

# Norima presentasjon

Hva skjer i forsikringsmarkedet – fra litt ulike perspektiver

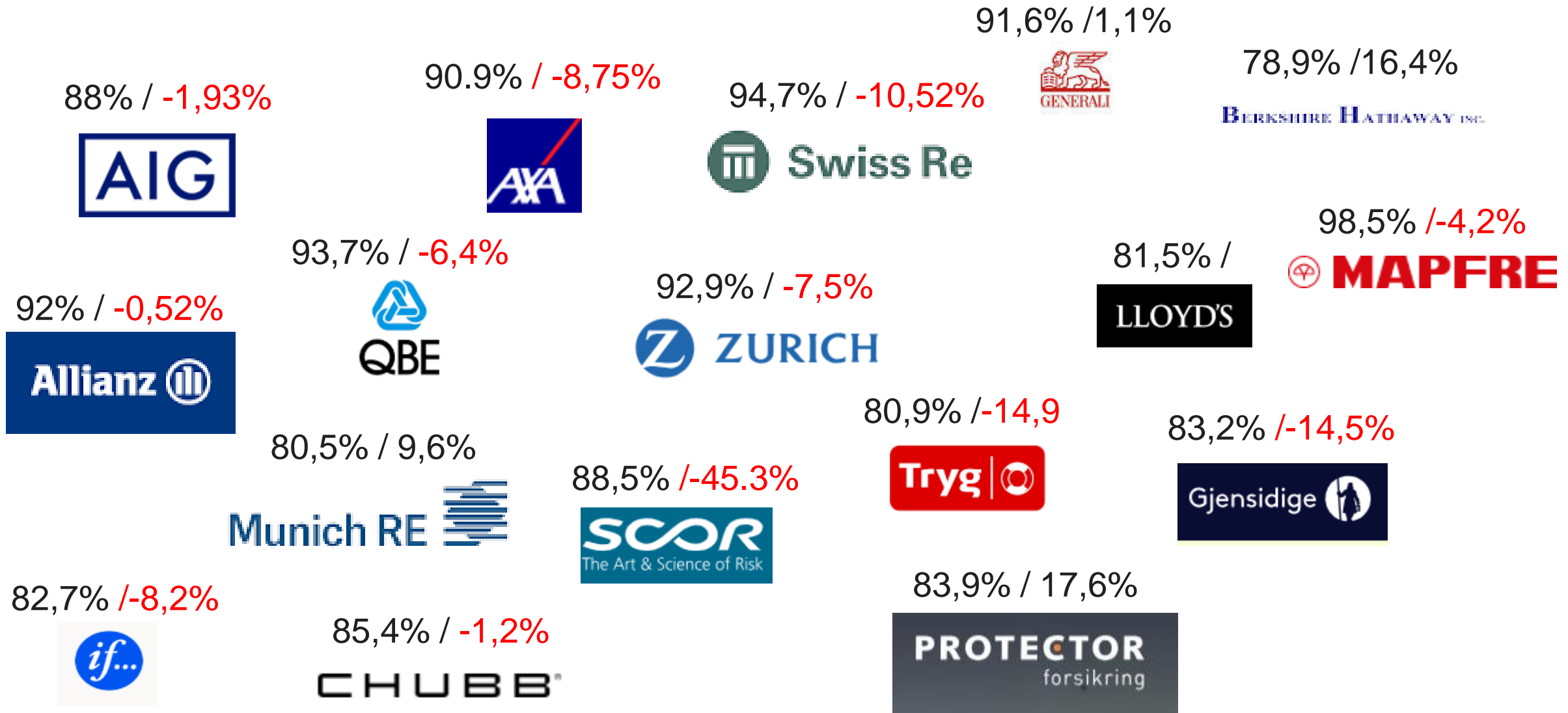
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14.september 2023

1. Hvilke trender ser vi i forsikringsmarkedet?
2. Hva trender ser vi i meglermarkedet?
3. Hvilke konsekvenser skaper dette for kunder og innkjøpere?
4. AOB?

# Hvilke trender ser vi i forsikringsmarkedet?



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# Hvilke trender ser vi i forsikringsmarkedet?

