



McLarens EMEA

Annual Report 2026

Thought Leadership and Industry Insight
from Across the Region



Navigating an evolving risk landscape

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The risk landscape facing insurers and policyholders across EMEA continues to evolve at pace. Climate-related losses, geopolitical instability, major infrastructure projects, organised criminal activity and increasingly complex business interruption exposures are reshaping both the nature of claims and the expectations placed upon the claim's profession. Across all sectors, successful outcomes depend not only on accurately quantifying losses, but also on providing strategic guidance, technical expertise and early intervention to reduce the impact of an event before losses escalate.

This report brings together a collection of case studies and thought leadership articles from across the McLaren's EMEA region. They highlight how claims professionals are responding to a broad range of challenges, from supporting the recovery of flood-damaged sports facilities and helping businesses minimise interruption losses, to managing complex cross-border construction claims, large-scale catastrophe events, mining losses and the humanitarian challenges arising from geopolitical conflict.

A common theme runs throughout each article: collaboration. Whether working alongside insurers, brokers, policyholders, forensic accountants, engineers, contractors or local authorities, the most effective claims outcomes are achieved when expertise is brought together

early, and decisions are driven by evidence, transparency and a shared focus on resilience.

The examples featured in this report demonstrate the breadth of expertise required in today's claims environment. They illustrate how technology, technical knowledge and local market insight can help navigate uncertainty, control costs, support recovery efforts and deliver value beyond the immediate claim. As risks continue to evolve, so too must the approaches used to investigate, manage and resolve them.

I hope these insights provide a valuable perspective on the challenges and opportunities facing our industry, while showcasing the expertise and dedication of colleagues across the EMEA region.



Steven Wallace
MANAGING DIRECTOR - EMEA

If you have any enquiries about any of the articles or about our products and services please email: emea@mclarens.com



Reducing business interruption losses through early intervention

For many businesses, the greatest financial consequence of a major property loss is no longer the physical damage itself, but the disruption that follows. Across the Middle East,

where many organisations rely on specialist machinery, imported components and international supply chains, early operational and financial intervention can significantly reduce both the duration and cost of a business interruption claim.

A recent major loss in the UAE demonstrates how bringing together loss adjusters, forensic accountants, insurers and policyholders from the outset can materially reduce both the scale and duration of a business interruption claim, while helping businesses preserve customer relationships and operational resilience.

Looking beyond the property damage

The loss involved a specialist fast-moving consumer goods (FMCG) packaging manufacturer serving customers across the Gulf region. Following a major fire affecting its primary production line, the business lost a highly specialised finishing capability performed by imported European machinery. While other production activities could continue, the damaged equipment was central to fulfilling many of the company's highest-value customer orders.

The immediate exposure therefore extended well beyond the physical damage itself. The business operated in a highly competitive market where customer retention depended on service continuity, production quality and speed to market. A prolonged interruption risked not only lost turnover, but also the erosion of long-standing customer relationships and market share.

Understanding these operational dependencies became the priority from the outset. Early discussions focused not simply on the damaged machinery, but on which products generated the greatest contribution, which customers were most vulnerable to switching suppliers, what mitigation options were realistically available and how quickly they could be implemented.

Early collaboration changes the outcome

From the earliest stages of the claim, McLarens' forensic accounting team worked alongside the loss adjuster, enabling operational and financial considerations to be assessed together rather than sequentially. This avoided duplicated information requests and allowed discussions with the insured to focus on understanding the business rather than simply gathering financial information.

Rather than waiting months to calculate the final quantum, the forensic accountants immediately analysed customer concentration, operational

dependencies, contribution margins and alternative recovery scenarios. Working alongside the insured, brokers and insurers, they evaluated a range of mitigation strategies, including sourcing replacement equipment internationally, engineering modifications, outsourcing specialist production, increased overtime and alternative logistics arrangements.

Crucially, this analysis took place while mitigation opportunities still existed. It enabled insurers and the insured to make informed commercial decisions based on the likely reduction in business interruption exposure, rather than simply considering the immediate cost of each option.

One such decision was to source and modify a second-hand production unit to restore part of the specialist finishing capability significantly earlier than would otherwise have been possible. Although this involved substantial upfront expenditure, engineering work and additional labour costs, the cost was considerably lower than the potential financial impact of losing key customer relationships during a prolonged interruption.





A regional perspective

This collaborative approach is particularly valuable across the Middle East, where many businesses remain dependent on imported machinery, overseas technical expertise and international supply chains. Recovery periods can be extended where bespoke equipment, specialist commissioning or cross-border logistics are required, while geopolitical instability and disruption to shipping routes can further delay the delivery of replacement components and engineering support.

Many industries also operate in highly relationship-driven markets where prolonged disruption can quickly result in the loss of customers and market share that may prove difficult to recover. Understanding those commercial realities is therefore just as important as assessing the physical damage itself.

Lessons for insurers

The UAE case demonstrated the tangible benefits of early collaboration. Key customer relationships were maintained, operational capability was restored in around four months rather than a potential twelve months or more, reserves remained stable throughout the adjustment process, and the projected business interruption loss was reduced by an estimated AED 7–8 million. Most importantly, the business avoided the longer-term commercial damage that could have extended beyond the policy's maximum indemnity period.

As business interruption claims continue to evolve, the role of the claims team is evolving with them. The greatest value is no longer created solely by accurately measuring losses after an incident has occurred, but by helping businesses reduce those losses before they fully develop. By bringing together adjusters, forensic accountants, insurers, brokers and policyholders from the earliest stages of a claim, organisations can make informed operational decisions while mitigation opportunities still exist – improving business resilience while delivering better outcomes for insurers and insureds alike. ●

AUTHORS



McLarens
Louise Butcher
EXECUTIVE DIRECTOR -
FORENSIC ACCOUNTING



McLarens
Matt Rooney
SENIOR ASSOCIATE
DIRECTOR

Evidence-based flood recovery in action

When dealing with major flooding events, claims management must go beyond traditional loss adjustment towards evidence-based remediation, operational continuity and long-term resilience.

