Marsh

Energy Industry Conference 2025

Executive Summary Report

Prepared by Marsh Specialty's Global Energy & Power practice

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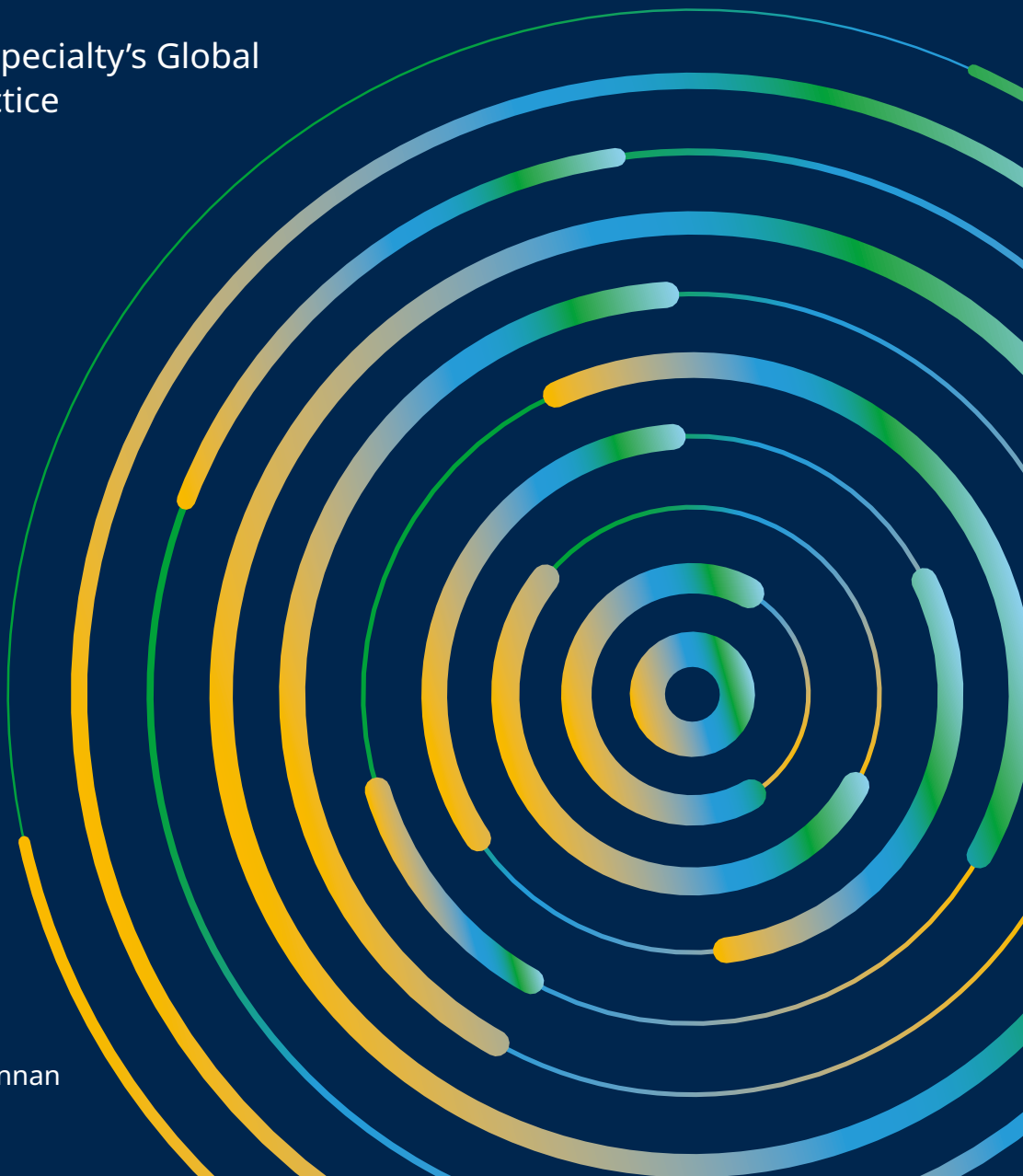

A business of Marsh McLennan

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Energy Insurance Conference 2025

The Marsh Energy Insurance Conference (EIC) 2025 served as a global platform for industry leaders, insurers, investors, and policymakers to discuss the evolving energy landscape. The biennial event, held in Dubai in February 2025, brought together over 1,000 senior executives from the energy, insurance, and financial sectors, reflecting the growing importance of risk management, financial resilience, and digital transformation within the industry.

The 2025 conference was the most expansive yet, covering key topics such as:

- The acceleration of the global energy transition and the associated risks.
- The impact of artificial intelligence (AI) and digitalization on risk mitigation.
- Challenges in insuring new energy technologies, including hydrogen and renewables.
- Geopolitical risks and supply chain volatility affecting the energy industry.
- The evolving cyber threat landscape, with a focus on energy infrastructure security.
- Financial innovations in the insurance industry, including parametric insurance and risk benchmarking models.

With the energy sector at a crossroads, businesses face mounting pressure to balance sustainability, profitability, and risk exposure. Marsh's EIC 2025 provided valuable insights into how industry stakeholders can adapt to the rapidly evolving environment, leveraging innovative insurance and financial solutions to remain competitive.

Be sure to explore the 'Further Reading' links within each section. These links will not only provide detailed presentations but also showcase exciting new content launched at the EIC. Don't miss out on the opportunity to deepen your understanding and stay updated.

Why EIC 2025 matters

The energy sector is undergoing a significant transformation. As regulatory policies tighten, market dynamics shift, and investment strategies evolve, energy firms must rethink their approach to risk management. The discussions at EIC 2025 provided a blueprint for navigating this transition, emphasizing:

1. The energy transition and new risk paradigms

- Climate commitments, carbon pricing, and decarbonization policies are reshaping how companies manage risk.
- Hydrogen and sustainable fuels are emerging as alternatives to fossil fuels, but challenges remain regarding their commercial viability and safety.
- Renewable energy infrastructure risks require innovative insurance solutions to address weather-related disruptions, performance risks, and financing concerns.

2. The digitalization of risk management

- AI-driven predictive maintenance, digital twin technology, and automated risk assessments are transforming how companies manage energy infrastructure.
- Cybersecurity threats have increased, prompting the industry to rethink strategies for protecting critical energy assets from ransomware attacks, digital sabotage, and operational failures.

3. The future of energy investment and insurance innovation

- Financial innovations such as blended finance models, insurance-linked securities (ILS), and climate and sustainability-driven risk assessment tools are changing how energy projects are funded.
- Geopolitical tensions, trade restrictions, and supply chain disruptions are affecting investment flows and risk assessments.

Celebrating EIC 2025 and looking ahead

Discussions at EIC 2025 offered practical, forward-looking strategies for navigating the unprecedented risks and opportunities that are shaping the future of energy.

With increasing pressure to innovate, decarbonize, and digitalize, energy firms must develop new risk management frameworks that align with emerging global regulations, investment strategies, and market demands.

This paper provides a comprehensive summary of the event's topics and promotes ongoing collaboration among attendees and non-attendees. The summary of discussions do not necessarily represent the views of Marsh.

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Noor Energy visit: Renewable energy innovation in Dubai

On the occasion of EIC 2025, Noor Energy 1 offered participants an exclusive opportunity to tour their state-of-the-art site, home to the world's largest concentrated solar power plant. The facility has been awarded two Guinness World Records and generates an impressive 905 MW of renewable energy. Nearly 60 participants from 16 countries attended the tour.

Keynote speeches from Mr. Omar Al Hassan, managing director of Noor Energy, and Mr Ayman El Hout, CEO of Marsh UAE, highlighted the visionary journey of Noor Energy 1 and His Highness Sheikh Mohammad Bin Rashid Al Maktoum, vice president and prime minister of the United Arab Emirates and Ruler of Dubai. Their presentations underscored the innovative spirit and commitment to sustainability that drive these groundbreaking projects, including the tallest concentrated solar power (CSP) tower and the largest thermal energy storage plant in the world.

Attendees gained insights into the project's significance and capacity, as well as its important role in advancing Dubai and the UAE's sustainability goals. The discussions emphasized the importance of renewable technology for the future and how individuals can contribute to the ambitious objectives set by the UAE's leadership.

The tour included a Q&A session, allowing participants to explore topics related to Noor Energy 1, CSP technology, and future initiatives. Interactive elements at the Exhibition Centre, including a virtual reality simulation of the plant's operations, provided an immersive experience that made complex information accessible and engaging.

This visit showcased technological advancements in the renewable energy sector and facilitated valuable networking opportunities. Attendees connected with Marsh's Global Leadership Team, industry experts, researchers, and other stakeholders passionate about renewable energy.

As the tour concluded, the Noor Energy 1 team extended their renowned hospitality over lunch and answered questions while fostering meaningful exchanges among participants.

Overall, the event left attendees inspired and marked a great start to Marsh's EIC 2025. The diversity of participants underscored the global interest in renewable energy initiatives and showcased Marsh's leadership in promoting sustainable practices in the UAE.

As attendees reflected on the invaluable insights and new connections gained during the tour, it reinforced our collective commitment to a brighter, more sustainable future.

Day 1: Workshops and panels

Navigating risks and strengthening resilience in the LNG industry

Speakers:

- **Ali Rizvi,** Managing Director, Marsh
- **Lauren Thibodeaux,** Senior Director, Enterprise Risk Management, Freeport LNG
- **Hiroyuki Mori,** Executive Vice President, Member of the Board, Japan Organization for Metals and Energy Security
- **Ben House,** Director of Energy, Markel

The liquefied natural gas (LNG) industry is experiencing rapid growth, particularly in the US, where production capacity is expected to double in the coming years.