## Global perspektiver

- Norden; fortsatt et attraktiv marked
- Nat Cat kapasitet og -bekymringer
- Supply chain kapasitet & appetitt
- Kapasitet – og markedskapasitet
- Treaty focus kombinert med Fac re
- Inflasjon
- Geopolitikk
- Rentenivå
- ESG
- KI (AI)

## Nordiske perspektiver

- Rekruttering – “the battle for talent”
- Konsolidering & nyetableringer
- Sterkere fokus på private & commercial
- Kapasitet vs appetitt
- Pris vs kapasitet
- Krav til dokumentasjon
- Captives

# Hvilke trender ser vi i forsikringsmarkedet?

Preferred Criteria	Conditioned Criteria/classes	Restricted Criteria/classes
Software as a Service companies – licensing income		Large and Major accounts
Website developers		IT security products and services
Hardware manufacturing, equipment etc. – sweet spot!		Gaming companies
Training software / Ed tech		Data aggregators/data aggregation platforms
Network equipment providers		Utilities/energy
Management Information Systems		Internet service providers
Database developers		Public Transportation, Airlines, Airports etc.
Data Entry services		CRM solutions / sales integration systems
Data centres		ERP solutions, Supply Chain management and SCADA
Electrical sensors		Military /Defence Guidance Systems
		Online Exchanges / Trading Platforms
		Satellites/Space
		Any Social networking site
		Cryptocurrency
		Health Tech
		Fin Tech – more to follow – new strategy soon

## What to go for?

1. SME and Lower MM only
2. Preferred Industries only
3. Schemes and Facilities (for SME; UW for facilities are time-consuming so a substantial premium potential will be needed)

## Target customers



Commercial companies brought from retail channels, with good corporate governance practices and sustainable financials

## No risk appetite

- US listed Financial Institutions
- US domiciled companies
- Cryptocurrency companies
- SPAC (Special Purpose Acquisition Companies)
- Sanctioned countries and companies with Sensitive Business Risk (ie Coal exposure)

## Limited risk appetite

Max Capacity of EUR/GBP/CHF/USD 10M

- ✓ Any commercial company listed in US
- ✓ Any Financial Institutions
- ✓ Pharma with high goodwill/intangible
- ✓ Banking foundations
- ✓ Oil & Gas Exploration and production (E&P)
- ✓ Oil & commodity traders
- ✓ Mining industry
- ✓ Gaming and Betting
- ✓ Biotech/Life science

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## • Primær (mer kapasitet)

- Leiligheter, kontorer, butikker, kjøpesentre, hoteller, sykehus, terminaler, industribygninger, skoler, barnehager, lager, museum, flystriper, fornyelsesparker, sport stadion (uten tak), varehus

## • Sekundær (medium kapasitet)

- Større togstasjoner, større flyplasser, mellomstore bruer, religiøse bygg (prototyper), kjøletårn, større konferansesenter og hall høybygg, større hangar, større innendørs arena, vindpark, solcellepark, silo, sport stadion, større teater – og konserthall, kino

## • Mindre appetitt (mindre kapasitet)

- Større bruer, dam, høybygg (mer enn 20 etasjer), kjølelagre (sandwich panels), vannkraft, tunneler, gruver, undergrunnslinjer, renovering av eksisterende bygninger, wet risks (havn, diker, brygger, molo og lignende), dammer

## The risk we prefer

### Industries

- Transport
- Utilities (water treatment, ...)
- Light Food (beverages, pasta, ...)
- Entertainment & Recreation
- Pharmaceuticals
- Professional, Technical and Business Services

1

### Industries

- Communications
- Education
- Health Care Service
- Heavy Fabrication and Assembly
- Light Fabrication and Assembly
- Metals
- Wholesale Trade
- Retail Trade

2

## Other risk we cover

### Industries

- Chemicals Processing
- Air and Land Transport Parts and Manufacturing
- Heavy Food (meat, dairy, bakery, ...)
- Recycling Waste Management
- Temporary Lodging
- Mineral Processing

