverted.

This is where the smarter use of data, digital engagement and AI can make a real difference. Used well, these tools can help firms identify intent earlier, tailor conversations more effectively and turn latent demand into action. At a minimum, we should be doing more to recognise and respond to the demand that already exists.

3. Make Protection More Personal

The way people live and work has changed significantly, and it will continue to change. Careers are less linear, households are more varied, and life patterns are more fluid than they were even a decade ago. Yet too often, protection products and experiences still reflect a more rigid world. Cover can feel static when customers need flexibility. It can feel difficult to adapt when circumstances change.

That is the next major opportunity for our market: creating protection solutions that are more personal, more responsive and better aligned to modern lives. Not just products that customers can buy, but propositions that evolve with them over time. If the market is to grow in a way that is both commercially strong and socially meaningful, this has to be the focus. Yes, premium growth matters. But real progress means more people protected, more families supported and more households given the confidence that they can withstand life's shocks.

That is the measure that matters most. And it is the one we should all be working towards.

SCOTTISH WIDOWS

Women live longer - and need a tailored income strategy

Carolyn Jones
Retirement Director,
Scottish Widows

Gender differences call for a bespoke approach.

After several decades working in this industry, I've seen first hand how women's experiences with money, work, and family shape their — and their family's — long-term financial security.

Something we, at Scottish Widows have been highlighting for years, is that women typically retire with smaller pension pots but live longer than men. A 55 year old woman today lives (on average) three years longer than a man of the same age — with double the chance of reaching 100*. And yet only 24% of women are currently on track for a comfortable retirement, compared to 36% of men**.

These numbers reflect choices and life moments that women recognise all too well. Many take career breaks, step back from full time work, or prioritise saving over long term investing, which they feel less confident about.

Sometimes these choices are made from necessity, but often women simply haven't been given the advice or support to take a confident, long term view of their financial wellbeing.

It's a society-wide issue, with a recent report from the University of Edinburgh reinforcing Scottish Widows Women & Retirement Report's call for the UK pensions system and financial advice sector to address the gap between men's and women's pension wealth.

Even when women have built healthy pension pots, there is still the important question of how to turn those savings into an income that lasts.

New-found flexibility

SCOTTISH WIDOWS

Annuities are rising in popularity again* but it's not just down to today's better rates.**

One of the persistent myths I come across is that annuities are rigid and outdated, yet they've quietly transformed into something far more flexible and feature rich than many people realise.

For women who've had fragmented career patterns, taken time out, or built pension wealth differently to their partners, annuities can be a powerful aid for long-term security.

In the uncertain times that we live in, annuities remove the uncertainty of market fluctuations. There's no need to worry about managing investments or making sure that withdrawals don't deplete pension funds. Annuities can be tailored with:

- Escalation options to help protect income against inflation.
- Dependants' benefits such as spouse's or partner's income continuation.
- Guarantee periods that ensure income continues for a set time.
- Value Protection on all or part of the initial capital outlay.

In many ways, annuities in payment mirror the best features of the defined benefit (final salary) pensions we still view as the gold standard: stable, predictable, lifelong income.

'Wealth care' - and planning as a couple

With lower pension savings, women, are undoubtedly more exposed to financial dependency. At Scottish Widows, we're constantly encouraging women to prioritise their own wealth care to build and help secure their long-term financial security.

A critical part of that is open, proactive discussions with partners about retirement finances. Because many couples build their wealth jointly — across pensions, savings, and property — retirement planning should also be planned jointly, so that both partners understand the income that will be available in retirement, consider dependants and intergenerational wealth transfer.

When thinking about annuities, taking time to consider dependants' benefits really matters. It is one of the simplest ways to make sure no one is unintentionally left financially vulnerable later on.

Looking ahead

Modern annuities can give women a powerful mix of reliability, flexibility and long lasting value - exactly what is needed to navigate longer lives, often-smaller pension pots and the uncertainty of any market swings.