These opportunities also present challenges. The concentration of projects in the Gulf of Mexico region (which accounts for up to 30% of global supply), raises concerns about a limited pool of resources to manage weather events, supply chain disruptions, and geopolitical factors. Panelists at this session stressed the importance of understanding these challenges and prioritizing effective risk management and insurance strategies.

Australia, the US, and Qatar dominate LNG supply and are expected to maintain their leadership in the LNG market. This concentration could potentially create supply chain risks, particularly for businesses that lack a broader geographical presence. Japan plays a crucial role in the LNG industry as one of the world's largest importers. However, its geographical distance from major LNG suppliers poses challenges for the country's energy security. Hiroyuki Mori emphasized the need for a stable LNG supply and the diversification of energy portfolios to mitigate risks. Reducing carbon emissions and transitioning to sustainable energy sources are key, positioning LNG a transitional fuel for Japan.

The LNG industry is undergoing a shift from traditional construction methods to modularized facilities, which offer improved cost-effectiveness and efficiency. However, the industry continues to face challenges, including skilled labor shortages and capacity within the insurance market for business interruption and delay in startup coverage.

To address these challenges, the LNG sector has proactively integrated risk management and mitigation strategies throughout the value chain, with notable support from Marsh. Marsh risk engineers have been involved early in the design phase of upcoming projects, providing valuable insights into facility layouts, estimated maximum loss (EML) assessments, and appropriate insurance coverage. This collaborative approach can enhance project planning and strengthen the overall resilience of LNG operations.

Lauren Thibodeaux emphasized the importance of collaboration among insurers, brokers, and businesses to manage aggregates and understand interdependencies. Additionally, integrating AI can enhance risk assessments. For example, using AI to evaluate the increase in LNG vessel lead times to understand its impact on operating costs and overall LNG supply.

Contractual agreements in the LNG sector are often complex. Individual facilities typically operate under long-term agreements that require significant capital expenditures and expose businesses to price volatility. LNG business leaders need to secure robust contractual arrangements across the value chain, incorporate force majeure clauses where possible, and understand their counterparties' obligations to mitigate associated risks.

Exploring comprehensive insurance solutions that address business interruption, political violence, cargo, and marine insurance can benefit LNG assets throughout their value chains. Ben House shared an insurer's perspective, emphasizing the importance of understanding LNG demand, geopolitical dynamics, and price fluctuations.

Further reading

Critical trends in liquefied natural gas (LNG): What you need to know

Navigating risks and strengthening resilience in the LNG industry

The digitalization revolution and the role of AI in risk mitigation

Speakers:

- **David Causi,** SVP - Head of Engineering Consultancy IMEA, Marsh
- **Evgeniya Kiseleva,** AI Solution Director, C3AI
- **Alberto Duque,** General Manager Middle East, ANTEA
- **Lee Naylor,** VP Risk Engineering and Operation Excellence SME, Marsh

The focus of the workshop was on the transformative impact of AI and digitalization in enhancing environmental compliance and risk management within the utilities and energy sectors.

Sustainable intelligence: The role of AI in environmental compliance

Regulatory pressures have increased. Since 2016, some regions have seen as much as a 47% rise in environmental regulations that utility and energy companies must comply with. The evolving regulatory landscape may have prompted 76% of utility CEOs to identify environmental performance as a critical competitive factor, while 71% of energy companies have accelerated their sustainability initiatives. Globally, the financial consequences of non-compliance are severe, with penalties for environmental violations ranging from US$2.5 million to US$8 million for utility companies and up to US$40 million for the energy sector. AI solutions may enhance environmental performance and help companies meet compliance requirements.

Relevant AI applications for environmental compliance include predictive maintenance, emissions monitoring, energy efficiency with respect to consumption, demand forecasting, and compliance. Case studies demonstrated how AI solutions can lead to broader cost savings and improve operational efficiency. However, challenges hindering AI adoption include data quality issues, integration complexities, and organizational resistance. To help address these challenges, a transformation timeline can outline a strategic path for companies to effectively leverage AI for sustainable practices and maintain a competitive edge.

Digitalization of risk management through technology

Digitalization and AI can enhance risk mitigation strategies through tools such as the industrial internet of things (IIoT), real-time data analysis, and the integration of operational and informational technologies. Risk mitigation strategies include facility design, asset integrity, workforce training, and process optimization. Real-time analysis and reporting can improve data collection and ensure optimal performance and maintenance.

The role of technology in risk mitigation was further highlighted through remote monitoring, digital twins for asset management, and the convergence of IT and operational technology (OT). Additionally, wearable technology can facilitate hands-free operations and remote collaboration.

AI and machine learning can enhance risk management by analyzing data, identifying patterns, and predicting maintenance needs, which can improve response times to potential issues.

By integrating these advancements, companies can improve compliance with environmental regulations while enhancing operational efficiency and safety. The discussion underscored the potential for greater innovation and efficiency in the industry, advocating for a proactive approach to adopting these technologies to achieve sustainable growth and operational excellence.

Further reading

Embracing new technologies at the heart of risk mitigation

Digitization and AI in Risk Management David Causi

A new era of energy: The impact of renewable technologies on the global energy landscape

Speakers:

- **Martin Beck,** Asia Energy Transition and Global Offshore Wind Leader, Marsh
- **Mathias Verkest,** CEO, Otary
- **Miguel Alarcon,** CFO, Colbun S.A.
- **Kalina Pelovska,** Chief Investment Officer, Renalfa Solarpro Group
- **Mahabir Sharma,** CTO, AMEA Power
- **Michael Xu,** Executive Vice President, United Solar

Renewable energy transition: Insights from industry leaders

Martin Beck presented data on global energy consumption trends, noting that in 2023, fossil fuels accounted for 80% of total worldwide energy demand, while renewables contributed only 20%. This underscores the critical need for renewable energy projects to be both bankable and insurable to meet the expectations of investors and financial institutions.

Regional and corporate perspectives on the energy transition

During the panel discussion, Miguel Alarcon shared insights on the energy transition in Chile and Peru. Today, 60% of Colbun S.A.'s portfolio consists of renewables including solar, wind, and hydro, with an ambitious pipeline of over 1 GW of additional projects, including battery energy storage systems (BESS).

Mathias Verkest said that while Otary currently produces less than 1 GW of offshore wind energy, it meets 4% of Belgium's electricity demand. He emphasized Europe's position as a frontrunner in offshore wind technology.

Kalina Pelovska described Renalfa's commitment to green energy, which generates electricity from solar and wind assets in Eastern Europe and operates across various sectors supporting the energy transition, including engineering, procurement, and construction (EPC); electricity trading; and electromobility.

Mahabir Sharma, CTO of AMEA Power, discussed the company's growth over the past seven years, during which it has developed 6 GW of renewable energy projects across 20 countries in Africa and the Middle East.

Michael Xu spoke about United Solar's role in the global solar supply chain. Based in Oman, United Solar produces power silica, a critical raw material for solar panel manufacturing.

Global energy transition outlook

Mathias Verkest said that the world's first offshore wind farm began operating in 1991, but wind now supplies 10% of Belgium's electricity needs, accounting for 40% of the country's total renewables. He emphasized that decarbonization and electrification must be supported by incentives for heat pumps, electric vehicles, and residential solar panels. Investments in 4 GW of BESS, along with the integration of wind and solar with storage technology, will be critical to achieve a cost-efficient and sustainable electricity supply.

Michael Xu observed that while the renewable energy industry once relied on government subsidies, it has now become cost-competitive. He expects AI-driven optimization to further reduce costs, while smart grids and decentralized energy systems in developing countries will improve efficiency and minimize transmission losses. He said that battery storage is an essential enabler of renewable-energy generation and will be key for balancing supply and demand.

Investment opportunities in renewable technologies

Kalina Pelovska noted that renewable energy technology has become more affordable over the past decade. She emphasized that future optimization will require integration with renewable sources and BESS. The European

Commission's support for green hydrogen through subsidies may also encourage the development of hybrid projects, including biofuels, agricultural with solar, and other innovations in the renewable energy landscape. The future of storage technology has developed, particularly with lithium-ion batteries in electric vehicles that can be implemented for longer-duration and larger storage solutions. Green hydrogen is emerging as a promising choice for long-haul transportation applications. Miguel Alarcon expressed the need of night time balance to be maintained (for example companies that consume power 24/7 and thereby require access to a variety of renewable power sources at night) by offering blended solutions from renewable production, and storage, which is critical for mining companies' continuous operations.

Technical challenges in renewable energy deployment

Discussing the technical challenges of renewable energy, Mahabir Sharma highlighted the anticipated increase in energy demand from data centers. He pointed out that balance-of-plant supply chain constraints, such as long lead times for transformers, can pose bottlenecks in meeting the rising power demand. Additionally, he emphasized the challenge of aligning centralized energy consumption patterns with the geographic distribution of power generation facilities and the limitations of existing grid infrastructure. He stressed the need for innovation in electricity generation technologies to enhance cost efficiency. Unlike rapid advancements seen in information technology, the scale and speed of renewable energy solutions often take longer to develop.

Michael Xu categorized technical challenges into minor and major issues. Minor challenges, such as improving solar panel efficiency, can be addressed with technological advancements. However, a major challenge is ensuring 24/7 renewable energy supply for high-demand consumers, particularly data centers, which require uninterrupted power.

Kalina Pelovska emphasized the importance of technological innovation in space optimization, advocating for solutions that maximize electricity generation while minimizing land use. She also underscored the energy trilemma of balancing cost, technology, and energy sources (renewable and conventional) to optimize the long-term societal benefits of renewables.

Mathias Verkest pointed out that grid expansion, scalability, OEM limitations, and supply chain standardization are important factors in cost-benefit analysis and the overall sustainability of renewable energy projects. Miguel Alarcon highlighted the need for reliable and scalable capacity to meet growing energy demands and stressed the importance of fostering a competitive supplier landscape to ensure high-quality, cost- effective renewable energy solutions.