The response to flooding at AFC Wimbledon's stadium in September 2024 illustrates how this approach can reduce disruption, control costs and support more sustainable recovery following a major property loss.

A major flooding event

In September 2024, AFC Wimbledon's stadium experienced major flooding due to extreme local rainfall in South London. The heavy rain overwhelmed a below-pitch tank, causing water ingress that affected the playing surface, drainage, and operational areas. This created a complex and operationally sensitive loss scenario needing urgent specialist intervention, strategic oversight, and coordinated recovery.

The response was led collaboratively by McLarens and QBE. From first notification, major loss specialists attended the site to provide technical leadership and strategic direction. Initial priorities focused on ensuring safety, managing contamination risks, stabilising the affected areas, protecting key stadium operations and maintaining business continuity while developing a long-term recovery strategy.

The scale and sensitivity of the incident required close coordination between insurer, adjuster, contractors, broker, and the insured throughout the recovery lifecycle.

An evidence-based approach to remediation

One of the defining features of the recovery was the adoption of an evidence-led remediation strategy.

Conventional flood recovery would typically have involved widespread removal and replacement of hygroscopic materials, including extensive plasterboard strip-out. Instead, remediation decisions were informed by comprehensive moisture mapping, quantitative air and surface sampling, detailed contamination risk assessments and comparative benchmarking against another operational football stadium.



This approach enabled the recovery team to distinguish between materials that genuinely required replacement and those that could safely be retained following decontamination and drying.

A bespoke remediation and sanitisation programme was subsequently implemented, allowing the majority of plasterboard installations to remain in place while still achieving robust health and safety outcomes. Independent environmental testing later confirmed the effectiveness of the approach and validated the safe return of players, staff and visitors.

Maintaining operational continuity

Early stabilisation drying measures, followed by advanced drying techniques, ensured affected materials were restored to pre-loss moisture conditions without unnecessary demolition or disruption to ongoing stadium activities. Importantly, the recovery programme enabled continued use of retail, office, and training facilities during the remediation process. Despite the scale of the incident, only one home fixture was



postponed, demonstrating the effectiveness of the operational continuity strategy.

Cost control was achieved through proportionate, technically justified intervention rather than blanket replacement. By using scientific testing and verified risk assessments to guide remediation decisions, unnecessary strip-out and reinstatement costs were avoided without compromising safety or quality. This enabled elements of the claim spend to be redirected toward resilience improvements designed to help reduce the risk and severity of future flood events.

Sustainability as part of the recovery

The project also demonstrated the growing importance of sustainability within major loss management.

By preserving approximately 2,460m² of plasterboard and avoiding extensive finishing works, the recovery achieved an estimated reduction of more than 13,000kg CO₂e in embodied carbon emissions.

Alongside reducing demolition waste and retaining safe existing materials, the approach avoided unnecessary replacement works while supporting the long-term resilience of the stadium.

Rather than being treated as a secondary consideration, carbon reduction formed a measurable performance metric within the recovery strategy, reflecting the increasing emphasis insurers are placing on environmental outcomes alongside traditional claims objectives.

Coordinating the recovery

Another key factor in the success of the recovery was the retention of strategic control by the major loss team throughout the lifecycle of the claim.

Rather than operating purely as claims administrators, the team actively coordinated the technical investigations, mitigation activities, contractor engagement, recovery governance and stakeholder communications from first notification through to completion.

Transparent communication also proved critical during the event, particularly given wider contractor capacity pressures following severe weather activity. Early and honest engagement regarding resource availability enabled informed appointment decisions and reduced the likelihood of delays that frequently exacerbate major losses.

Looking ahead

By combining technical expertise, evidence-based remediation, operational continuity and sustainability objectives, the project delivered reduced disruption, controlled remediation costs, improved environmental outcomes and enhanced long-term resilience, while enabling the safe and efficient recovery of an important community asset.

As climate-related property losses become more frequent, successful major loss handling will increasingly be measured not simply by how quickly buildings are reinstated, but by how effectively insurers, adjusters and policyholders work together to minimise disruption, improve resilience and deliver lasting value beyond the immediate claim. ●

AUTHORS



McLarens
Gareth Bowers
HEAD OF MAJOR LOSS



McLarens
Alan Smith
HEAD OF MITIGATION

Built for a climate
that no longer exists:
Why cloudburst
losses are rising
across the Nordics

Climate change is increasing property losses across the Nordic region, but the biggest driver of insured losses is not windstorms or wildfires, but water damage caused by increasingly intense cloudbursts. These events are putting growing pressure on ageing drainage infrastructure and driving a rising volume of insurance claims.

On 17 August 2021, more than 160 millimetres of rain fell in a single day in Gävle, a municipality of around 100,000 people on Sweden’s east

coast – more than the town normally receives in two months. Basements flooded, roads closed, and thousands of property owners filed claims. When the industry body Insurance Sweden (Svensk Försäkring) closed the year’s accounts, Swedish insurers had paid out roughly EUR 245 million for natural-peril claims, making 2021 the second-costliest natural-peril year in Swedish insurance statistics. This time, though, it wasn’t wind that cost money. It was the water.

Storms have not become more frequent

Although storms and wildfires often dominate discussions around climate risk, claims data across the Nordic countries doesn’t point to a clear increase in such perils. By contrast, cloudburst-related water losses display both a strong physical link to a warming climate and a sustained increase in insurance claims. As warmer air holds more moisture, short-duration rainfall events are becoming more intense, placing growing strain on urban drainage systems.



€3.9B

in weather- and natural-peril
claims over ten years in
Norway, half of it from heavy
rainfall in built-up areas.

(Finance Norway)

70,000

cloudburst and flood claims
in Sweden for around
EUR 570 million, 2015–2024.