With a little wealth care and open planning with partners, women can build an income that helps protect them and their families. And truly, what better way to approach later life than with confidence, clarity and security.

Sources:
* https://www.ons.gov.uk/
** Scottish Widows Women and Retirement Report 2025
*** https://www.abi.org.uk/news/news-articles/2025/2/another-post-pension-freedoms-record-for-annuity-sales/

Is adviser productivity now the real limit on growth?

Zoe Mears
Enterprise Strategic Partnership Manager
iPipeline

The protection market has cantered through Q1 2026 with a familiar shape. Through iPipeline portals - premium value held up, volumes were steady, whilst product mix continued to favour more complex cases.

But beneath that stability sits a more important question.

Are we now in a phase where adviser productivity, not raw demand, is the defining constraint on growth?

The markets in quarter 1 do not point to a market short of demand. Instead, it suggests advisers are working in an environment where converting that demand into business is becoming harder.

A busy mortgage market put pressure on capacity

March saw a sharp rise in mortgage activity, with 2.15 million searches, up 19 per cent month on month and 17 per cent year on year. This was the highest monthly level so far in 2026, driven more by volatility than confidence — in part as global politics began to impact confidence and long-term borrowing.

For advisers, that creates a clear trade off. When mortgage demand spikes, their time and capacity are stretched. Protection cases do not disappear, but they compete for attention in an already busy workflow. Protection doesn't always win.

That pressure is important when interpreting protection performance in Q1.

Value proved resilient

Against that backdrop, the market showed impressive resilience, a trait which many would say is part of its DNA.

Link APE reached £151 million through iPipeline in Q1, broadly in line with expectations despite continued uncertainty and pressure on household finances. This continues a trend seen over several quarters. Value is holding up better than volume, with premium growth outpacing policy growth.

In practical terms, advisers are writing fewer additional cases, but those that complete carry more value. That reflects a continued shift towards advice concluding with deeper protection portfolios.

£151million

Link APE reached £151 million through iPipeline in Q1

Flat volumes point to a constraint

New business volumes were broadly flat year on year, which is perhaps the most telling data point in the quarter.

Flat volumes do not automatically signal weak demand. Instead, they suggest advisers are having to work harder for each case while managing competing priorities across mortgages and investments — as covered earlier. And this is where the underlying issue becomes clearer.

If demand remains but volumes are not growing, the volume constraint may sit with capacity rather than appetite. Growth is increasingly shaped by how much advisers can process and complete, and not just how many opportunities exist.

Product mix reinforces the challenge

The product mix in Q1 supports that view. Multi Benefit products accounted for 39% of APE, whilst "Other", dominated by Whole of Life, made up 22%. This is a market leaning into more complex, higher value solutions.

39%

Multi Benefit products accounted for 39% of APE

Whilst that is positive from an advice quality perspective, these cases require more time, more underwriting input and more operational support, which will have an impact on service elsewhere - complexity is helping sustain value, but it may also be reinforcing the 'productivity ceiling'.

A recalibration, not a turning point

So, Q1 does not feel like a step change. It feels like a market recalibration. Activity is stable rather than growing, and whilst value remains resilient, the resulting business mix continues to demand more adviser time and support.

That combination leads us back to the central question:

If advisers are operating in a more volatile environment, and the business they write is increasingly complex, then future growth may depend less on generating demand and more on improving efficiency. Unless we break the status quo.

If demand is still there, but capacity is stretched, then adviser productivity becomes the key lever for growth. The firms that can simplify processes, manage complexity and make better use of adviser time, in part through adoption of technology and digital processes, will be better placed to grow.

From rejection to protection: turning conversations into confidence

Neil Carpenter
Trading Manager,
Protection Distribution at Aviva

Neil Carpenter, Trading Manager, Protection Distribution at Aviva, explores how advisers can overcome client objections by using empathy, insight and personalised tools to close the protection gap.