The role of policy and regulation

The success of the energy transition will largely depend on government policies and regulatory frameworks. In the early stages of renewable energy development, government incentives played a key role in attracting investment. However, inconsistent policy support has since created uncertainty in the sector. A more stable and long-term regulatory approach is required, particularly to support emerging technologies. Political backing is essential for continued investment, and taxation and subsidy policies should be designed to maximize societal benefits. Governments must adopt a long-term vision, ensuring regulatory stability and fostering a motivated supply chain that can scale efficiently. Additionally, a new regulatory framework that is distinct from conventional power systems is needed to accommodate the unique characteristics of renewable energy.

The panel acknowledged that electricity is a fundamental driver of economic growth and more is needed to promote the viability of bankable renewable energy projects.

Further reading
Digitization Risk Management Through Technology

Is hydrogen still top of the agenda?

Speakers:

- **Mark Heneghan,** Managing Director, Energy & Power, Marsh
- **Peter Boshuijer,** Head of Insurance and Risk Management, Scatec ASA
- **Haaris Masood,** Director, Société Générale
- **Achim Dosch,** Underwriting Manager Natural Resources Construction, Munich Re Facultative & Corporate (F&C)
- **Prakash Patel,** Hydrogen and CCS Risk Engineering Leader, Marsh

Over the past decade, investment in hydrogen has increased from US$10 billion to US$75 billion, reflecting a shift towards more realistic and market-aligned projects. Significant regional developments have been noted in the UAE, Oman, and Saudi Arabia, although the panel emphasized the need to monitor how many of these projects will successfully reach the final investment decision (FID).

Hydrogen is recognized for its vital role in the global energy transition, particularly in petrochemical operations, where over 100 million tons are used annually. However, hydrogen's potential has been somewhat overshadowed by advancements in other technologies, such as batteries for electric vehicles. Early movers in the hydrogen industry faced challenges, including long project delays and issues related to bankability, particularly in securing offtake agreements. The panel highlighted the necessity of government support, effective risk management, and offtake financing structures to enhance bankability.

The regulatory environment was also identified as a critical factor influencing project viability, with predictability being essential for attracting investment. Successful hydrogen projects require strong partnerships, sharing of lessons learned, and early engagement with insurers and lenders to mitigate risks. While hydrogen projects are gaining momentum, they still require government subsidies and support to become economically viable.

Practical challenges include hydrogen embrittlement, liquid hydrogen transportation, the implications of scaling up electrolyzers, water quality used for electrolyzers, optimal plant layout, and the role of pilot testing.

Hydrogen continues to be a significant topic on the energy transition agenda, however there is a greater need for collaboration among stakeholders, innovative solutions to address technical and regulatory challenges, and sustained government support to unlock hydrogen's full potential in the energy transition.

Further reading
Is hydrogen still top of the agenda?

Reimagining nuclear: Innovative solutions for a sustainable tomorrow

Speakers:

- **Mike Kolodner,** Global Renewable Energy and US Energy & Power Leader, Marsh
- **Mark Tetley,** Senior Underwriter, Northcourt

The session highlighted the rapid progress and increasing demand for nuclear energy production, including significant developments in the US, China, France, and the UAE. Topics raised included the potential of integrating nuclear energy with data centers, the challenges faced by new technology developers in securing financing, the need for changes to bolster support for emerging technologies, and the lack of African representation in the projection of potential growth areas.

- There is an increasing demand for nuclear energy production and several countries have joined the Declaration to Triple Global Nuclear Energy capacity by 2050.
- Electricity consumption from data centers, AI, and the cryptocurrency sector could double by 2026. Sustainable energy sources are required and nuclear energy could be a contender given it is a reliable source with low lifecycle emissions.
- Newer nuclear energy designs such as Xenergy and Kyros can potentially be integrated with data centers, due to their load-following capabilities, safety features, and efficient fuel use.
- However, new developers often face challenges in securing bonds and professional liability coverage for their projects. Insurers are encouraged to assess how they can support the growing nuclear industry. NorthCourt is one such company that has supported the nuclear industry for 75 years.
- The scale of expansion of nuclear power means that insurance coverage is essential from both mutual pools and insurers. The client base is also changing to include large utilities, smaller developers, and petrochemical manufacturing facilities. Due to this, a more diversified insurance market with different choices would be beneficial.

Challenges faced by new technology developers in the energy sector include securing financing for decommissioning bonds. There is a need for regulators and insurance markets to be more innovative and not compare new technologies with older ones.

Insurance is important in managing financial risk exposure and risk transfer. It was suggested that governments and companies should focus on maintaining safety standards while embracing new technologies. The discussion also turned to the potential for more cross-technology learning and the possibility of more nuclear assets from technology companies.

There is a significant (yet less than desired) development of nuclear in Africa, particularly in South Africa. There is also potential for smaller, transportable energy reactors for remote areas in Africa. This potential needs to be harnessed.

There is potential for growth in nuclear insurance. The market has seen more developments in the last 20 years than in the previous 40 years. There is a need for regulators to move forward and address issues such as long-term waste storage and liability to unleash the capacity of the insurance markets. Nuclear waste has a low risk profile and its perception needs to reflect this.

Major technology companies are investing in and supporting the development and deployment of small modular reactors (SMRs) for powering their data centers.

Insurance companies should explore new deployment pathways and models for nuclear insurance, including direct commercial deployment through independent entities like NorthCourt, to support the growth of the nuclear industry.

Insurance companies should develop new products and solutions to address the unique challenges of nuclear insurance, such as bonding requirements for decommissioning and the long-term storage of high and medium-level nuclear waste.

Further reading
Reimagining nuclear – Dubai 2025

The rise of mega projects

Speakers:

- **Richard Gurney,** Global Head of Construction, Marsh
- **Richard Hardy,** Project Director - Markets, Xlinks
- **Julian Grant,** Of Counsel, Herbert Smith Freehills
- **Ernesto Berger,** Manager, Insurance Policies & Services Department, ADNOC
- **Sean Pearson,** Underwriting Manager, Liberty Specialty Markets
- **Scot Peachy,** Chairman, Construction, Infrastructure & Surety, Marsh

The dialogue centered on the evolving definition of mega projects, the challenges they face, and their implications for stakeholders globally, with a particular focus on the Gulf Cooperation Council (GCC) region.

Richard Hardy provided insights into the Morocco-UK Power project developed by Xlinks, which aims to harness renewable energy by connecting power generated in Morocco to the UK. This ambitious initiative is expected to deliver 11.5 GW of renewable generation, significantly contributing to the transition towards zero emissions electricity. He highlighted that the project is an infrastructure endeavor rather than a conventional energy project. He noted the advantages of engaging with government entities, which can lead to reduced electricity costs and support for decarbonization efforts. Critical considerations for the project include procurement strategies involving diverse technologies, regulatory challenges across multiple jurisdictions, and the complexities of laying offshore cables through five sets of territorial waters.

Ernesto Berger discussed ADNOC's major projects, such as the Borouge 4 facility, one of the largest industrial projects underway in the UAE, valued at approximately US$5 billion, and the Hail & Ghasha project, one of the largest construction projects to date, estimated at US$17 billion. He noted that these projects will help the UAE achieve gas self-sufficiency and assist ADNOC in reaching its net-zero emissions target by 2045. He also spoke on potential challenges related to insurance requirements for mega projects, particularly in light of increased scrutiny on environmental, social, and governance factors. He emphasized ADNOC's commitment to open communication with insurers to address issues related to natural catastrophe issues, policy sublimits, and deductibles, highlighting the importance of demonstrating proactive measures to mitigate risk accumulation.

Julian Grant, a construction lawyer, pointed out the inherent interface risks stemming from the scale and complexity of mega projects. Dividing risks into multiple packages can yield cost benefits and allow for phased implementation, but it can presents challenges in coordinating various contractors. He introduced the concept of a "horseshoe arrangement," where all parties operate under a single contract, complicating direct liability and insurance responsibilities. He stressed the importance of addressing these issues early in the project lifecycle, as retrofitting solutions can be challenging once a project is underway.

The supply chain for mega projects presents several complexities. Geopolitical factors are increasing the risk of delays and contractors are becoming more concerned about the definition of force majeure.

Sean Pearson emphasized the significance of early engagement in the insurance placement timeline, noting that a thorough understanding of the project is crucial for effective capital deployment. He discussed the challenges associated with attritional losses and the necessity of managing external partners effectively. He highlighted the complexities of aggregating risks, particularly in the GCC region, where natural perils may not be as apparent. He pointed out that the introduction of novel and complex technologies can complicate pricing and coverage, making it essential for insurers to have a clear understanding of the risk management practices embedded within the project.

Scot Peachy provided insights into the financial dimensions of mega projects, noting that a billion- dollar budget is now considered standard. He differentiated between development and project costs, using examples like the Burj Al Arab and Burj Khalifa to illustrate how initial projects often incur higher costs due to their pioneering nature. He cautioned against setting unrealistic expectations and emphasized the importance of establishing achievable targets. He also discussed the implications of inflation on project costs and the need for a consistent approach to insurance across multiple packages. He mentioned concerns about the adequacy of current insurance practices, particularly in light of the shift towards relationship-based contracting, which the insurance market is working to accommodate.

The panel discussed the importance of transparency, early stakeholder engagement, and the need for flexibility in managing risks associated with mega projects. Richard Hardy reiterated that mega projects are here to stay and that their complexity will become the standard in the next 10 to 20 years. Ernesto Berger emphasized the necessity of adapting to the unique challenges of each project, advocating for a flexible and creative approach rather than a one-size-fits-all solution. Julian Grant highlighted the opportunity to adopt innovative strategies for larger and more unique projects, while Sean Pearson stressed the importance of openness and transparency in addressing the many questions that arise during project development. Scot Peachy concluded that the insurance industry must evolve to meet these new demands. Richard Gurney raised a critical question regarding the future viability of conventional insurance programs in light of these changes, underscoring the need for ongoing dialogue and adaptation in the rapidly evolving landscape of mega projects.