(Insurance Sweden)

23,000

cloudburst claims in
Denmark in 2023, the
most since 2011.

(Insurance & Pension Denmark)

70%

increase in stormwater
claims since 2015 in Norway.

(Finance Norway)

The numbers point the same way

Claims trends are broadly consistent across the region. In Norway, insurers have paid around EUR 3.9 billion in weather-related claims over the past decade, with heavy rainfall in built-up areas accounting for a large share of losses. Denmark has reported elevated cloudburst claims since 2023, while in Sweden flooding and cloudbursts have generated more than 70,000 claims worth around EUR 570 million over the past decade. Together, the data point to a sustained rise in water-related losses rather than isolated catastrophe years.

Why cloudbursts hit buildings so hard

The problem is that much infrastructure is underground. Large parts of the urban

drainage networks were laid in the 1950s to 1970s, often for considerably lower rainfall volumes, and in older districts stormwater and sewage still share the same pipe. When such combined systems are overloaded, water is forced back up through the floor drains in the basement. That is precisely the loss type dominating the statistics in both Sweden and Norway: of Swedish flood claims in 2024, more than 60 per cent arose through sewer backup, according to Insurance Sweden.

The volumes involved are easy to underestimate. Events such as the Copenhagen cloudburst of 2011 demonstrated how quickly drainage systems can be overwhelmed when rainfall exceeds design capacity, resulting in widespread basement flooding and major insured losses.

Engineers describe such rainfall in terms of return periods. A 10-year rain is one with a 10 percent probability of occurring in any given year; a 100-year rain has a 1 per cent probability. New drainage networks in Sweden are now designed to cope with return periods of 10 to 30 years depending on building density, with anything heavier to be conveyed away at surface level. Copenhagen 2011 and Gävle 2021 were both far beyond the 100-year level.

The pipes have not deteriorated. They were built for a climate that no longer exists. As cloudbursts intensify, the entire rainfall distribution shifts, so that a rain event that was a 50-year rain when the pipes were laid may today correspond to a 20-year rain. The network still handles exactly the rain it was designed for; the problem is that this rain now arrives more often. By way of example, new systems in Sweden are designed with a climate factor of 1.25 – that is, for 25 per cent more rain than the historical record shows.

Four countries, four ways of carrying the risk

The four Nordic countries insure natural-peril risks differently, ranging from Norway's compulsory pooling system to the voluntary market-based models used in Sweden and Finland. Despite these differences, insurance penetration is generally high, allowing claims data to provide a reliable indication of how climate-related property losses are evolving across the region.

Insurable, for now

The challenge is no longer confined to an occasional extreme event. A steady increase in recurring water losses is beginning to affect insurance affordability in exposed locations. Industry bodies in several Nordic countries have warned that repeatedly flooded properties are becoming harder to insure on sustainable terms.

Copenhagen's response following the 2011 cloudburst offers one model. Large-scale investment in stormwater management, combined with property-level resilience measures, has

reduced future exposure. Similar initiatives are under way elsewhere in the region, although progress varies.

For insurers, property owners and public authorities, the issue is ultimately one of maintaining insurability. The Nordic countries continue to enjoy some of the world's strongest natural-peril protection, but preserving that position will depend less on the next major storm than on how effectively urban areas adapt to increasingly intense rainfall.

In brief: what the water costs

- **Sweden:** 70,000 cloudburst and flood claims for around EUR 570 million, 2015–2024. The record year 2021 (Gävle) cost around EUR 245 million in natural-peril claims in total. (*Insurance Sweden*)
- **Norway:** around EUR 3.9 billion in weather-and natural-peril claims over ten years, half of it from heavy rainfall in built-up areas. Stormwater claims up 70 per cent since 2015. (*Finance Norway*)
- **Denmark:** 23,000 cloudburst claims in 2023, the most since 2011. Still 12,000 claims in 2025. (*Insurance & Pension Denmark*)
- **Policy definitions of a cloudburst:** at least 1 mm/minute or 50 mm/24 h in Sweden; 40 mm/24 h in Denmark; 30 mm/hour or 70 mm/24 h in Finland.
- **Currencies:** Sweden (SEK), Norway (NOK) and Denmark (DKK) have their own currencies; Finland uses the euro. All amounts in this article are converted to euro. ●

AUTHOR



**JW Loss Adjusting
Sweden – A McLarens
Affiliate**
Fredrik Jonsson
CHIEF EXECUTIVE OFFICER

When construction claims cross borders

Major construction projects increasingly span multiple jurisdictions, contractors and insurance programmes. This case study shows how close collaboration between adjusters in Belgium, France and Germany helped establish liability, coordinate technical investigations and achieve an efficient claims outcome following damage at a major offshore wind development.

Project Overview

The Dieppe–Le Tréport Wind Farm is a major offshore wind development located in the French sector of the English Channel. With a total installed capacity of 496 MW, the project comprises 62 Siemens Gamesa wind turbines of 8 MW each. The wind farm is expected to generate around 2,000 GWh annually, sufficient to supply electricity to approximately 850,000 people.

The project is developed by an international consortium. Construction and installation activities are performed by a specialised international contractor active in dredging, offshore energy, environmental works, and infrastructure. Its insurance programme is placed in Belgium through a Belgian broker, with a Belgian insurer as the lead insurer.

The Port of Cherbourg serves as a key logistics hub for its offshore wind projects in France. Jacket foundations for the wind farm are manufactured in Spain and transported to Cherbourg, where they are stored and prepared for offshore installation.

The Incident

On 21 May 2025, an incident occurred during handling operations at the Port of Cherbourg. A 32-tonne steel follower was being prepared for lifting after arriving without the transport cradles required for safe handling.

Rather than rejecting the delivery, the site team attempted an alternative lifting method using timber supports. During the manoeuvre, the forklift was unable to position itself correctly beneath the load. Once the securing chains were removed, the trailer beams deformed, causing the component to fall and strike a nearby crane owned by a French crane company.