In today's uncertain world, protection is more than just a financial product, it's peace of mind, resilience, and support during life's challenges. Yet, despite its importance, a significant protection gap remains in the UK. According to the FCA Financial Lives 2024 Survey, just over half of the population (54%) still lack any type of protection insurance.[1]

Across the industry, we all have a shared responsibility, not just to sell policies, but to educate, empathise, and empower clients.

Understanding the rejectors

Aviva's research has identified several key customer segments that are more likely to reject protection. These include:

Young Families (30—45):
Often lower earners or part-time workers, they may undervalue their role and see protection as non-essential.

Zillennials (25—30):
Independent and carefree, they live in the moment and need early education on financial planning.

Anxious Uninformed (45—65):
Financially stretched and overwhelmed, they need clarity and reassurance.

Family/Divorced (30—55):
Often cynical or self-reliant, they require trust-building through relatable stories.

Each group has unique mindsets and challenges, but they all share one thing in common: they need to see protection as relevant to their lives.

Source: [1] FCA the Financial Lives 2024 Survey published 16/05/25

Making protection personal

One of the most powerful shifts in protection conversations comes when advisers start with the person, not the product. It's about understanding where someone is in life, their fears, their goals, and their priorities.

The LIFE model is a simple yet effective framework to guide these conversations:

L — Long-term: What are their aspirations for the future?
I — Income: How do they earn, and what would happen if that stopped?
F — Family: Who depends on them financially?
E — Enjoy: What do they love doing, and how would losing income affect that?

By using open-ended questions and listening actively, you can uncover the emotional drivers behind financial decisions. This approach not only builds rapport but also helps clients articulate their own need for protection.

The power of language

Words matter. The language we use can either alienate or engage. Instead of focusing on "insurance" or "premiums," talk about "legacy," "peace of mind," and "protecting memories." One adviser put it perfectly: "My job isn't just to protect income, it's to protect futures."

Using emotive, relatable language helps clients connect the dots between their current lifestyle and the potential impact of life's unexpected events. It's not about fear, it's about empowerment.

The OPEN'D model: Revealing the need

To guide clients from awareness to action, you could consider using the OPEN'D model:

Opportunity: What do they want for their family if something happens?
Problem: What risks or shortfalls could derail those plans?
Exploration: How would those problems affect their lifestyle and goals?
Need: What protection is required to safeguard their future?
Decide: Are they ready to take action?

This model helps clients realise the importance of protection on their own terms, making the decision to proceed feel natural and necessary.

Tools to support your conversations

We've developed a suite of tools to help you bring protection to life:

- **Aviva cover stories:** A national radio campaign featuring real-life stories from well-known personalities, designed to make protection feel relatable and relevant.
- **Interactive shield of protection:** A visual tool that helps clients explore "what if" scenarios and understand the solutions available.
- **Selling protection guide:** A step-by-step resource with conversation prompts, product brochures, and claims statistics to support your advice.

These resources are designed to make your conversations more engaging, more effective, and ultimately more successful.

From conversation to confidence: **Let's close the gap together**

Every conversation you have is an opportunity, not just to offer a product, but to provide peace of mind, build resilience, and make a lasting difference in someone's life. By understanding your clients' stories, speaking their language, and guiding them with empathy, you can help turn hesitation into confidence and rejection into protection.

At Aviva, we're here to support you every step of the way. Whether you're looking for tools to spark meaningful conversations or insights to deepen your client relationships, our resources are designed to help you succeed.

Find more support for your client protection conversation
Aviva Adviser: Personal Protection - Aviva

Find Out More

Growth in protection will not come from doing more of the same

Paul Yates
VP Product Strategy
iPipeline

The latest Swiss Re Term and Health Watch tells a clear story. Growth is still there to be had in protection, but it is not broad and it is certainly not evenly spread. If the market wants to grow in 2026 and beyond, it needs to follow where demand is moving, not the lessons of where it used to be.

