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GLOBEX UPDATE
PROPERTY & CASUALTY

globex BROKER SERVICES

Events, developments, and opportunities in the international marketplace.

Recent Success Stories

- **Placed a standalone Employers' Liability policy in China for the subsidiary of a US parent engaged in the manufacture of refractory products.**
- **Bound a Builders Risk policy for a $7m renovation project on a waterfront home in Nassau, Bahamas.**
- **Placed General, Professional & Employers' Liability policies for a company in China contracting with a US university to organize an itinerary for a visiting basketball team.**
- **Bound a local General & Products Liability policy for a manufacturer and supplier of RFID readers based in South Korea.**

Europe

Although the property and casualty operations of reinsurers Munich Re, Swiss Re, Hannover Re, and SCOR were hit by elevated large loss costs in the first quarter of 2025, driven by the historic Los Angeles wildfires, analysts feel the four companies are still on track to meet their "ambitious targets" for 2025. Together, the big four European reinsurers suffered losses of more than $2.5 billion from the January 2025 wildfires in California, but despite the active quarter for cat activity and subsequent insured losses, each firm reported a strong set of results for the opening quarter of the year. The underlying performance in P&C was strong, which combined with improved life and health results and steady investment income, supported net earnings for the group. As a result, it is felt that they are still in a position to meet their ambitious targets for 2025, as increasing earnings diversification, capital and reserves strength provide buffers against future shocks related to underwriting, investments or the economy. While P&C combined ratios deteriorated to 87.2% in 1Q25 from a low of 82.4% in 1Q24, the normalized Combined Ratios remain in line with full-year guidance. Investment results were also positive for the four firms in the opening three months of the year, and solvency ratios remained very strong.

Australia

Australia is the first country to require that ransoms paid to cybercriminals be reported to the government. Mandatory notification within 72 hours applies to organizations with annual revenue of $3 million or more. Victims must submit information via the Australian Signals Directorate portal, giving details including use of any third-party negotiator, the value of the demand and any communication with the criminals. Fines of close to $19,000 could apply for non-reporting. Australia's first standalone Cyber

Security Act was created in October, aimed at plugging gaps in laws relating to cybercrime. Other reforms include powers to direct organizations to address deficiencies in risk management, requiring strengthening of programs used to secure individuals' private data. The legislation also introduces minimum cybersecurity standards for all smart devices - including watches, televisions, speakers and doorbells - which must include secure default settings, unique passwords, regular security updates and encryption of sensitive data in order to be sold in Australia. Cyber insurance gross written premium in Australia is about $400 million a year.

Greece

By June 1st, businesses in Greece are required to obtain insurance coverage for wildfire, flood and earthquake, as opposed to previously having been able to rely on state subsidies. The mandate applies to businesses with annual revenue over €500,000 ($568,733) with non-compliance resulting in a €10,000 ($11,375) fine. If compliance is not achieved following 30 days of the fine, the fine will be doubled. In addition, all corporate entities falling under the provisions of this law will be exempt from any government subsidies following damage due to these natural disasters. The insurance must address property damage risks on owned buildings as well as on all other owned assets - such as equipment, raw materials, stock, professional vehicles, machinery & equipment used for production - for an amount of at least 70% of the book value of these assets. Greek governments have spent hundreds of millions of Euros in aid to businesses and homes destroyed in disasters instead of – until recently – requiring them to get private coverage instead of state aid.

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