A cross-border investigation

Alecto Consulting, appointed under the Belgian insurance programme, instructed McLarens France to undertake the local investigation. Working alongside the insured’s Belgian headquarters, the French site management team and QHSE personnel, the adjusters reconstructed the circumstances surrounding the incident while assessing potential liabilities.

The contractual structure reflected the international nature of the project. The damaged component had been produced by a Dutch supplier and transported by a Dutch logistics company, while lifting operations had been carried out by a French subcontractor using a crane hired from a French rental company. The incident occurred in France, the insurance programme was placed in Belgium and the applicable legal framework was French law.

This combination of jurisdictions, contractual relationships and technical specialists meant that effective coordination between adjusters in each country was essential to maintaining momentum and ensuring a consistent approach to the investigation.

Establishing liability

The investigation concluded that liability rested with the insured.. The decisive factor was the decision by the insured’s on-site supervisor not to refuse delivery of the follower despite the absence of the required cradles, and to proceed with an improvised lifting operation.

Based on the contractual analysis, the insured’s liability was limited to direct material damage. Claims for consequential immaterial losses, such as loss of use or rental income, were excluded.

Technical coordination across Europe

The damaged crane was initially inspected in France. It was quickly agreed that repairs

could not be undertaken locally and that the crane would need to be transported to the manufacturer’s workshop in Germany for dismantling and detailed technical assessment.

Given the technical complexity of the equipment, Alecto appointed its German network partner, GtE, to undertake the inspections. Two site visits were carried out, before and after dismantling, allowing the repair methodology to be agreed and the damage fully assessed. Meanwhile, McLarens France coordinated discussions with the French insurers and subcontractors, while parallel inspections of the damaged trailer took place in the Netherlands.

A broader lesson

Major infrastructure projects often bring together multinational contractors, complex supply chains and insurance programmes that span several jurisdictions.

As this case demonstrates, successful claims handling depends on much more than technical expertise alone. Early collaboration between adjusters, technical experts and insurers across different countries enabled liability to be established efficiently, contractual issues to be resolved and technical investigations to proceed without unnecessary delay. ●

AUTHOR



Alecto – A McLarens Affiliate

Bart Hertegonne

SENIOR LOSS ADJUSTER & MANAGING PARTNER

The anatomy of an effective catastrophe response



Lessons in managing large-scale events

Large Scale Events (LSEs), whether driven by extreme weather or technological incidents, require rapid mobilisation, clear governance and the ability to scale resources without compromising customer service.

McLarens affiliate, Alkera, has developed a structured approach to managing these events, combining local expertise, flexible resourcing and technology to deliver a coordinated response. The handling of Storms Nils and Pedro in February 2026 illustrates how preparation and operational agility can make a measurable difference when claim volumes surge.

Preparing before the event

Managing an LSE begins long before the first claim is reported. Alkera's nationwide network of 94 offices enables local teams to be deployed immediately following an event, while 18 reinforcement adjusters remain on standby each week, ready to support affected regions at short notice. These field teams are complemented by remote adjusters and specialist support functions,

creating a flexible operating model capable of responding to significant fluctuations in demand.

This ability to scale resources rapidly is supported by a dedicated governance structure. A National LSE Steering Committee coordinates operational decision-making, allocates reinforcement resources and maintains close communication with insurers throughout the event. Technology also plays an important role, with synchronised digital tools enabling real-time information sharing and efficient field operations.

A real-world test

That model was tested during Storms Nils and Pedro, which swept across France in February 2026.

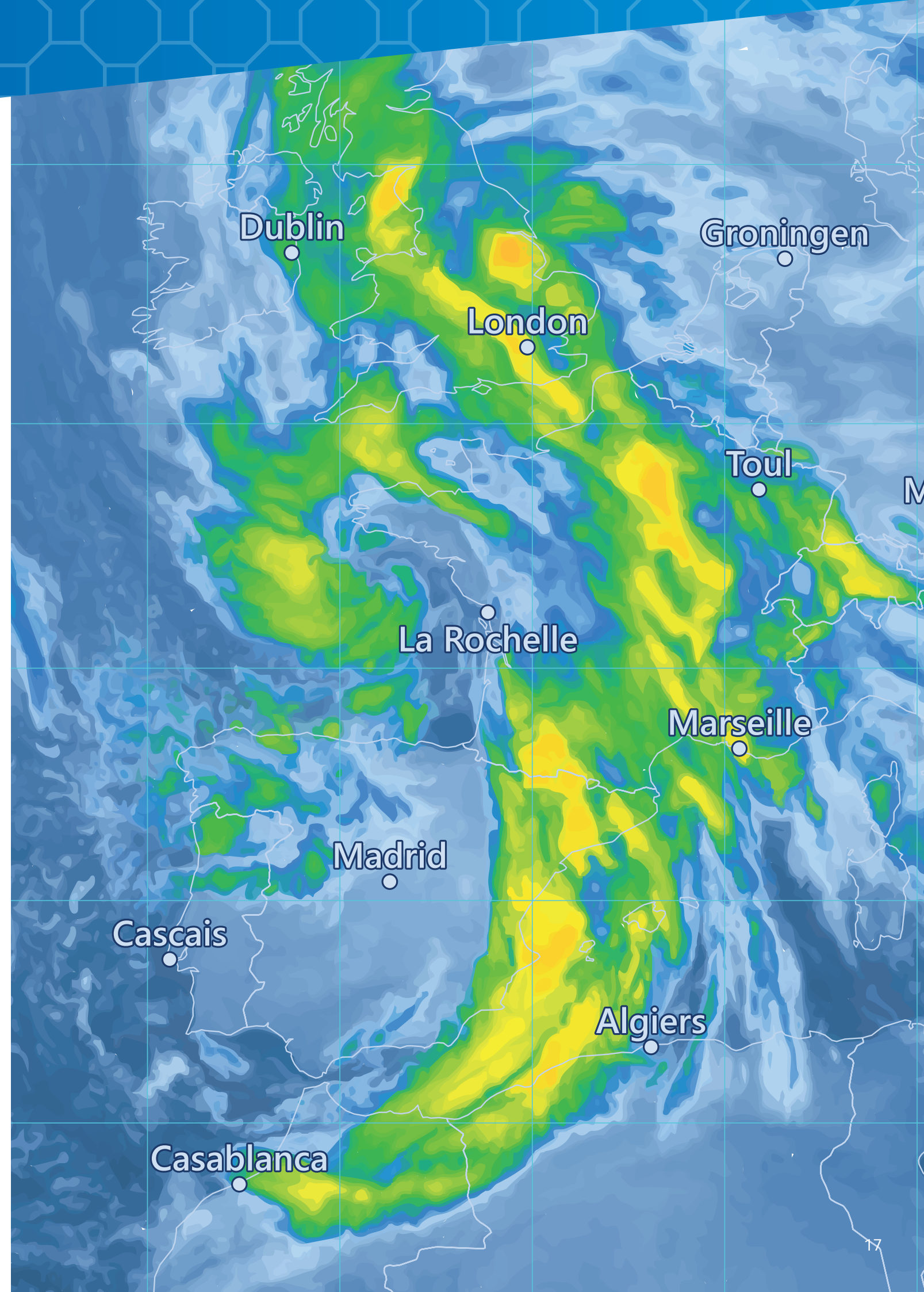
The storms generated an estimated 35,000 claims—more than previous major storms such as Ciarán and Domingos—and caused widespread wind and flood damage across several regions. Strong winds damaged homes, transport infrastructure and electricity networks, while significant flooding left communities isolated and disrupted access across affected areas.