The headlines. The market was broadly flat rather than expansive. In 2025, 2,003,907 new term, whole life, critical illness and income protection policies were sold, down 1.8% on 2024. Total term sales fell 2.8%. Critical illness sales also softened overall. But those top-line numbers hide a more useful truth for providers and distributors. Growth is happening in targeted areas where products match real customer priorities, and perhaps adviser focus, more closely.

The clearest example is income protection. New income protection sales rose 11.9% in 2025 to 262,994 policies, after already strong growth in 2024. That makes it the fastest growing segment in the market. More importantly, it suggests a shift in what customers and advisers see as most valuable. In a tougher economic environment, protecting income feels immediate and practical. That is a strong base for future growth.

This matters because growth today is being shaped by relevance and affordability. Swiss Re's report makes the point that customers are becoming more selective. They are weighing the cost of cover more carefully and focusing on protection that feels essential today. This helps explain why term with critical illness fell 6.7%, while standalone critical illness still managed 2.1% growth. Customers are not stepping away from protection. They are often choosing simpler and more targeted ways to buy it.

For the market, this is an important lesson. Growth will come from propositions that are easier to understand, easier to justify and easier to fit into stretched household budgets. Simplicity isn't about reducing value. It is about making value clearer.

The second major lesson is that advice remains central to growth. The report shows advised channels were more resilient than the wider market. iPipeline's own data showed advised new business volumes up 3.5% in 2025, despite the pressure on the wider market.

+11.9%

Income protection sales in 2025 — 262,994 policies, the fastest-growing segment.

-1.8%

New policies overall — 2,003,907 sold across the market in 2025.

-2.8%

Total term sales — but standalone critical illness still grew 2.1%.

+3.5%

Advised new business volumes through iPipeline in 2025, against a falling market.

+51.6%

Average whole-of-life sum assured — with iPipeline applications up 36% year on year.

That should shape where firms invest. The best growth opportunity is not to force complex protection into stripped back digital journeys. It is to help advisers do more, more efficiently. Better journeys, better tools and better product structures can all improve conversion and increase value per case. It can also help encourage more advisers to make protection a core component of their advice process.

That links directly to a third lesson. Growth is no longer only about selling one more policy, to one more customer. It is also about building broader protection solutions.

iPipeline's data shows that around a third of policies are now multi benefit, with just over 2.6 benefits per policy. Income protection is becoming more prominent within those bundles, a sign of an advice market learning how to meet more needs in a single conversation.

For providers, that opens up a more practical growth model. If overall volumes are hard won, increasing cover density becomes more important. Product design, packaging and adviser support all have a role to play here. The opportunity is not just more customers, it is better protected customers.

The final lesson comes from whole of life — no real surprise there. Sales were almost flat, up just 0.7%, but average sum assured rose by 51.6% and average premium by 78.3%. iPipeline also saw whole of life applications up 36% year on year. This is a reminder that growth can appear quickly when external conditions change and when advice spots an emerging need, in this case around estate planning and inheritance tax.

So, what should the market take from all of this? Growth in protection is real, but it is selective. It is being driven by income protection, more focused product choices, broader multi benefit planning and pockets of high value demand such as whole of life. The firms that win will be the ones that respond to where customers are going, support advisers more effectively and build propositions around relevance, value and simplicity.

We therefore saw our customers grow protection APE as they combined best of breed advice practices with the smartest tools to deliver growth beyond the market.

In short, growth will not come from waiting for the old market to return. It will come from aligning to the new reality.

Why silence is the biggest compliance risk for advisers

Nick Jones
Director - Marketing
iPipeline

Many advisers want to communicate more with clients about protection, but concern about regulation can leadd to hesitation. The result is content that is either overly cautious or worse still, doesn't exist at all.

Clients aren't waiting for advice before forming their views. They are researching online, often influenced by social media, AI tools and unregulated (or less regulated) voices. If advisers are not there to provide clear, balanced education, someone else will fill that gap, and often with poor or misleading information.