Further reading

The rise of the mega project

Utilizing AI to model supply chain risks and Scope 3 emissions in the new world

Speakers:

- **Evita Francis,** Vice President, Business Resilience, Marsh
- **Shailen Shukla,** Supply Chain Director, Omar Kassem Alesayi Group
- **Essam AI Sheibany,** Vice President of Sustainability, Asyad Group
- **Dr. KD Kandpal,** Head of Sustainability, Tristar Group
- **M. Dinakaran,** Deputy Director, Head of Supply Solutions

In an era marked by increasing complexity and unpredictability, the discussion on the transformative role of AI in enhancing supply chain resilience and managing Scope 3 emissions was timely. The insights underscored the need for transparency and accountability within supply chains, revealing that 90% of risks are hidden. With 70% to 80% of these risks stemming from supply chain complexities, many companies struggle to track and mitigate their Scope 3 emissions. Estimates suggest that potential financial losses from supply chain interdependencies could reach US$5 trillion.

Supply chains can be categorized into four types: clear, complicated, complex, and chaotic. This complexity is compounded by climate-related disruptions, projected to cost the global economy approximately US$5 trillion. Effective management of supply chain risks is often hindered by limited visibility beyond direct suppliers, leading to significant challenges, including:

- A lack of awareness regarding upstream exposure.
- Frequent disruptions resulting in downtime and losses.
- Growing regulatory pressure.
- Limited and decreasing supply chain insurance coverage.

However, companies that prioritize supply chain resilience are reaping benefits. For instance, an e-commerce company implemented a variety of resilience recommendations and reported over 98% on-time and in-full delivery despite major disruptions. Automotive OEMs experienced an 11% increase in production output compared to peers facing similar semiconductor crises, while manufacturing OEMs achieved over 95% availability of raw materials and parts. Through SCR project improvements, retailers have leveraged disruptions to achieve up to a 15% reduction in costs, and manufacturing OEMs have seen a 30% improvement despite challenges related to parts and workforce shortages.

AI can enhance visibility across supply chains, enabling companies to identify risks and calculate emissions more effectively. Examples that illustrate the application of AI across various sectors include:

- AI in risk management: Marsh McLennan's Sentrisk tool allows companies to analyze supply chain risks and emissions, facilitating informed decision-making through supplier mapping and risk assessment.
- Semiconductor industry: A company with 150 suppliers in East Asia used AI tools to diversify their supply chain, resulting in significant cost savings and avoiding potential disruptions.
- Product lifecycle management: Innovations in product design, such as making cameras more compact and lighter.
- Logistics optimization: AI-powered solutions can help identify emission hotspots in logistics, enabling companies to manage their carbon footprint more effectively.
- Circular economy initiatives: Companies like Sony are committed to recycling and using sustainable materials in product design, such as incorporating recycled fabrics in products and reducing plastic in packaging.
- Collaboration on net-zero goals: Companies working together to achieve net-zero emissions was highlighted to show integrated approaches involving multiple stakeholders.
- Government support for EV infrastructure: Consistent government investment is needed in electric vehicle infrastructure, such as for fast chargers.

The discussion reinforced the necessity for integrated approaches to decarbonization, with AI facilitating data-driven decision-making and enhancing operational efficiency. The role of government and public-private partnerships in supporting the transition to electric vehicles and sustainable practices was also underscored.

The panel called for a proactive stance in managing supply chain risks and emissions, advocating for the adoption of AI-driven solutions to foster resilience and sustainability in the face of ongoing global challenges. Embracing innovation will be key to thriving in an increasingly interconnected and unpredictable world.

Further reading
Utilizing AI to model supply chain risks

Managing people risks in an era of transition

Speakers:

- **Milan Taylor,** Global Leader Energy, Mercer
- **Ashish Patro,** Human Resources Director, OilSERV
- **Laura Dryden,** Head of People and Culture, Positive Zero
- **Lisa Lyons,** Transformation Centre of Excellence Leader for IMEA, Mercer

In a world marked by unstable economic growth and shifting geopolitical landscapes, the energy sector faces unprecedented challenges. Milan Taylor opened the discussion by highlighting the uncertainty that permeates the industry. *The Global Risks Report 2025* identifies state-based armed conflict and extreme weather as the top two threats. The energy industry is not immune to these complexities, making the focus on talent acquisition and retention urgent.

Interviews with senior HR officers reveal a pressing need to address structural and systemic issues within the workforce. Cost management is a primary concern as companies pilot green energy initiatives that require time to yield returns. Eliminating duplication within the workforce is essential as organizations strive to streamline operations while navigating financial pressures.

The people agenda for 2025 centers on talent, with a strong emphasis on building robust senior leadership capabilities. Laura Dryden highlighted the intersection of clean energy and mobility, while Ashish Patro noted the importance of agility in cost management, emphasizing that success is not merely about what is accomplished but how quickly it is achieved. The shift toward variable pay structures reflects a broader strategy to retain talent while adapting to the industry's evolving landscape.

As the energy sector transitions, the need for innovative recruitment strategies becomes paramount. Lisa Lyons pointed out that many traditional methods for attracting talent are no longer effective. Today's candidates seek alignment with an organization's mission and values, necessitating a stronger narrative around sustainability. The competition for talent continues, with companies urged to offer more than just competitive salaries; flexibility and transparency in career growth can attract the younger workforce.

The conversation around employee engagement and retention has evolved significantly. Ashish Patro noted that while the "great resignation" impacted many sectors, his organization did not experience significant turnover. Instead, there is a growing recognition of the importance of mental well-being and psychological safety in the workplace. Coaching, once associated with poor performance, is now embraced as a vital tool for fostering a supportive culture and addressing employee insecurities. The focus on skills over traditional job roles is gaining traction, with organizations encouraged to assess competencies and adapt to the changing demands of the industry.

As the energy sector grapples with the dual pressures of cost management and talent retention, the emphasis on employee well-being and development is increasingly important. Mercer's *Global Talent Trends 2024-2025* report reveals that 84% of employees in the energy industry are at risk of burnout, the highest rate across all sectors. This alarming statistic underscores the need for a holistic approach to employee care, with leaders increasingly aware of the importance of preventive measures. By fostering a growth mindset and prioritizing mental health resources, the energy sector can navigate the complexities of the current landscape while building a resilient and engaged workforce for the future.

Further reading
Managing people risks in an era of transition

Facilitating the bankability of energy transition projects

Speakers:

- **Astrina Patten,** Global Business Development Leader, Structured Finance Practice, Marsh
- **Sukh Sidhu,** Director, Societe Generale
- **Sebastian Bernard,** Head of Legal, Project Finance & Project Development, EDF Renewables Middle East
- **Milind Jain,** Regional Credit Specialties Leader, Marsh

The energy transition landscape offers many opportunities, but also presents uncertainty, particularly for new renewable energy projects facing challenges from emerging technologies, regional dynamics, and the complexities of long project lifecycles. Additionally, the fragility of the finance ecosystem means that even minor shifts can significantly affect the speed and viability of these projects. To navigate this landscape effectively, developers must proactively identify project challenges and instill greater confidence in their lenders throughout the financing process.

The following steps are critical to ensuring that financing and insurance placement align with project risks:

- Ensuring transparent disclosure of risks: Clearly communicating potential risks is essential for building trust among stakeholders.
- Aligning insurance terms with credit agreement requirements: Ensuring that insurance provisions meet lender expectations is important for securing financing.
- Negotiating on and securing of lenders' protection packages: Developers should prioritize comprehensive protection for lenders to facilitate smoother transactions.
- Curating a roadmap and timeline for insurance documentation procurement: A well-structured timeline can help streamline the processes and mitigate delays.

The dynamic nature of the lending market also presents challenges, as the composition of lenders in energy transition projects is continually changing. New and less familiar financial parties may require additional time to review standard transaction elements, potentially leading to delays. Therefore, early engagement with all stakeholders, particularly lenders, is paramount.

To address sector-specific uncertainties, developers can explore various alternative financing structures, such as export credit facilities or debt service undertakings, to provide additional security. However, more complex financing arrangements can prolong the financing process, making alignment among lender groups essential to adhere to project timelines.

To successfully navigate the complex finance landscape of first-of-a-kind energy transition projects, developers should consider the following core strategies:

- Conduct thorough due diligence: This is important when entering new markets.
- Appoint qualified personnel and external advisors: Hire the right experts to enhance project execution and risk management.
- Selecting the right EPC contractor: Ensure that the chosen contractor has the necessary capabilities is vital for project success.
- Engage with regulatory bodies: Connect with relevant authorities early on can help developers understand legislation and compliance requirements.
- Anticipate unique challenges: Early engagement with all parties can help identify and address potential issues.

On a positive note, the finance market is evolving, with merchant prices becoming an increasingly familiar risk to banks and finance parties. Each lender has its own perspective on the level of merchant risk they are willing to accept. Developers should consider when merchant pricing exposure peaks during the project lifecycle and communicate this effectively to lenders to enhance their understanding of associated risks.

The insurance market is also adapting to meet the needs of developers, offering innovative solutions such as technology performance guarantee insurance, which mitigates uncertainties related to new technology performance. Additionally, parametric insurance covers can be utilized to address shortfalls and lower output in renewable energy projects.

By adopting a proactive and strategic approach, developers can enhance the bankability of energy transition projects, ensuring they are well-positioned to navigate the complexities of financing and insurance in this constantly changing landscape.