To respond, Polyexpert, part of the Alkera Group, implemented an unprecedented mobilisation, deploying more than 330 cumulative weeks of reinforcement from adjusters across France. Two months after the event, more than 80% of loss adjuster reports had already been delivered, with an average turnaround time of just over 21 days despite the exceptional claim volumes.

Governance under pressure

Large-scale events are as much a logistical challenge as a technical one.

Throughout the response, regular coordination calls enabled operational priorities to be adjusted as conditions evolved, while claims were allocated according to capacity and policyholder needs. Centralised governance ensured resources could be redirected quickly without disrupting service delivery, allowing local teams to focus on supporting customers on the ground.



Storms Nils & Pedro at a glance:

30,458	⋮	claims received
330+	⋮	cumulative weeks of adjuster reinforcement
80%+	⋮	reports delivered within two months
21.1	⋮	days average turnaround time
99.9%	⋮	contact rate

This combination of local autonomy and national oversight enabled Alkera to maintain high levels of operational performance throughout the event. By mid-April, contact rates had reached almost 100%, appointment scheduling exceeded 99%, and more than 95% of appointments had been completed.

Balancing speed with quality

Responding quickly is only one measure of success during a catastrophe.

Maintaining technical quality while processing tens of thousands of claims requires robust processes and flexible deployment of expertise. Alkera's operating model combines remote assessment with on-site inspection, ensuring resources are used proportionately while maintaining consistent technical standards.

This approach helps accelerate claims handling without sacrificing quality or customer experience, allowing insurers to maintain service levels even when claim volumes increase dramatically.

Lessons for insurers

The experience of Storms Nils and Pedro demonstrates that successful Large Scale Event management depends on preparation before the event, flexible resource deployment,

strong governance and clear communication throughout the claims lifecycle.

By combining nationwide coverage, scalable resources, digital coordination and structured operational oversight, Alkera was able to

maintain service standards despite handling one of France's largest recent catastrophe events. As climate-related losses continue to challenge the insurance market, those capabilities will become increasingly central to effective claims management. ●

AUTHORS



Alkera – A McLarens Affiliate
Thierry Rostan
EXECUTIVE ADJUSTER



Alkera – A McLarens Affiliate
Elisabeth Boisson
LOSS ADJUSTER

Seafarer repatriation in high-risk environments

Periods of geopolitical instability place seafaring crews under extraordinary pressure. As the recent conflict in the Middle East has demonstrated, maritime insurers can quickly find themselves managing not only complex coverage issues, but also large-scale humanitarian and logistical challenges. Such events highlight the interaction between Protection and Indemnity (P&I) and War Risks insurance, and the practical realities of repatriating crews during an active conflict.

From commercial disruption to humanitarian crisis

Following the outbreak of conflict in the Middle East, vessel traffic through the Strait of Hormuz became severely disrupted after the Iranian Revolutionary Guard Corps declared the waterway closed to maritime traffic.

Thousands of vessels became immobilised, leaving more than 20,000 seafarers stranded aboard ships with limited access to food, water, medication and other essential supplies. As the conflict escalated and vessels came under attack, crews faced increasing physical danger alongside significant psychological stress.

While much of the public focus centred on the wider geopolitical developments, shipowners and their insurers were confronted with an equally urgent challenge: protecting the welfare of crews operating in an active conflict zone.

Understanding the insurance response

The situation also brought into sharp focus the interaction between P&I and War Risks insurance.

P&I cover generally excludes liabilities, costs and expenses arising directly from war risks, subject

to any Excess War Risks P&I provisions that may apply. As a result, liabilities arising directly from acts of war will ordinarily fall to War Risks insurers.

The distinction is an important one. A liability arising within a war-risk area does not automatically become a war-risk claim. Where an incident is unrelated to the conflict itself, conventional P&I cover will generally continue to respond in the usual way. Conversely, where the loss results directly from a recognised war peril – for example, personal injuries sustained following a missile strike – the owner's War Risks policy is likely to respond, subject to its terms.

Supporting crews under extreme circumstances



Beyond questions of policy response, the immediate priority is always the welfare of the crew.