3

# Hvilke trender ser vi i forsikringsmeglermarkedet?

## Global perspektiver

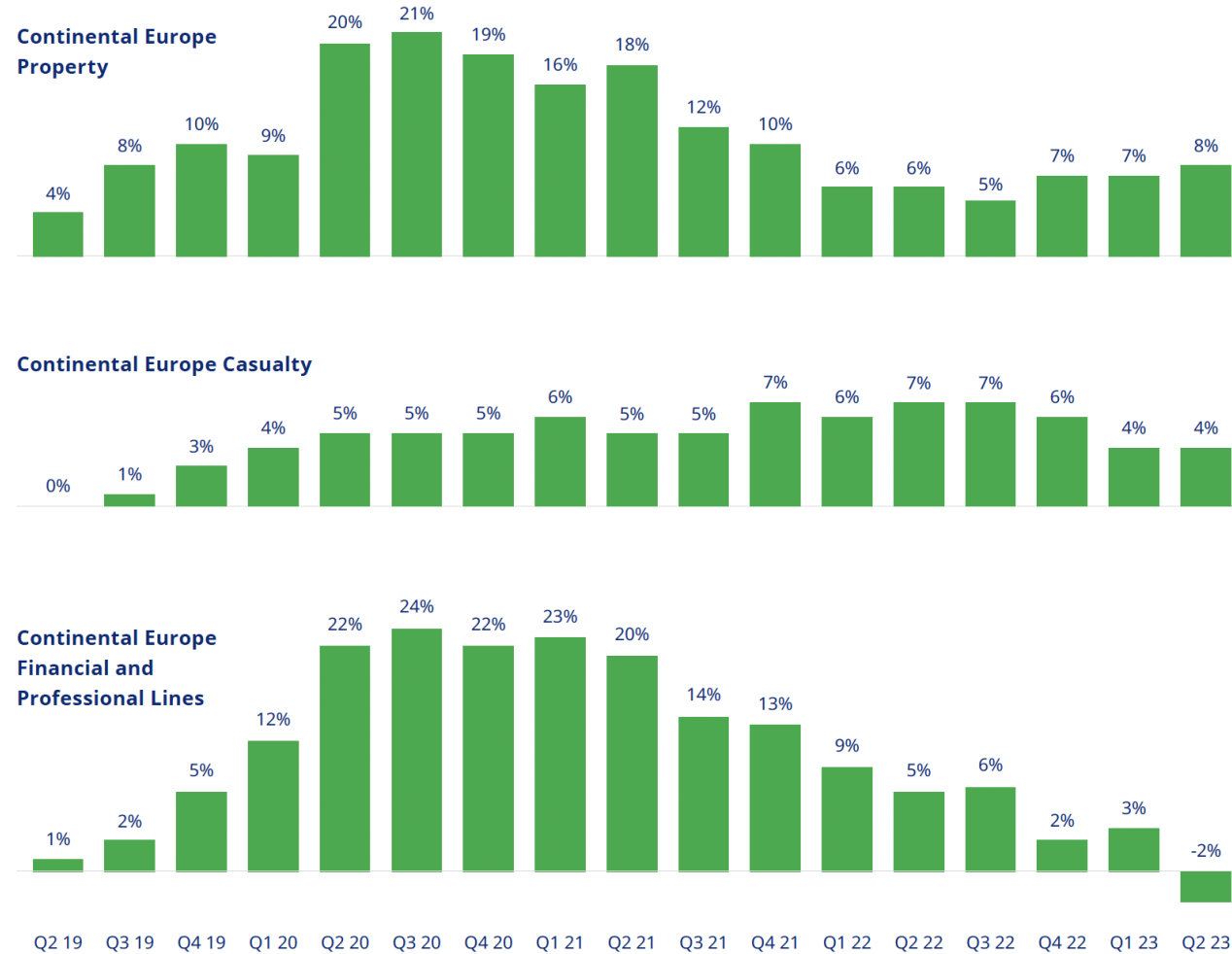
- Vekst er mål #1
- Datafangst
- Teknologi
- Analytics
- Rådgiving vs transaksjon

## Nordiske perspektiver

- Rekruttering – “the battle for talent”
- Konsolidering & nyetableringer
- Regulatoriske forhold
- Transparens i verdikjeden
- Sterkere fokus på fasiliteter i SMB

# Continental Europe insurance composite pricing change

## By major coverage line



Source: Marsh Specialty and Global Placement



# Continental Europe insurance composite pricing change

**Property** insurance pricing in CE rose 8%, compared to 7% in the prior quarter, driven by the increased cost of reinsurance and capital, capacity constraints, and losses.