Further reading

Facilitating the bankability of energy transition projects: Risk management and insurance considerations

EIC25 – Facilitating the bankability of energy transition projects

Building a carbon trading market

Speakers:

- **Charles Sincock,** Advisory Lead - Strategy and Sustainability, Marsh
- **Joel Davis,** Senior Consultant/Principal, NERA

The session began by discussing the implications of atmospheric temperatures rising by 1.5 degrees Celsius. The presenters noted that increases in the average temperature will have significant regional variances, such as an 8-degree increase in the Sahara. Current carbon dioxide levels have surpassed 420 parts per million (ppm), the highest in over 800,000 years, with projections indicating a potential rise of 2.8 degrees Celsius, far exceeding the Paris Agreement's target.

Government intervention is essential for achieving decarbonization, and carbon pricing is a key mechanism for reducing emissions across the value chain. Carbon pricing can be divided into markets and taxes. While carbon taxes are generally simpler, emissions trading schemes (ETS) can provide long-term policy signal. Currently, about 24% of global greenhouse gas emissions are covered by carbon pricing schemes.

The effectiveness of an ETS depends on monitoring, reporting, and verification to accurately track emissions and prevent offshoring. The aviation sector exemplifies the challenges of regulating emissions due to its global nature and operational variability. Some of these challenges are mirrored in the energy sector, and future unplanned business interruptions on process plant equipment may lead to difficult loss adjustment activities.

Methodologies for calculating carbon caps include top-down and bottom-up approaches, with organizations often using a hybrid model. Allowances can be auctioned, allocated for free, or traded, with a trend towards auction-based systems.

Benefits of carbon trading schemes include facilitating business operations within Europe, with designs that allow for banking and borrowing to minimize disruptions. However, even well-structured markets may face shocks requiring careful intervention.

A comparative analysis of the UK's and South Korea's carbon trading schemes highlights the impact of regulatory frameworks on emission prices. The more regulated South Korean market, which prohibits allowance banking, has lower emission prices than the more volatile UK ETS.

Further reading
EIC25 – Workshops MC Speakers – Carbon Markets

Africa: The critical continent for critical minerals

Speakers:

- **Harry Doyne-Ditmas,** Specialty Growth Leader, Marsh
- **Nicholas Snowdon,** Head of Mining and Metals Research, Mercuria Energy Trading
- **Richard Sambasivam,** Associate Director, US International Development Finance Corporation
- **Robert Besseling,** CEO, Pangea-Risk
- **Asad Hajiyev,** Senior Executive Officer, Portfolio Manager, Investments, Gemcorp Capital Management

As the world pivots towards a more sustainable future, Africa's vast mineral deposits and established mining capabilities position the continent as a key player. Investment from both Western and Chinese companies is surging, reflecting a growing recognition of Africa's potential.

During this workshop, speakers highlighted the patience required for a successful green transition and the opportunities for collaboration between Western and Chinese mining enterprises. They also considered geopolitical tensions between the US and China, and the need for innovation and efficiency in project development. The consensus was clear: fostering collaboration and diversification could lower investment risk premiums and accelerate the transition to greener practices.

Major manufacturing hubs for critical minerals include China, the European Union, and the US, each maintaining distinct lists and definitions based on their strategic objectives. Lithium and graphite are vital components for battery storage, with demand expected to soar over the next 25 years. Notably, the definitions of critical minerals are largely shaped by manufacturing hubs, rather than by African nations themselves, which can potentially lead to some gaps in global policy and trade.

China has dominated the green technology market, accounting for an impressive 85% of demand growth in the past five years. Meanwhile, the US, through significant investments under the Inflation Reduction Act (IRA), contributes a slightly lower growth rate. The importance of robust infrastructure and partnerships with governments was underscored as essential for supporting investments in green technology.

Regarding project costs and subsidies, China holds a competitive edge due to its ability to absorb commodity volatility.

Investment trends from the Gulf Cooperation Council (GCC) are also noteworthy, with the UAE emerging as the largest source of indirect investment in Africa. The GCC is helping to bridge infrastructure financing gaps through investing, despite the challenges faced by the undercapitalized African mining sector.

Political risk insurance and a deeper understanding of local operating climates will continue to drive and attract investment in Africa's mining sector. A shift in the narrative surrounding perceived risks in Africa is essential to enhance its investment appeal, alongside a commitment to sustainability and proactive community engagement in the development of finance initiatives. As Africa steps into the spotlight, the potential for growth and collaboration has never been more promising.

Further reading

Africa Workshop – Critical Minerals

Weathering the storm: How extreme weather events challenge renewable infrastructure

Speakers:

- **Philippe Du Four,** Head of Power, Asia, Pacific, Middle East and Africa, Marsh
- **Stefan Verlee,** Chief Operating Officer, ACWA Power
- **Ernest Eng,** Head of Analytics, Captives and Risk Finance, IMEA, Marsh

The session considered the impact of natural hazards on the renewable energy sector, both globally and regionally, with a particular focus on solar and wind power and the implications for the insurance industry.

Ernest Eng stressed that traditional "peak perils" are no longer the only significant risks, highlighting the growing insurance gap and the role of secondary catastrophic events in driving losses. Understanding natural hazards, particularly in the GCC region which faces significant exposure to water scarcity and climate change, requires improved quantification and adaptation methods, including effective risk mitigation efforts.

The discussion underscored the need to reassess design standards for infrastructure and renewable energy projects, as current standards are increasingly being superseded — a trend expected to persist. There is also a need to reevaluate risk financing strategies, focusing on adaptation to future weather conditions and exploring innovative financing methods for risk events.

Future-proofing renewable energy assets is essential due to their greater exposures to natural perils in terms of both damage and productivity losses. This involves gaining a deeper understanding of lesser-known hazards, such as severe storms, and fostering collaboration with OEMs and industry bodies to enhance asset resilience.

Developers and operators need to address the challenges of predicting and preparing for extreme weather events in the energy industry. This may require a shift from relying solely on historical data to adjusting standards based on projected models. It is essential to consider the specific needs of different technologies and regions, fostering collaboration with off-takers and insurers to effectively manage risks and investments.

Dialogue among operators, insurers, and off-takers can potentially lead to cost-effective solutions, achieving an "economic optimum."

Governments also play a crucial role in setting design standards and providing reliable information to ensure a level playing field for all stakeholders. Transparency from OEMs can contribute to this goal, and sharing data with the insurance industry can also help improve solutions and mitigate risks.

Further reading

From risk to resilience: Adapting to a changing climate

EIC25 – Renewables Workshop

2025 Weathering the storm

Day 2: Plenary sessions

Dubai's role in the global energy transition

Speaker:

- **H.E. Saeed Al Tayer,** Vice-Chairman, Dubai Supreme Council of Energy

In his opening speech, H.E. Saeed Mohammed Al Tayer reaffirmed Dubai's commitment to sustainability, emphasizing climate resilience, energy security, and a smooth energy transition. He highlighted the UAE Consensus reached at COP28, which called for a "transition away from fossil fuels in a just, orderly and equitable manner, accelerating action in this critical decade" to achieve net-zero by 2050.

Al Tayer discussed the world's largest single-site solar park, located in Dubai, which is aiming for a capacity of 5,000 MW by 2030. Five phases are complete, with the sixth under construction and the seventh in the planning stage. By the end of 2024, Dubai's solar energy capacity reached 3,060 MW, making up 17.8% of the energy mix. The 950 MW fourth phase features the world's tallest solar tower, at over 263 meters, and boasts the largest thermal storage capacity. The Dubai Electricity and Water Authority (DEWA) is also building the first pumped-storage hydroelectric power station in the GCC, which will provide 250 MW of clean energy capacity and 1,500 MW of energy storage. DEWA also commissioned the Middle East and Africa region's first industrial-scale green hydrogen production facility powered by solar energy, promoting innovation in energy storage and transport.

Al Tayer added that Dubai's green transformation extends beyond electricity. The Emirates National Oil Company (ENOC) has achieved significant milestones, including fueling the world's first flight powered entirely by sustainable aviation and launching the MENA region's first green hydrogen refueling station at its "Service Station of the Future" in Expo City Dubai. This station is the world's first Leadership in Energy and Environmental Design (LEED) platinum-certified facility, integrating renewable energy and smart technologies. ENOC has also partnered with Dubai's Roads and Transport Authority to supply biodiesel to the Abras ferry, potentially reducing over one million tons of CO_2 in the next seven years.

On the upstream side, Dragon Oil has installed a solar hybrid power system at its water injection platform, significantly reducing its carbon footprint. In addition, the company has introduced vapor recovery from crude oil storage tanks in Turkmenistan, reducing CO_2 emissions by about 25,000 tons annually.

Al Tayer noted that AI has improved energy resource optimization and reduced costs. For example, predictive maintenance using specialized AI algorithms, cybersecurity, energy efficiency, renewable energy forecasting, and carbon emission reduction have all benefited from these advancements.

DEWA's commitment to green infrastructure is evident in its 10 LEED-certified buildings that promote carbon emission reduction, as well as water and energy conservation. Al-Shera'a, DEWA's new headquarters, aims to be the tallest, largest, and smartest net positive governmental building in the world.

Al Tayer ended by stating that by diversifying energy sources, investing in renewables and advanced technology, and enhancing operational efficiency, we are contributing to creating a brighter, more sustainable future for ourselves and future generations.

Welcome from Marsh

Speaker:

- **Martin South,** President and Chief Executive Officer, Marsh

Martin South discussed how the current volatile geopolitical environment has prompted many organizations to reevaluate their risk management strategies. In addition to geopolitical factors, the physical environment is also undergoing major shifts. Climate events are disrupting the ability of organizations to plan and affecting where people live, all of which continue to impact supply chains.

The just-in-time business model was designed for efficiency over resilience. But since the COVID-19 pandemic, geopolitical tensions, wars, and climate events have compelled organizations to rethink how supply chains are structured and to better understand their vulnerabilities.