Under the Maritime Labour Convention, shipowners are required to repatriate seafarers from war zones at their own expense where the crew member has not consented to enter the area. During active conflict, however, access to vessels may be severely restricted, limiting the assistance owners can provide until crews can be safely evacuated.

Where vessels have been attacked, the priority becomes addressing immediate medical needs, securing accommodation, providing food and essential supplies, facilitating communication with families and arranging repatriation as quickly as circumstances allow.



The complexity of repatriation

Repatriating an international crew during a conflict is a complex process. Crews often comprise multiple nationalities, while conflict can result in the closure of airspace across several jurisdictions. Many seafarers may have abandoned ship without passports or personal belongings, requiring emergency travel documentation, temporary visas and embassy support before any journey home can begin.

Medical considerations add further complexity. Injured crew members may require ongoing treatment during transit and must be certified fit to travel before repatriation can proceed. Where commercial flights are unavailable, alternative routes involving cross-border land transport may also need to be arranged.

Managing the most difficult outcomes

The most challenging situations arise when lives have been tragically lost. In addition to supporting surviving crew, owners must ensure that deceased seafarers are treated with dignity and in accordance with local legal requirements and religious customs. This often requires coordination with local authorities, police, courts, port authorities, hospitals and funeral directors before repatriation can take place.

These processes are necessarily meticulous, but they are also deeply personal for the families involved, making compassionate handling every bit as important as technical expertise.

Lessons for insurers

Marine losses arising from geopolitical events extend far beyond questions of policy coverage.

While understanding the interaction between P&I and War Risks insurance remains essential, successful claims management also depends upon rapid coordination, local expertise, clear communication and a clear focus on crew welfare.

20,000
seafarers stranded aboard
ships following the outbreak
of conflict in the Middle East

As geopolitical tensions continue to affect global shipping routes, insurers and shipowners are increasingly likely to encounter incidents where humanitarian response, operational logistics and insurance coverage become inseparable. In those circumstances, the ability to support people through some of the most challenging situations the maritime industry can face is crucial. ●

AUTHOR



McLarens
Mike Wilson
HEAD OF MARINE
UK & IRELAND





Navigating the complexities of political violence claims

Political Violence and Terrorism (PVT) insurance helps to manage some of the world's most complex and unpredictable risks. From terrorism and sabotage to civil unrest and armed conflict, the market has evolved over many decades in response to changing geopolitical events, adapting to new threats as they emerge.

While the nature and location of these risks continue to shift, the need for specialist claims expertise has remained constant. McLarens' London International team, together with colleagues across the wider group, has managed claims arising from events in Ukraine, Beirut, Syria, the UAE, Bahrain, the UK, Belgium, Colombia, Kenya, the Democratic Republic of Congo and Yemen. These experiences demonstrate how political violence claims extend well beyond physical damage, often involving complex questions of causation, policy interpretation, security and business interruption.

An evolving area of insurance

Political Violence and Terrorism insurance developed in response to the growing recognition that war, terrorism and civil unrest created risks too volatile for traditional insurance. The attacks of 11 September 2001 marked a defining point in the evolution of the market, while more recent events including the Arab Spring, the conflict in Ukraine and ongoing tensions across the Middle East have continued to shape both policy wordings and claims handling.

Policies may provide cover for losses arising from terrorism, sabotage, riots and civil commotion,

strikes, insurrection, rebellion and, under some specialist wordings, certain war-related risks. However, the scope of cover varies significantly.

Responding to conflict in the Middle East

The recent conflict involving Iran, Israel and the United States illustrates the nature of modern political violence claims.



As hostilities escalated across the region, McLarens received a significant volume of instructions under Political Violence policies covering a broad range of commercial risks. Wherever possible, adjusters attended affected locations to establish the factual circumstances of each loss, advise insurers on mitigation measures and begin quantifying damage.

Access to many sites was restricted by security considerations and military controls. In several cases, satellite imagery - normally an important investigative tool - was unavailable because providers were subject to embargoes imposed during the conflict.

Policy coverage also varied considerably, ranging from comprehensive war risks cover to policies

responding only to sabotage and terrorism. Many contained absolute war exclusions, requiring detailed analysis of both the factual circumstances and policy wording to determine the operative insured peril. Business interruption claims presented similar complexities, particularly where depressed regional economic activity and supply chain disruption affected trading performance.



Different regions, different risks

Although the underlying principles remain consistent, political violence exposures differ significantly between regions.

Across Africa, claims frequently arise from terrorism, insurgency, election-related unrest, civil disorder and sabotage. McLarens has handled claims linked to events involving Boko Haram, Al-Shabaab and the M23 rebel movement, alongside losses arising from wider political unrest and community violence.

Europe, while historically perceived as a lower-risk region, has also experienced significant terrorism incidents, civil unrest and politically motivated protests affecting commercial property, hospitality, transport and retail sectors. Events including the Paris attacks, the Brussels bombings, the Manchester Arena attack and periods of widespread civil disorder demonstrate that political violence remains a material exposure across mature insurance markets.

An evolving role for specialist loss adjusters

As political violence claims become more varied and interconnected, investigations increasingly require adjusters to consider complex questions of causation, coverage and quantum.

Modern technology has significantly enhanced the investigation of political violence claims. Many losses occur in active conflict zones where military restrictions, security concerns or curfews prevent immediate site access. In these circumstances, satellite imagery, drone surveys, digital mapping and remote sensing can provide valuable evidence, supplemented by CCTV footage, mobile phone recordings, social media, security reports and government intelligence.

However, technology cannot remove the need for careful policy interpretation. Adjusters must often determine whether damage resulted from terrorism, war, sabotage or civil commotion, while business interruption claims require equally careful consideration of whether losses resulted from physical damage, government restrictions or wider regional economic conditions.