Stepping back, this shifts the question - it is no longer "is it safe to communicate?" but "is it safe not to?"

The trap of analysis paralysis

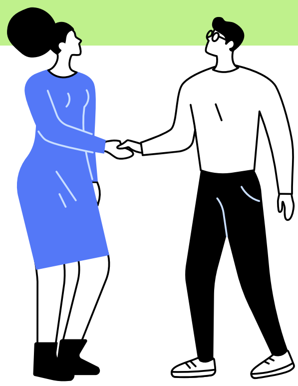
Most advisers recognise this tension. On one hand, clients expect simple digital information delivered quickly, whilst on the other, regulatory scrutiny has increased, particularly around financial promotions.

This can leave many feeling stuck between saying too much and saying nothing.

In practice, the result is cautious websites and limited outreach, and content which becomes vague, stripped of anything that might be interpreted as advice or a claim. The unintended consequence of this, is that comms lose any real value.

Clients either disengage, delay, or arrive at conversations with unrealistic expectations — expectations which they're already formed at least in-part, elsewhere. That makes the your job harder, not easier.

What the regulator actually expects



A common misconception is that compliance means saying less.

In reality, the opposite is true.
The regulator expects communication to be clear, balanced and helpful. Problems arise when content becomes misleading, either because it overpromises or because it is so vague that it lacks meaningful context.

For example, failing to explain risks or variability can create just as much harm as making exaggerated claims. Clarity is not only encouraged, it actively reduces risk by helping clients understand what they are engaging with.

This is an important mindset shift. Compliance is not about silence. It is about giving people the information they need to make informed decisions.

What good communication looks like

At its core, effective adviser communication is simple and it explains rather than sells.

Good content brings risk into the open and helps clients understand what could happen if they are unable to work or face a change in circumstances, rather than focusing purely on product features.

It also provides context instead of certainty. Rather than making firm claims on cost or outcomes, it explains what influences them. This could include factors like age, health or occupation, helping clients see where they might fit.

Importantly, good content keeps the tone supportive. The aim is to guide understanding, not to push a decision. When clients feel informed rather than persuaded, conversations become more constructive and relationships become deeper.

Even small changes in wording can make a big difference. Compare a message that promises guaranteed outcomes with one that explains how cover can help in certain situations. The latter is not only safer, it is more credible and more useful.

Why execution is where most advisers struggle

Understanding these principles is one thing, but applying them consistently is another.

Writing clear, compliant content takes time and skill. Most advisers aren't trained marketers, and it can be difficult to strike the right tone. Add to that the pressure of staying within regulatory boundaries, and it is easy to see why many default to doing very little.

There is also a structural issue. Traditional adviser websites are not well-designed vehicles for education. They often present static, generic content that does little to answer the specific questions clients have.

The result is a gap between what clients want to know and what advisers provide up front.

A practical way to move forward

The key is not to try to solve everything at once. Progress comes from taking a more focused, educational approach.

Start by thinking about the questions clients ask before they contact you. These are often simple and predictable. How much might cover cost? What does it actually do? What could affect eligibility? What happens if something goes wrong?

Building content around these questions creates immediate value. It also shifts the tone from promotion to explanation, which naturally aligns better with regulatory expectations.

Language matters as well. Plain English is not just easier for clients, it is safer. If a message is clear enough to say in a meeting without confusion, it is usually on the right track.

Setting expectations early is another key step. When clients arrive with a realistic sense of cost, process and outcomes, the advice conversation changes - it becomes more about tailoring and less about correcting misunderstandings.

Finally, it is worth recognising that you do not have to do all of this manually. Tools can help deliver consistent, compliant education at scale.

For example, digital journeys that ask simple questions and provide indicative ranges or risk insights can prepare clients before they ever speak to you. This not only improves client understanding but also leads to better quality conversations.