These factors are influenced by current events. While technology has advanced, AI is transforming how work gets done. However, this rapid changes also introduces risks. The potential impact of cyber events remains uncertain, and with the rapid developments in quantum computing, we may face a challenging future.

To navigate these risks, it is crucial for companies to stay informed and consider risks from all angles. This is partly what the EIC aims to achieve: fostering dialogue where individuals can convene to identify the pressing issues we face and potential solutions.

The energy transition will likely dominate our discussions for years to come. While risks abound, these challenges require us to think innovatively about the future, which is the goal of EIC in the coming days and beyond.

One of the strengths of the insurance industry is its dynamism, which will continue to evolve. Enhanced risk management techniques, analytics, and data can help society mitigate risks and manage their impacts effectively.

This can be achieved through open dialogue. It is essential to convene people to collaboratively address issues, create solutions, and rethink the value of insurance in managing future volatility. Martin emphasized that Marsh is well-positioned to lead this effort. Yet, as a collective community, we must all take the initiative to accelerate new solutions that enhance resilience for our planet.

In closing, Martin expressed his gratitude for everyone's participation and for being part of these important conversations.

Africa Vision 2030

Speaker:

- **Merafe Moloto,** CIO, Motseng Investment Holdings

Merafe Moloto discussed the rise of the Global South, sharing her perspective as a Black South African raised during apartheid. She identified three key factors contributing to this rise: the breakdown of Bretton Woods institutions, economic growth, and the impact of social media.

Regarding the first factor, Merafe Moloto noted a perceived lack of inclusivity in traditional institutions such as the UN, IMF, and World Bank, which have not served all nations equitably. This gap has led to the emergence of organizations like BRICS, which aim to provide a new platform for engagement with global financial institutions.

The organic growth of economies in the Global South, particularly in Africa, has been significant. The return of intellectual capital, along with the rise of sovereign wealth funds and private equity investments, has enhanced self-funding capabilities, enabling these nations to engage more robustly in global markets.

Merafe Moloto emphasized how social media has accelerated the voice of the Global South, shifting conversations from narrow issues to broader discussions about collective global aspirations. It has empowered individuals to define their identities and goals beyond traditional frameworks.

In conclusion, Merafe Moloto highlighted the growing demand for Africa's inclusion and relevance in global discussions. This shift is crucial for fostering trade and collaboration, moving beyond the historical North-South divide. She encouraged investment in Africa, particularly in South Africa, and expressed optimism for continued growth and convergence in global aspirations.

Powering the energy transformation

Speakers:

- **Amy Barnes,** Head of Climate and Sustainability Strategy, Marsh
- **Ibrahim Al Zu'bi,** Group Chief Sustainability and ESG Officer, ADNOC

Ibrahim Al Zu'bi emphasized that sustainability encompasses more than just climate considerations; it should be integrated into business models. He advocated for a triple bottom-line approach that balances social, economic, and environmental responsibilities. Ibrahim Al Zu'bi highlighted ADNOC's commitment to sustainability, including investments in renewable energy and low-carbon technologies.

He discussed the importance of collaborating with startups and embracing innovative solutions, such as using drones for environmental monitoring and mangrove planting, which contribute to carbon sequestration and ecosystem restoration.

Looking ahead, ADNOC is focused on its decarbonization plan, sustainable supply chain initiatives, and leveraging AI for enhanced operational efficiency. By embedding sustainability into its business strategies, ADNOC aims to promote long-term viability and compliance with evolving regulations. ADNOC plans to achieve net-zero emissions by 2045 and zero methane emissions by 2030.

Ibrahim Al Zu'bi outlined ADNOC's goal of allocating approximately US$23 billion for decarbonization efforts over the next five years. AI is being utilized to help meet social and environmental targets, with a goal of reducing around 1 million tons of CO_2 emissions through AI initiatives.

He concluded by emphasizing the importance of engaging leadership in meaningful discussions about integrating sustainability into core strategies, as sustainability is essential for future-proofing businesses.

Mobilizing investments in the energy transition

Speakers:

- **Andrew George,** President, Marsh Specialty
- **Steven Ciobo,** Managing Director and Head of Global Affairs, Stonepeak Asset Management
- **Abdulhameed Al Muhaidib,** Chief Financial Officer, ACWA Power
- **Alice Wathika,** Chief Financial Officer, Lake Turkhana Wind Power
- **Robin Mills,** Chief Executive Officer, Qamar Energy

The discussion focused on the critical need to transition to sustainable and resilient societies, emphasizing the importance of financial investment and innovative approaches to capital access. The insurance sector plays a significant role in supporting businesses in adopting sustainable practices.

Speakers called for governments and companies to leverage advancements in wind, solar, and battery technologies. The shift in project costs highlights the need for policy frameworks that attract investment; the insurance and financial sectors can help shape these changes.

The importance of public-private partnerships in driving economic growth was discussed, with successful collaboration examples from Saudi Arabia and Dubai. Developers are also crucial collaborators in these partnerships. The potential for insurance and financial markets to manage risk in project structuring was highlighted, along with the need for flexible insurance structures and local stakeholder involvement to mitigate contract disputes.

Managing an IPO in Saudi Arabia

Speaker:

- **Hubert Lafeuille,** Chief Financial Officer, Arabian Drilling

Hubert Lafeuille provided insights into Arabian Drilling's successful initial public offering (IPO) in Saudi Arabia, which raised over US$700 million and experienced a remarkable 61 times over-subscription from institutional investors, underscoring strong interest in both Arabian Drilling and the broader Saudi Exchange market (the ninth largest stock market in the world).

Key takeaways:

- Significance of the IPO: The Saudi Exchange is increasingly recognized in the global financial andscape due to initiatives such as the financial sector development program.
- Preparation and planning: The success of the IPO was attributed to a well-prepared deal team comprising financial advisors, underwriters, legal experts, and a dedicated internal project management office. The due diligence process was likened to a comprehensive health check, ensuring the company was ready for the scrutiny of auditors and regulators.
- Compliance and risk management: Compliance with stringent regulations set by the Capital Market Authority was paramount. Hubert Lafeuille emphasized the necessity of a detailed prospectus that included a thorough risk assessment to inform potential investors about operational, market, and regulatory risks.
- Crafting a compelling equity story: A clear and engaging equity story was vital for attracting investors. The IPO roadshow, involving direct interactions with potential investors, played a crucial role in establishing the management team's credibility and communicating the company's value proposition.
- Book building: The book-building process involved evaluating the company's growth prospects and comparing them with similar entities in the market. This strategic approach allowed Arabian Drilling to set a competitive share price, ultimately leading to significant over-subscription.
- Post-IPO investor relations: The importance of robust post-IPO activities, particularly in investor relations, was stressed. The company is committed to transparency and regular communication with investors, including quarterly earnings calls and updates.

Arabian Drilling's IPO journey illustrates the complexities and strategic considerations involved in navigating the public markets in Saudi Arabia. Hubert Lafeuille's insights serve as a valuable guide for companies looking to undertake similar endeavors, highlighting the importance of preparation, compliance, and effective communication in achieving a successful IPO.

Further reading
Managing an IPO in Saudi Arabia today

The refinery of the future

Speakers:

- **Andrew Herring,** CEO, Energy & Power, Marsh
- **David Bird,** Chief Executive Officer, OQ8 Duqm Refinery
- **Shaikh Khalifa bin Rashed Al-Khalifa,** Chief Financial Officer, Bapco Energies
- **Saad H. Binmatlig,** President and Chief Executive Officer, Yanbu Aramco Sinopec Refining Company (Yasref)

Andrew Herring shared insights on the permanent closure of several refineries in Australia and the upcoming shutdown of one refinery in the United Kingdom later this year. He attributed these closures to the critical importance of refinery locations. The panelists agreed that factors such as proximity to feedstock, market access, and supportive industrial ecosystems are essential for successful refining operations.

David Bird discussed OQ8's commitment to using green hydrogen and electricity, highlighting their demand for approximately 500 tons per day of hydrogen and 120 MW of electricity. OQ8 is actively seeking collaboration with renewable energy companies as part of their decarbonization strategy. The future of refineries will depend on their ability to partner with renewable energy firms, enhancing their competitiveness in the evolving energy landscape.

Technological advancements

The discussion highlighted significant technological advancements in the refining sector, primarily driven by licensors and technology providers. Innovations aimed at improving energy efficiency and catalyst technology have led to enhanced yields. The refineries of the future are expected to adopt data-driven decision-making processes, integrating AI for predictive analysis and trending to support sustainable growth. YASREF has established a dedicated team to incorporate AI solutions into their operational management, signaling a global trend toward AI integration in refinery operations.

David Bird described the refineries of the future as cleaner, quieter, energy-efficient, and data-rich. OQ8's new greenfield refinery is equipped with advanced instruments to monitor process parameters and is implementing digital twin technology as part of their engineering, procurement, and construction (EPC) strategy. Saad H. Binmatlig emphasized the role of AI in optimizing energy use and ensuring sustainable operations.

Shaikh Khalifa from Bapco Refining discussed the use of data historians to enhance operational efficiency, parameter profiling, and predictive maintenance. Bapco is leveraging digital twin technology and data historians to optimize energy consumption and improve production profiles, resulting in significant enhancements to refinery margins.

The panelists expressed strong interest in emerging technologies, particularly AI-driven data analysis, to enhance safety, efficiency, and sustainability in refinery operations.

Workforce considerations

The discussion also highlighted the transformative influence of a young, tech-savvy workforce on refinery efficiency and reliability. Saad H. Binmatlig noted that approximately 85% of YASREF's workforce is under 35 years old. This younger demographic is eager to embrace new developments and adapt to technological advancements, provided they receive appropriate training and guidance from leadership. David Bird stressed the importance of nurturing young leaders who are open to new ideas, which is crucial for advancing and sustaining future refinery operations.