Lessons for the insurance market

Political violence and terrorism risks will continue to evolve as new conflicts emerge and geopolitical tensions shift. While the nature of individual events may change, the need for careful investigation, sound policy interpretation and specialist claims expertise remains constant. ●

AUTHOR



McLarens
Alistair Jacob
HEAD OF LONDON
INTERNATIONAL



Mega projects, complex claims: lessons from a Saudi construction loss

Saudi Arabia is undergoing one of the world's largest construction programmes across numerous large-scale residential and commercial developments. As these developments bring together multiple contractors, specialist

subcontractors and sophisticated insurance programmes, insurers are increasingly dealing with claims where determining liability can be just as complex as assessing the physical damage itself.

This case illustrates how a fire developed into a technically complex claim involving multiple insured parties, defective workmanship and the application of specialist Contractors' All Risks (CAR) policy wordings.

Complex projects create complex claims

Large construction projects rarely involve a single contractor or straightforward contractual relationship. Principal employers, main contractors

and numerous specialist subcontractors typically operate under interconnected contractual arrangements, often insured under a single Contractors' All Risks policy.

That complexity was evident following a fire during the construction of a high-rise residential tower forming part of a major mixed-use development in Saudi Arabia. The reinforced concrete superstructure was being cast in situ using formwork when the incident occurred.

The CAR policy had been arranged on a joint names basis, covering the interests of the principal, main contractor and subcontractors. McLarens Middle East was appointed immediately to investigate the circumstances of the fire, advise insurers on claims procedures and support loss mitigation.

Although the physical damage itself was relatively contained, the claim became an exercise in determining liability, policy response and recoverable damage



Establishing the cause

Investigations established that the structural concrete works had been subcontracted and

that the fire originated during hot works on the fifth-floor concrete slab before spreading to the surrounding formwork.

Forensic investigations identified several deficiencies in the execution of those hot works, with multiple requirements of the policy's Hot Works Condition having been breached by the responsible subcontractor.

Ordinarily, breaches of this nature could entitle insurers to decline cover. However, on projects involving multiple insured parties, the policy wording was important.

The importance of the Multiple Insureds Clause

The policy incorporated a Multiple Insureds Clause. This meant that although the subcontractor responsible for the hot works had breached the policy condition, the clause protected the interests of the innocent co-insureds. Insurers were therefore able to deny the benefit of the policy to the responsible subcontractor while continuing to indemnify the principal and main contractor.

The insurers also retained the right to pursue a subrogated recovery against the subcontractor responsible for the breach.

Defective workmanship or fire damage?

Establishing the cause of the fire represented only part of the investigation.

The Main Contractor appointed a structural engineering expert, while McLarens instructed an independent specialist to assess the damage. Both concluded that sections of the concrete had not fully cured before the fire occurred, although they differed on the extent of remedial work required.

Following detailed technical discussions, it was agreed that the concrete columns had been installed incorrectly and would have required strengthening regardless of the fire. By contrast,



the concrete slab had been properly constructed and its damage resulted solely from the fire.

Applying the LEG 2 clause

The policy incorporated a LEG 2 (developed by the London Engineering Group) defects exclusion, requiring consideration of which costs related to defective workmanship and which resulted directly from the insured peril.

Working closely with insurers, brokers, technical experts and the insured, McLarens negotiated an agreement whereby insurers indemnified the cost of repairing the fire-damaged slab and the resulting fire damage to the affected columns, less the cost of strengthening works that would have been required even if the fire had not occurred.

The settlement reflected the principle underpinning the LEG 2 wording: insurers indemnify resultant damage caused by an insured event, but not the cost of rectifying pre-existing defects.

Lessons for insurers

In projects of this nature, claims focus heavily on contractual relationships and policy interpretation.

Multiple insured parties, layered contractual arrangements, specialist policy wordings and complex engineering issues all have the potential to influence the outcome of a claim. Early forensic investigation, independent technical expertise and careful application of policy terms are therefore essential.

In this case, close collaboration between insurers, brokers, technical experts and the insured enabled liability, coverage and quantum to be considered in parallel. The result was an outcome that accurately indemnified the innocent insured parties while preserving insurers' recovery rights against the responsible subcontractor. ●

AUTHOR



McLarens
Ollie Waterman
REGIONAL DIRECTOR -
MIDDLE EAST

Theft of cabling from unoccupied premises: a growing risk

The theft of copper cabling from vacant commercial properties is becoming an increasingly costly source of property claims.

While the scrap value of the stolen metal may be relatively modest, the resulting damage to electrical infrastructure can generate losses running into millions of pounds, presenting growing challenges for insurers, property owners and loss adjusters.

An increasingly organised threat

Unoccupied commercial buildings - particularly offices, warehouses and manufacturing facilities - have long been attractive targets for criminals. However, insurers are increasingly encountering

incidents that are more organised, more coordinated and considerably more destructive than traditional opportunistic theft.

Typically, offenders occupy a site for several hours, and sometimes several days, systematically stripping valuable copper cabling and other metal before leaving. In addition to the theft itself, incidents often involve vandalism, fly tipping and deliberate damage, with reinstatement costs frequently running into millions of pounds. In some cases, offenders have even returned after repairs have been completed to repeat the process.

Within the UK, McLarens has observed a noticeable concentration of these losses along the M4 corridor, in South Wales and the Northeast of England.

A coordinated attack

One recent claim handled by McLarens' UK Major Loss team illustrates the scale and organisation of these incidents.

More than 30 vehicles and 20 caravans arrived simultaneously at an unoccupied commercial site, overwhelming the two security guards on duty before forcing entry through the site's controlled access system. After overriding the electronic gates, the offenders disabled CCTV by cutting power cables before entering the site's electrical substation. They isolated the electricity supply and systematically removed high-voltage copper cabling from across the premises.

The theft itself represented only a fraction of the overall loss. Extensive damage was caused to the site's electrical infrastructure, with reinstatement costs expected to exceed £1 million.