- Inflation also played a role in property insurance pricing due to increased exposures, loss limits, and claims costs.
- Capacity challenges and increased pricing were generally experienced by clients with CAT exposure, poor risk profiles, losses, and in high hazard industries — including chemical, food, and waste and recycling.
- Underwriters focused on areas including terms and conditions, such as CAT aggregate and deductibles, limitations around contingent business interruption (CBI) extensions, cyber, terrorism, and strikes, riots, civil commotion.

**Casualty** insurance pricing increased 4% in the quarter, the same as in the prior quarter.

- Excess layer pricing experienced rate increases between 10% and 20%.
- Insurers remained cautious of US exposures.
- Insurers demonstrated caution regarding loss-impacted and heavily exposed risks, with increased information requirements.
- Long term agreements (LTAs), for two years, became available again.
- Various insurers announced growth or expansion strategies across Europe, driving competition.

# Continental Europe insurance composite pricing change

**Financial and professional lines** pricing declined 2%, compared to a 3% increase in the prior quarter.

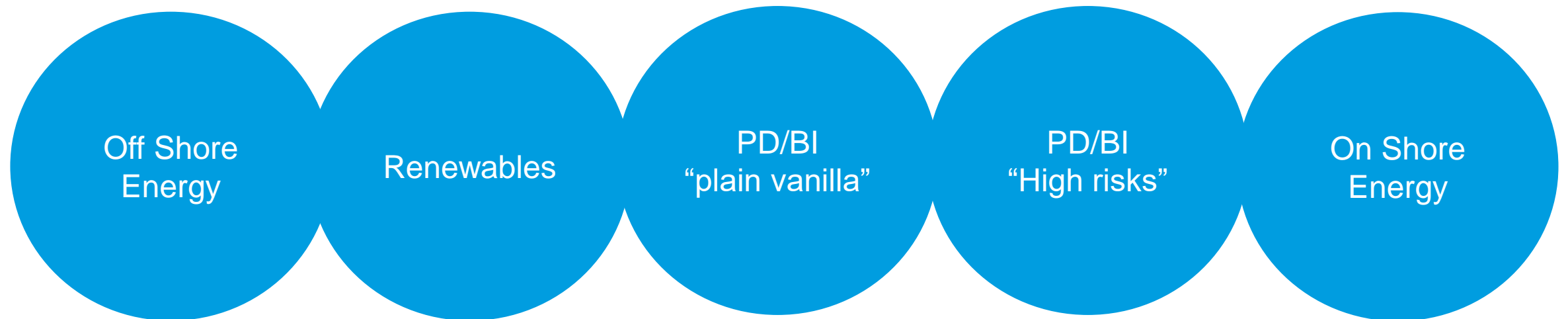
- D&O results varied by country.
  - Pricing in Germany, the largest European D&O market, was generally stable, while others experienced some decreases.
  - Underwriters continued to increase focus on environmental, social, and governance (ESG) risk profiles.
  - LTAs were commonly offered at renewal, with flat terms or possibly decreases in pricing in the second year for select accounts.
- Financial institutions experienced reductions, typically in the single digits on primary layers and up to 10% on excess layers, depending on the risk profile and loss history.
- Crime renewal pricing was stable.

**Cyber insurance** pricing continued to stabilize, increasing 3%, compared to 5% in the prior quarter.

- Drivers of pricing moderation included that there are generally few privacy claims in Europe, a decrease in ransomware claims (in both frequency and severity), and new capacity.
- Risk information remained important, particularly regarding a client's ability to manage ransomware attacks.
- Lack of certain cyber controls in an organization typically led to restricted terms.
- Insurer concerns continued regarding systemic exposures and accumulation risk.
  - Clients' concerns remained regarding exclusionary language on war, developed to comply with the new Lloyd's mandate regarding all Lloyd's capacity since March 31, 2023.
- The Russia-Ukraine conflict continued to be closely watched by cyber insurers.