Decarbonization and sustainability

The panelists emphasized the necessity for refineries to establish strategic goals aimed at reducing their carbon footprints and making substantial investments to achieve these objectives. YASREF has initiated a decarbonization strategy targeting gradual reductions by 2034, which includes processing low-emission crude, recycling plastics, utilizing used cooking oil, and enhancing the greenness of the electric grid with government support. The Kingdom of Bahrain has set ambitious commitments to achieve a 30% reduction in carbon emissions by 2035 and net-zero emissions by 2060. Bapco Refining is actively contributing to these goals through measures such as decommissioning outdated units, reducing emissions and upgrading technology.

Derisking the energy transition

Speakers:

- **Mohit Kanthra,** Head of Marsh Specialty - Asia, Marsh
- **Sam Harrison,** Group Chief Underwriting Officer, Canopius
- **Luis Prato,** President of LSM UK & MENA, Liberty Specialty Markets
- **Rohan Davies,** Managing Director - Marine & Energy, Markel
- **Franz Adamczyk,** Head of Global Risk Property and Energy, HDI Global
- **Omar Gouda,** Chief Executive Officer, MISR
- **Kwabena Larbi,** Head of the Ghana Oil and Gas Insurance Pool

Sam Harrison noted that the energy transition is influenced by political and social factors. This dynamic can create challenges for underwriters, as the rapid pace of change can complicate risk assessment for insurers.

Despite these challenges, the panelists agreed that the insurance industry has a substantial opportunity to innovate and adapt. Insurers can play a crucial role in supporting the transition through knowledge sharing and collaboration. Innovation is essential for developing new solutions that can effectively address the complexities of the energy transition.

The discussion also highlighted the critical importance of local markets, particularly in Africa. Omar Gouda and Kwabena Larbi pointed out that access to affordable capital and knowledge transfer are essential for supporting energy transition projects. They called for global insurers to assist in building local capacity and underwriting expertise, which is vital for fostering sustainable development.

Additionally, the panel discussed the necessity of sustained capital to support both existing hydrocarbon projects and new renewable energy initiatives. Long-term partnerships between insurers and clients were deemed essential for navigating the complexities of the transition. Such relationships can help ensure that both parties are aligned in their goals and can effectively manage the associated risks.

The panelists explored the role of technology, including artificial intelligence, in identifying and quantifying risks associated with new energy projects. They expressed optimism about leveraging technology to enhance underwriting processes and improve risk assessment, ultimately leading to more informed decision-making.

The panel concluded with a call to action for insurers to engage more deeply with clients, understand their risks, and collaborate on solutions that support the energy transition. They stressed the importance of transparency and knowledge sharing to foster a balanced approach to risk management.

The billion-dollar blindspot: Safeguarding energy assets in the age of cyber warfare

Speakers:

- **Charles Kano,** Managing Director, Westcap
- **Christian Schnedler,** Chief Executive Officer, Rilian Technologies
- **Phil Tonkin,** Field Chief Technology Officer, Dragos Inc.
- **Ayman Al Issa,** Director of OT Cybersecurity, CPX

The panelists discussed the urgent need for enhanced cybersecurity measures to protect energy assets, emphasizing that operational technology (OT) cybersecurity represents a critical vulnerability. They noted the complexities of OT networks, which differ significantly from traditional IT systems, and highlighted that security protocols designed for IT cannot be directly applied to OT due to its unique challenges.

OT cybersecurity is a relatively new field, with many significant cyberattacks occurring in the last decade. Human behavior plays a crucial role in OT security. Historically, OT systems were kept offline to mitigate risks, but the integration of IT and OT has increased vulnerabilities. As energy companies seek to enhance competitiveness through this integration, the reliance on remote access has created a false sense of security. Modern facilities are often more interconnected, and third-party access can exacerbate risks due to a lack of understanding of OT's specific requirements.

Looking ahead, the panelists predicted a focus on network visibility over the next three to five years, with artificial intelligence playing a key role in identifying cyber threats. They highlighted a global knowledge gap regarding OT systems and the pressing need for skills development in this area.

The complexity of ownership in OT systems raised questions about the responsibilities of chief information officers (CIOs) concerning cybersecurity. The panelists suggested that there may be a form of "willful blindness" within the industry, as many companies have yet to quantify their risks.

Key takeaways included the importance of simplifying system designs and minimizing complexity. The panel stressed that compliance alone is insufficient to address growing cybersecurity challenges and urged the industry to proactively prepare for potential threats.

In conclusion, the discussion underscored the critical need for the energy sector to recognize and address OT cybersecurity vulnerabilities. By enhancing understanding and implementing effective strategies, companies can better safeguard their assets in an increasingly interconnected digital landscape.

Energy transformation: Navigating the future

Speakers:

- **Gaurav Bhatnagar,** President, Marsh IMEA
- **Mohamed Al Shehab,** Senior Vice President - Corporate Finance, Investment and Treasury, Bapco Energies
- **Patrick Schorn,** Chief Executive Officer, Borr Drilling
- **Hashim Ghabashi,** Geo Head Middle East, Africa & Southeast Asia, ACWA Power
- **Akhil Mehrotra,** Managing Director, Pipeline Infrastructure Ltd.

The panelists shared insights on their companies' transitions from traditional energy sources to more integrated and sustainable models. Mohamed Shehab discussed Bapco Energies' shift toward renewables and its commitment to Bahrain's decarbonization targets. Patrick Schorn highlighted Borr Drilling's role in offshore drilling and the necessity for sustainable practices within the industry.

Gaurav Bhatnagar noted that oil and gas still account for a significant portion of global energy production, underscoring the need for optimization and the adoption of sustainable technologies. The panel acknowledged the ongoing importance of oil and gas in the energy mix, particularly in rapidly industrializing regions like India, where the complexities of transitioning to sustainable energy are especially pronounced. The discussion emphasized the long-term nature of decarbonization efforts and the potential of emerging technologies such as thermal storage and green hydrogen.

The panel also addressed the niche market of shallow water drilling and the challenges posed by aging equipment. They highlighted the dual use of drilling units for both oil and gas operations and carbon capture utilization and storage (CCUS), indicating a continued need for these operations in the energy landscape.

A central theme of the discussion was the importance of maintaining a long-term perspective in balancing environmental sustainability with economic returns. The panel stressed the need for government support and public-private partnerships to mitigate risks and encourage investment in new energy technologies.

Looking ahead, Bapco Energies aims to diversify its power mix with renewables, while ACWA Power plans to continue investing in renewable energy solutions, including concentrated solar power and green hydrogen. Pipeline Infrastructure Ltd. intends to explore hydrogen blending in pipelines and seek new markets in Africa and Asia for renewable energy solutions.

Harnessing natural resources in Africa to light up the UK

Speaker:

- **Simon Morrish,** Chief Executive Officer and Founder, Xlinks.

Simon Morrish, Chief Executive Officer and Founder of Xlinks, presented a significant project in Morocco that involves developing 1,500 square km of land to generate 11.5 GW of solar and wind power, along with 22.5 GW-hours of battery storage. The goal is to deliver 3.6 GW of flexible, baseload power back to the UK. Currently, only 3% of electricity produced is exported. Morocco is a potential key power generator for Europe as the continent looks to reduce reliance on traditional energy sources.

Key highlights

Urgent action on climate change

There is a pressing need to address rising global temperatures through a comprehensive transition that includes partnerships with companies. The potential for initiatives like Xlinks was introduced.

Global grid for renewable energy

The concept of creating a global grid to facilitate the movement of renewable energy across countries and continents was discussed. In many regions, renewables cost less than fossil fuels, so the ability to transfer energy could mitigate the intermittency issues associated with renewable sources. Proven technologies are being used to deliver an attractive levelized cost of energy, potentially reducing carbon emissions in the European power sector by 1.5% through the Xlinks project alone.

Morocco's renewable energy ambition

Successful fundraising efforts have secured over £100 million in development capital from shareholders. The ambitious Morocco-UK power project aims to develop significant renewable energy resources, with a projected cost of £22 billion to £24 billion. This initiative aligns with Morocco's vision of generating 44% of its energy from renewable sources and exporting green electrons to Europe.

UK energy landscape and project impact

The UK's increasing reliance on renewable energy sources was highlighted, along with the economic benefits of the Moroccan project, which is expected to reduce off-peak pricing in the UK by 9.3% in its first year and create substantial economic value over its lifetime. The project is anticipated to generate thousands of jobs and support social and economic development in Morocco.

Energy system security and maintenance

The inclusion of optic fibers for maintenance and alert purposes, along with a dedicated cable lane vessel for repairs, ensures a robust energy system. Expectations for cable fault repairs are set at 30 to 45 days.

Project progress and financing update

The Xlinks project has successfully integrated with the local community and received development consent. JP Morgan has been appointed as financial advisors, with significant interest from banks and export credit agencies. The importance of a dedicated team in driving the project forward was emphasized.

Vision, leadership, and collaboration

The discussion concluded with a focus on the critical role of vision, leadership, and collaboration in achieving sustainable strategic goals. The significance of technology, particularly AI, was acknowledged, but the emphasis remained on the importance of people in effectively utilizing these tools. The proactive approach of the Middle East in addressing climate change and supply chain challenges was commended.

Further reading

Capturing and connecting the power of nature, Xlinks

Closing of day 2: Andrew George

Andrew George, President, Marsh Specialty, concluded the second day of the conference by emphasizing the critical importance of collaboration and stakeholder engagement. The event attracted over 1,000 attendees, marking a significant achievement in fostering diverse and inspiring dialogue.

Reflecting on the vision for Dubai, as articulated earlier that day by H.E. Saeed Al Tayer, Andrew noted its role as a vital guide for the industry. He emphasized that "conversations lead to brilliant solutions," he stated, highlighting the power of dialogue in driving innovation.