Why the cost extends beyond the stolen copper

For insurers, the value of the stolen metal is rarely the primary issue.

Removing high-voltage cabling typically requires extensive damage to substations, switchgear and electrical infrastructure. Reinstatement often involves specialist contractors, replacement of bespoke components and extensive testing before premises can safely return to operation.

Where buildings are awaiting occupation, redevelopment or sale, these delays can also have wider commercial consequences.

Over the past 18 months, McLarens has handled more than 20 claims of this nature with a combined value exceeding £20 million, illustrating the growing financial impact of this type of loss.

Insurance considerations

Insurance policies will often provide cover for theft from unoccupied properties, but recovery is frequently dependent on compliance with specific policy conditions relating to security, inspections and vacancy management.

Where those conditions have not been met, cover may be reduced or unavailable altogether. In one claim exceeding £5 million handled by McLarens, breaches of policy conditions meant no insurance cover was available.

These cases reinforce the importance of understanding policy requirements before a loss occurs and ensuring appropriate risk management measures remain in place throughout periods of vacancy.

A wider industry issue

Despite the introduction of the Scrap Metal Dealers Act 2013, which strengthened licensing requirements and prohibited cash transactions, an illicit market for stolen metal clearly remains.

The issue extends beyond commercial property. McLarens has investigated thefts involving bespoke entrance gates from large private estates, roofing lead removed from historic



buildings and similar large-scale cable thefts affecting commercial property portfolios across Europe. In France, for example, significant copper thefts from railway infrastructure during 2025 caused major disruption to Eurostar and TGV services.

The common factor is that organised criminal groups are increasingly targeting infrastructure where the cost of reinstatement significantly outweighs the value of the material stolen.

Looking ahead

If these incidents continue to increase in frequency, the costs will ultimately be borne by property owners, insurers and policyholders alike.

While individual organisations can strengthen physical security, improve inspections of vacant premises and ensure compliance with policy conditions, tackling organised metal theft requires

a broader response. Greater collaboration between insurers, law enforcement and industry may be needed if the trend is to be addressed effectively. ●

AUTHORS



McLarens
Neil Baldwin
EXECUTIVE DIRECTOR -
COMMERCIAL DEVELOPMENT



McLarens
Vicky Jewell
HEAD OF REAL ESTATE

Mining losses in South Africa

Major mining losses in EMEA: the need for specialist expertise

Africa's mining sector – from platinum, gold and chrome to iron ore, copper, coal and the critical minerals now driving the global energy transition – underpins some of the most capital-intensive extraction and processing operations in the world.

When a mega-mine, smelter or mineral-processing plant suffers a major loss, the adjustment can require considerable technical and regional expertise. Understanding the engineering and operational context, establishing the cause of the loss and navigating the regulatory, political and economic environment can all be important to determining cause, coverage and quantum.

For loss adjusters, this requires genuine engineering depth combined with an understanding of the region in which the loss has occurred.

Understanding the operational context

Major mining losses require an understanding of the operational context, not simply the physical damage. Underground and opencast mining, mineral processing

and metallurgical or process plant environments each present different technical considerations, while mechanical, chemical and electrical engineering issues may all need to be considered as part of the same loss.

This makes specialist engineering knowledge important from the outset. Before questions of causation and quantum can be properly addressed, adjusters need to understand the operation itself, the function of the damaged equipment and the circumstances surrounding the loss.

This can be particularly important following catastrophic industrial failures. Mechanical equipment failures, structural collapses, process excursions, fires and explosions can all require detailed root-cause analysis. Experience of operational engineering, statutory engineering management and asset integrity can therefore be highly relevant to the subsequent adjustment.





Understanding the cultural, political and economic landscape

Mining risk in EMEA cannot be separated from the environment surrounding it. A loss at a mine in the DRC, the Sahel, the Middle East or Eastern Europe carries a different set of pressures to a similar loss in Western Europe or coastal South Africa. Regulatory regimes, labour relations, community dynamics, currency and logistics constraints and, in some jurisdictions, exposure to civil unrest, insurgency or sanctions can all shape how a claim needs to be handled.

Regional knowledge can consequently be as important as technical expertise. An understanding of local language, policy interpretation, regulatory compliance and culture can help claims to be progressed with insurers, insureds and local authorities in parallel rather than sequentially through outside intermediaries.

This regional understanding also matters at the intersection of political risk and property risk. Mines and processing plants can be located in areas exposed to community unrest, artisanal mining conflict or broader political volatility.

Reaching remote mining sites

Geography presents another practical challenge. Many of Africa's largest mining assets sit far from major cities – in remote provinces, across borders

or in areas with limited infrastructure and connectivity. Mobilising the appropriate expertise to these locations can therefore be an important part of the claims response.

Speed of access can also matter. Early site attendance can influence the quality of evidence available, the robustness of subsequent causation findings and ultimately the progress of the adjustment.

This places a premium on regional experience and established networks, particularly where specialists need to mobilise across Africa, the Indian Ocean Islands and the Middle East.

Specialist expertise for complex losses

As global demand for critical minerals continues to drive investment into African and Middle Eastern mining assets, specialist expertise will remain important to the adjustment of major losses across the region.

The fundamental challenge is that these claims cannot always be understood by looking at the physical damage in isolation. The engineering, mining operation and wider environment surrounding the loss can each influence how a claim is investigated and progressed.

For loss adjusters, that makes the combination of technical expertise and genuine regional understanding particularly important. Getting the right expertise to the site early can provide insurers and insureds with a clearer understanding of what has happened, the circumstances surrounding the loss and the issues that will need to be addressed as the claim develops. ●

AUTHOR



Lloyd Warwick
International
Le Roux van den Berg
MANAGING DIRECTOR
LWI SOUTH AFRICA

Connect

 mclarens.com
lloydwarwick.com

 [McLarens](https://www.linkedin.com/company/mclarens)

 [@McLarensGlobal](https://twitter.com/McLarensGlobal)