The commercial benefit of getting this right

There is a tendency to view compliance driven communication as a constraint, when in reality, it can be a huge driver of growth.

When clients are better informed, they engage more willingly. Conversations are more focused because the basics have already been covered. Expectations are aligned, which reduces friction and builds trust.

Over time, this leads to stronger conversion and more efficient use of time. Advisers spend less energy correcting false assumptions and more on delivering tailored advice.

Final thought

The biggest risk facing many advisers today is not saying the wrong thing. It is saying nothing at all.

Clear, balanced communication builds trust, improves outcomes and aligns with what the regulator expects. It does not need to be complex, but it does need to happen.

Start with education. Keep it simple. Focus on what clients need to understand. From there, confidence follows.

RATHBONES

David Coombs
Head of Multi-Asset
Investments

Are You Betting Your MPS on Mega Cap Tech?

Passive investing is frequently pushed as the safest and most neutral approach to the markets. In reality, it's neither.

Passive funds don't evaluate a company's fundamental value, resilience, or underlying quality. Instead, they operate mechanically, buying more of what has already grown large and selling what has fallen from favour.

By design, this is inherently backward-looking, locking investors into yesterday's winners just as market cycles turn. This can be doubly damaging when coupled with model portfolio services (MPS) that use index trackers and infrequent, mechanical rebalancing. If you can't react immediately when markets turn, and you're forced to and you're forced to hold the bag all the way down the hole, it gets messy.

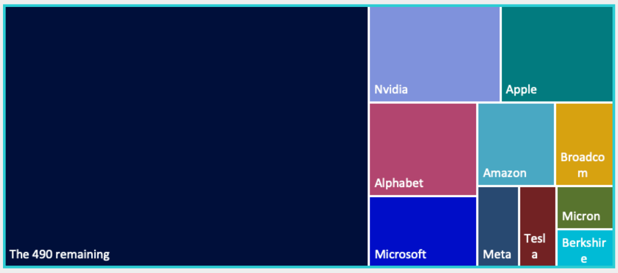
History shows the danger of assuming current market leaders will maintain their dominance. Between 1999 and 2026, the landscape shifted radically.

In 1999, the market was consumed by dotcom euphoria, elevating tech companies to massive valuations based on hope rather than earnings. Virtually all those companies are no longer in the top 10. Many no longer exist.

Fast forward to 2026, and we're in an era defined by AI.

Spurred by explosive investment in data centres and computing power, companies like Nvidia surged — the 'Magnificent Seven' have come to account for roughly one-third of the S&P 500.

...AI stocks dominate the S&P 500 today:



...even more so than dotcom companies in sept 1999:

Source: SPDR S&P 500 ETF; data at 30 Sep 1999 and 26 May 2026

Owning **yesterdays winners** at **tomorrow prices**

This journey through time highlights a critical vulnerability for passive investors:

..extreme concentration risk. Today, indices are more top-heavy than ever. A supposedly diversified passive portfolio is essentially a massive bet on a handful of interconnected mega-cap technology firms. Because these businesses rely on the same ecosystems and suppliers, stress in one area could easily cascade into a broader industry shock.

We've seen the dangers of index concentration before. In 1989, at the height of Japan's stock market boom, it accounted for 45% of the MSCI World Index. Today, it's 5.5% — the same weighting as Nvidia. An investor passively tracking the MSCI World would have taken a big hit in the early 1990s bust and been slow to capitalise on the rise of the US.

Structural mechanics of increasingly dominant passive investment flows introduce hidden risks. The largest companies, regardless of changes in company fundamentals. This creates a dangerous feedback loop that exacerbates vulnerabilities when trends reverse. This weakness is even more pronounced in fixed-income markets.

Find out more

Because bond indices are weighted by outstanding debt, passive investors are systematically forced to lend the most money to the biggest borrowers.