# Hvilke konsekvenser skaper dette for kunder og innkjøpere?

Premie- og kapasitetstrender – PD/BI



# Hvilke konsekvenser skaper dette for kunder og innkjøpere?

Premie- og kapasitetstrender – CAR/EAR



# Hvilke konsekvenser skaper dette for kunder og innkjøpere?

Premie- og kapasitetstrender – Liability & FinPro (incl cyber)

D&O

PI

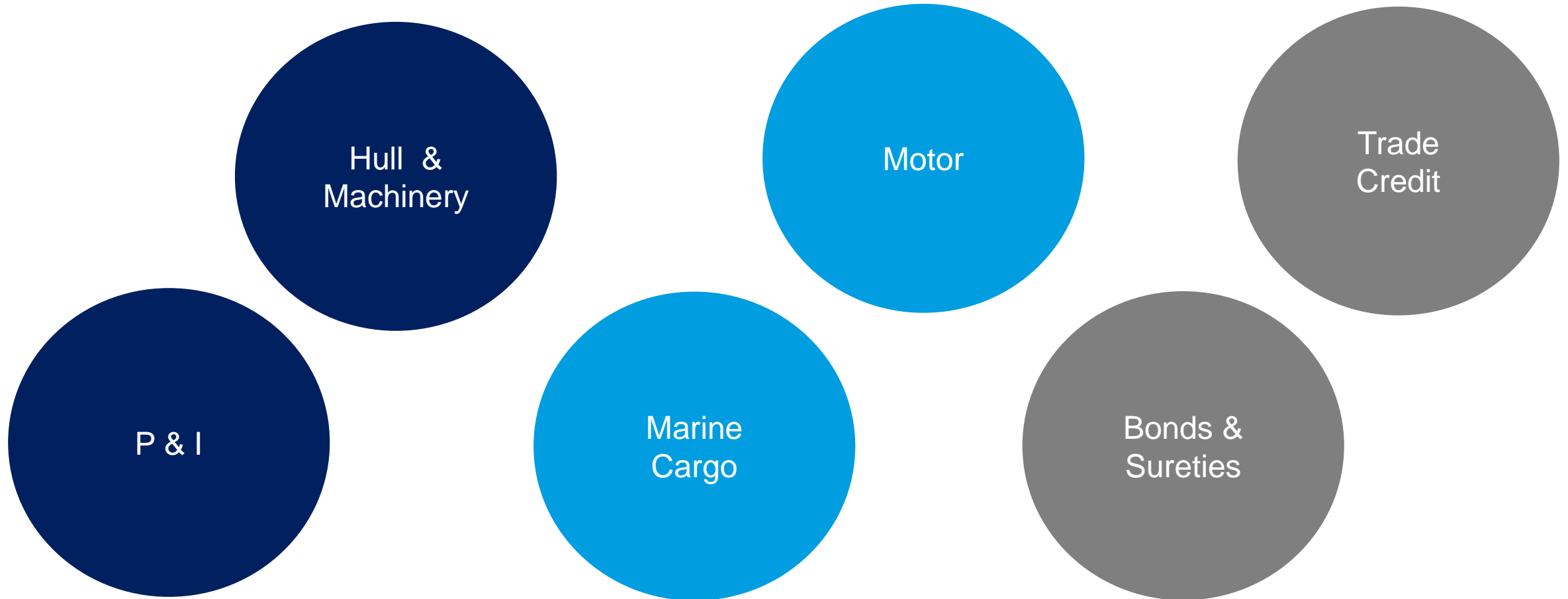
Liability

Crime

Cyber

# Hvilke konsekvenser skaper dette for kunder og innkjøpere?

Premie- og kapasitetstrender – Litt av hvert



# Hvilke konsekvenser skaper dette for kunder og innkjøpere?

## Oppsummert...

- Premiemessig, på generell basis, mener vi at vi er “over the top”
- De fleste risikoer er plasserbare

## Men....

- Vi vil se selektiv prising, appetitt og kapasitet



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