

Underwriting Europe - Taking Stock Over Coffee

Key risk trends for FIs and D&Os in The Netherlands, Belgium and Sweden

In our fast-paced and often turbulent society, it can be hard to find time to take stock. It's been similarly up-tempo during Euclid's first year of trading but we did recently "take five" to meet with some counterparts at CMS Europe. We see the relatively safe haven of Europe as a key growth area for Euclid and the wider London Financial Lines underwriting market. So please allow us to share some key learnings and hopefully take some of the weight off with our light-hearted "Did You Know" Insights Article.



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Netherlands

The name Netherlands translates to "lower countries", as about a quarter of the terrain is below sea level: to mitigate against flood risk, there is a widescale network of dams and dikes: an original example of risk transfer and one that creates a modern-day insurance opportunity for our Commercial PI colleagues.

Moving onto FI, it was in 1880 that NN Group introduced the Netherlands' first collective pension scheme. 150 years on, Dutch Pension providers are grappling with The Future Pensions Act which requires transition (by January 2028) from Defined Benefit Pensions to Defined Contribution schemes. DB schemes, despite appearing to be guaranteed, can be cut or frozen (and some felt burdened younger workers to subsidise their older counterparts). In contrast, DC schemes are more transparent, with the investment and life expectancy risk now resting with each individual.

With any major financial transition comes risk. Any governance, documentation or communication failings could expose Pension Trustees or providers to D&O or PI claims.

Belgium

The game of cricket is believed to have originated here, with Flemish immigrants exporting it to England in the 16th Century. Post

Brexit, Belgium's capital Brussels also serves as a major EEA hub for UK insurers.

In January 2025, Book 6 of the New Civil Code was adopted – this removed legal protection for D&Os from the company's contractual partners, thus increasing personal liability risk, so a new possible long-tail D&O claims trend to watch.

CMS also reminded us about third parties' statutory right to bring direct action against liability insurers. This longstanding principal was upheld in a 2024 French decision involving a major international insurer: the claimant is not required to exhaust other legal remedies or wait for the Insured's insolvency. The position is similar in some other EEA countries, including Norway. This seemingly leaves insurers exposed to incurring their own defence costs which don't erode policy limits.

Sweden

Euclid's Underwriters share a common interest with many Swedes, as we are often out in EC3 partaking in "fika" (a coffee and cinnamon bun work break): please join if you see us – your coffee will be on us!

Swedish FIs operate under an increasingly interventionist regulatory environment, with the "Finansinspektionen" prioritising consumer protection, governance failures and operational

resilience. This has increased scrutiny on unsound lending, especially unsecured consumer credit.

In February 2026, Sweden adopted its first Artificial Intelligence Strategy, another burgeoning risk area for D&Os et al. AI use amongst Swedish FIs is widespread but governance has lagged behind – a 2024 Finansinspektionen Report found that only 32% of Swedish FIs had a generative AI policy and, of those firms using AI in formal production, 45% had not devised any AI strategy.

Beware also the Swedish Pensions Agency's reach, recently targeting the big 4 audit firms and an ongoing SEK 3bn lawsuit against a major Swedish bank for its Optimus fund custodian role. And, similar to the UK, Sweden has had its own motor finance scandal, with a well known Norwegian bank primarily in the firing-line (question coverage for any losses).

EEA Generally

This article merely scrapes the surface of what Europe has to offer and its associated risk exposure. Overall, CMS has offices across 26 European countries: we encourage you to read CMS' [Expert Guide to Insurance Law: 10 Key Issues for Insurers](#) for a more in-depth review of the territory specifics. And, of course, please reach out to Euclid's Underwriters with any questions or risk opportunities.