Active investing offers a fundamentally different starting point by focusing on the intrinsic value of what is owned. A prime example occurred in 2022, when our multi-asset team proactively removed almost all duration from our lower-risk funds ahead of aggressive central bank tightening. This active management shielded our investors from the severe bond market drawdowns that passive alternatives sleepwalked into.

While passive funds remain useful tools, an increasingly volatile world requires an active approach, one that looks forward and adapts to shifting conditions, ultimately investing with conviction rather than relying on autopilot.

For more information about Rathbones' Model Portfolio Service click here.

Why transformation projects succeed.
10 key takeaways from winning projects

Successful technology is almost always at the heart of successful insurers. But the process of arriving at a successful settled technology stack isn't always straightforward.

Transformation succeeds when it is treated as a business change programme, not just a technology upgrade. Our recent whitepaper argues that winning projects are built around clear outcomes, strong leadership, practical design choices, and a disciplined focus on long term value.

Chris Samuel
AVP Enterprise
iPipeline

01

Start with the business case, not the system

The strongest programmes begin with goals such as growth, better service, faster decisions, and stronger resilience - rather than simply a desire to replace old technology.

02

Make leaders accountable for results

Successful projects have senior sponsors who own clear, measurable outcomes and track them throughout delivery, instead of only reviewing progress against milestones and activity.

03

Use a single value scorecard

Projects perform better when leadership works from a simple, shared scorecard covering areas such as conversion, speed, operational efficiency, accuracy, resilience, and third-party oversight

04

Design around target customer and adviser journeys first

Winning teams define the end-state customer, adviser, and operational journeys - before choosing platforms, which helps avoid recreating old problems in a new system.

05

Prefer configuration over custom build

Configurable, rules-based approaches usually give faster delivery, more control, and easier change. Custom work, and code, should be used only where it supports real differentiation or a clear compliance need.

06

Respect the complexity of life and protection

Transformation works best when platforms are built for the realities of this market, including underwriting evidence, complex remuneration, reinsurance, and reporting, rather than adapted from another insurance line.

07

Build data, reporting, and controls in from day one

Strong programmes treat data quality, lineage, reporting, security, and resilience as core design inputs, because these areas shape both business performance and confidence in governance.

08

Plan migration at the start

Value is often lost when migration of existing books to a new platform is delayed. Successful programmes design for both new business and existing policies from the outset, with a clear approach to reconciliation, controls, and legacy exit.

09

Measure value across the full lifecycle

Projects create more lasting impact when they track end-to-end adoption and operating model change, not just front end improvements or go live dates. Transformation should improve every layer, not just the shop window.

10

Take a balanced approach to innovation

Whilst new technologies such as AI can unlock efficiency, insight, and more relevant, personalised experiences, winners start with proven use cases, apply controls early, and scale only when testing and monitoring show real results.

In summary, transformation succeeds when organisations stay focused on outcomes, simplify where possible, choose technology that fits the business, and keep value realisation in view from day one to full adoption. Programmes that do this are more likely to deliver growth, efficiency, and resilience with greater confidence and less risk.

Individual Annuities: The Sleeping Giant Is Waking Up

Steve White
Enterprise Customer Success Manager
iPipeline

In a market which talks about assets under management being one of THE key metrics, for many advisers - the most valuable asset is time. More time means more capacity to support clients, build relationships and grow their business.

Over the past few years, the annuity market has seen a strong resurgence. Higher interest rates, larger pension pots and a growing demand for the certainty of guaranteed income in an uncertain world have all helped bring annuities back into the mainstream.

Against a backdrop of high inflation and cost-of-living pressures, more consumers are looking for a retirement income they can plan for, and more distribution channels are shining a brighter light on annuity advice as a consequence.

That creates a real opportunity for advisers. But historically, the application process has often held them back — and made annuities an opportunity that comes at a cost. Their time.

Until recently, annuity applications were still heavily reliant on paper-based processes. Processes that may work for a shopping list, but far from ideal for a financial application where speed, accuracy and client experience all matter.

The good news, that has now changed.

With providers such as Standard Life, Scottish Widows, M&G and Aviva supporting annuity e-Apply through Assureweb, advisers now have a more efficient way to quote and submit business.

Connected annuity e Apply is designed to reduce time spent on administration so advisers can focus more on advice. By removing the need for printing, scanning, posting and re-keying information, it helps streamline the application journey without compromising accuracy, compliance or client experience.

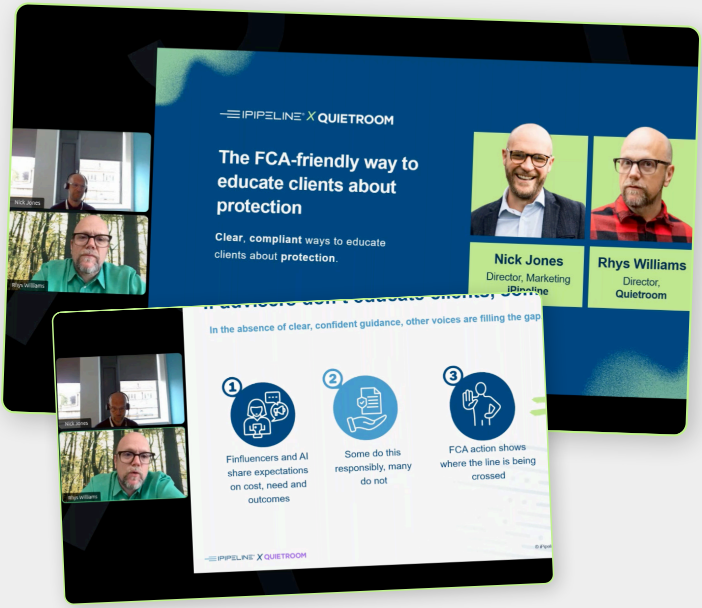
The time saved can be used where it matters most: supporting clients, writing more business and building stronger relationships.

For advisers looking to grow efficiently and deliver a modern experience, annuity e-Apply is more than a digital improvement. It is a smarter way to work.

News you may have missed

The team recently attended the ITC Europe Conference, held in Barcelona during May. Amongst a multitude of great content and top tier networking, Chris Samuel, AVP Enterprise Sales hosted a roundtable "How life insurers unlock cost, growth, and service through digitisation" and Managing Director UK & Europe.

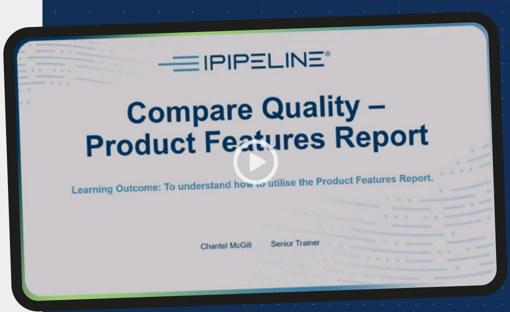
Rachel Edwards hosted the fascinating panel debate "Fragmented Canvases: Why Europe Still Struggles to Scale Innovation". You can find out more here.



WEBINAR

Making client comms FCA friendly

We were delighted to be joined by communications expert Rhys Williams of Quietroom, for a focused webinar aimed at growing adviser skills and confidence in building compliant and engaging client communications and campaigns. You can watch back the recording here.



To sign up to any of our webinars, click here to register. There are many to choose from or you can catch up on a past webinar at a time that suits you.

Our business is to accelerate and simplify advice, sales, compliance operations and customer support. We automate processing for every stage of the business — from pre-sales, new business and underwriting to policy administration, point-of-sale execution, post-sale sale support and data analytics. Within the UK, our unique and powerful aggregated community of providers, financial adviser networks and independent financial advisers, is dedicated to enabling customers to secure the financial futures for their families.

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