Participants had ample opportunities to engage in breakout sessions throughout the conference, with most discussions focusing on the themes of planet, profit, and people. Regarding the planet, Andrew stressed the need for sustainability strategies and proactive measures against natural catastrophes (NatCats) and other climate risks. He pointed out that a robust sustainability strategy is inherently linked to a sound business strategy, with people being integral to achieving these goals. The efforts at ADNOC, presented by Ibrahim Al Zu'bi, group chief sustainability and ESG officer, serve as an example of collaboration with communities and empowering startups to stimulate local economic growth.

Andrew concluded by emphasizing that everyone has a role to play in these endeavors. At Marsh McLennan, we encourage all colleagues to be bold and embrace the possibility of failure. The EIC stands as a testament to our commitment to investing in people, making the contributions from our sponsors, delegates, and speakers even more invaluable.

Day 3: Workshops and masterclasses

Benchmarking: A key tool for risk improvement and insights from Marsh's global paper

Speakers:

- **Mariné Botha,** MEA Risk Engineering Data Analytics Team Leader, Marsh
- **Mohammad E. Al-Naqi,** Senior Analyst, Risk Engineering, KPC
- **Omar Badhurais,** Director, Asset Reliability Management, SABIC
- **Jon Gavin,** Vice President - Risk Engineering, Liberty Specialty Markets

Mariné Botha, leading the risk engineering data and analytics team at Marsh IMEA, opened the session with a broad discussion on benchmarking and insights from Marsh's inaugural *Global refining and petrochemical risk quality benchmarking* publication. This presentation focused on risk quality in the petrochemical and refining industries, featuring insights from key industry leaders.

Risk quality evaluation: Risk ranking versus benchmarking

The workshop highlighted the critical distinction between risk ranking and benchmarking. Risk ranking assigns an absolute score based on defined criteria, allowing organizations to assess their performance. However, it can lack context against peers. In contrast, benchmarking offers a comparative analysis, enabling organizations to understand their performance relative to similar operators in the industry. This comparative view is essential for setting realistic improvement targets and driving governance within organizations.

Insights from the global risk benchmarking report

The first *Global refining and petrochemical risk quality benchmarking* report by Marsh examined nearly 400 assets in the petrochemical and refining sectors, revealing that these industries contribute to approximately 80% of global downstream losses. The report emphasizes the importance of understanding risk quality across different regions and the necessity for continuous improvement. It also highlights the need for organizations to align with modern standards and adopt innovative technologies to enhance their risk management practices.

Regional insights

- **North America:** This region is undergoing significant transitions driven by market dynamics and increasing environmental regulations. Challenges include aging infrastructure, workforce retention, and the need for energy efficiency improvements. The focus is on modernizing legacy systems while navigating the complexities of mergers and acquisitions.
- **Europe:** Known for its robust regulatory frameworks, Europe benefits from proactive risk management and advanced technology adoption. However, it faces challenges related to aging assets and the need for retrofitting to meet evolving operational and safety standards.
- **Middle East:** The risk quality landscape is shaped by major state and multinational companies that dominate the data set. While many facilities feature modern engineering and safety technologies, there is a lack of consistent regulatory oversight across the region. The focus is on improving management systems and hazard recognition.
- **Latin America:** The region faces unique challenges, including economic volatility and diverse ownership structures. These factors complicate decision-making and investment in safety measures, while aging infrastructure poses additional risks, necessitating a focus on compliance and safety frameworks.

Data-driven decision making

The significance of data in risk assessment and management was a recurring theme. Effective utilization of data allows organizations to make informed decisions regarding resource allocation, investment in safety measures, and overall risk management strategies. The ability to benchmark against peers provides actionable insights that drive performance improvements.

Continuous improvement

The need for ongoing evaluation and adaptation of risk management strategies was emphasized throughout the conference. Companies are encouraged to leverage global experiences and best practices to enhance their risk quality and operational excellence. Fostering a culture of continuous improvement was underscored, with a focus on collaboration and knowledge sharing among industry peers.

The workshop concluded with a call for collaboration and knowledge sharing among industry peers to nurture a culture of continuous improvement in risk management practices.

Further reading

Global refining and petrochemical risk quality benchmarking

Benchmarking workshop

Unleashing potential: The dynamic growth of the Middle East insurance market

Speakers:

- **William Beach,** Energy & Power Leader IMEA, Marsh
- **Kamal Tabaja,** Chief Operating Officer, Trust Re
- **Shazia Rafique,** Underwriting Energy Manager (MENA) and Regional Product Leader (EMEA), Liberty Speciality Markets
- **Richard Smith,** Chief Executive Officer, Aspire Underwriting Agency
- **Salil Deshmukh,** Head of Energy and Construction, Sukoon Insurance
- **Fred Rowe,** Senior Vice President, Guy Carpenter

The workshop aimed to critically examine the evolving role of insurance within the energy sector, particularly in the context of the Middle Eastern market. It underscored the necessity for collaboration among insurers, brokers, and other market players to foster growth and transformation in the insurance landscape.

The discussion emphasized the role of insurers as facilitators of change. William Beach presented findings from Marsh research on sector-specific appetite and capacity profiles within the energy value chain. This analysis revealed historical trends and variations in capacity across different market segments, showcasing the unique characteristics of the Middle Eastern insurance market compared to other regions, such as Asia and London.

A structured panel discussion looked at how companies such as Guy Carpenter can drive treaty reinsurance to support growth for both buyers and the insurance market. The complexities of the Middle Eastern market, characterized by a mix of international and regional players, were also addressed.

The workshop included a timeline illustrating the growth trajectory of the insurance market in the Middle East, particularly following the establishment of the Dubai International Financial Centre (DIFC). Key events that shaped the market were highlighted, including the challenges faced by brokers and clients, alongside signs of recovery in the number of market players. The panel explored the capacity profiles of various sectors within the energy market, including conventional power and renewables. Challenges in securing capacity for medium- to small-scale renewable projects were identified, emphasizing the need for regional players to leverage their capabilities for risks beyond the Middle East.

The importance of regional partnerships was underscored, along with the potential for international growth. The discussion highlighted how regional players can provide capacity for risks outside their immediate markets, necessitating collaboration among different market participants. Key challenges, such as regulatory hurdles and the need for innovative solutions to meet evolving client demands, were outlined. Additionally, opportunities for growth in sectors where traditional capacity is constrained were identified.

The role of risk engineering in the underwriting process was discussed, stressing the importance of understanding clients' needs and fostering continuous improvement. Risk engineers were positioned as integral to the underwriting decision-making process, highlighting their significance in enhancing client engagement. The impact of geopolitical factors on the insurance market was also addressed, emphasizing how these factors influence business planning and investor confidence. Understanding local market dynamics was deemed crucial for success in the region.

The workshop concluded with a call to action for market participants to engage in discussions about capacity, risk management, and the future of the insurance market in the Middle East. It encouraged collaboration and innovation to tackle challenges and leverage the opportunities present in the region.

Further reading
Unleashing Potential – The dynamic growth of the Middle East Insurance Market

Global Risks Report 2025: A panel discussion

Speakers:

- **Richard Baudin,** International Head of Specialty Advisory, Marsh
- **Peter Englund,** Senior Executive Officer, Zurich Insurance
- **Silva Hannel,** Head of Investment Solutions, Mercer
- **Alex Wittenberg,** Partner, Oliver Wyman

Richard Baudin, leading Specialty Advisory for Marsh International, hosted a pivotal panel discussion on the *Global Risks Report 2025*. This report, published in January and developed by the World Economic Forum (WEF) with support from Marsh McLennan, has become essential for understanding the evolving risk landscape over the past two decades. With its profound impact on global leaders, the report offers a comprehensive perspective on both short- and long-term challenges that business and organizational leaders must navigate.

For the first time in the 19-year history of the report, leaders in 2024 perceived the long-term outlook as more severe than the short-term. This shift becomes even more pronounced in 2025. Over the next two years, leaders anticipate a stable environment characterized by disruption. However, in the following decade, they expect a turbulent landscape marked by significant challenges and potential catastrophes.

As we delve into 2025, leaders hold two distinct perspectives on the short- and long-term outlooks. In the short term, they foresee a complex cycle of risks driven by misinformation, climate change, extreme weather events, and conflict. The intriguing aspect of these risks lies in their interconnections, volatility, and the rapid ascent of some risks in the report's rankings. Looking ahead to the ten-year horizon, the landscape is dominated by environmental, climate, and technological challenges. A key insight from the report is the intricate web of interconnected risks, with conflict — absent two years ago — emerging as a risk for leaders. This interconnection extends to the economy, society, and cyber warfare, painting a picture of a deeply intertwined risk environment.

Leaders' perception of risk is influenced by four key structural forces: technology, climate, geostrategy, and demography. By mapping these forces and evaluating the severity of risks in both the short and long term, the report effectively identifies the most deteriorating risks and highlights where this deterioration is accelerating.

Silva Hannel highlighted that the geopolitical and economic landscape is increasingly characterized by a shift from global collaboration to nationalism and protectionism, with significant implications for investment strategies and the economy. The geopolitical recession distinct from economic recessions, with uncertainty surrounding its duration and potential outcomes, potentially leading to fragmentation or collaboration.

Alex Wittenberg discussed the impact of AI on misinformation and disinformation, emphasizing how AI could become more pervasive, operate at speed, scale, and target specific audiences. The counteract the effects of this on geopolitical and economic shifts, corporations need to manage media and verify data. Operational due diligence is also vital, focusing on effectively managing risks such as cybersecurity and data resilience.

Peter Englund discussed the increasing frequency and severity of natural disasters, particularly in the Middle East, and their impact on the insurance industry. Despite significant economic losses, the industry has managed to cover around 40% of these losses, which is considered a notable achievement. However, he warned that if the industry's capacity to cope with these disasters does not increase, significant stress will be placed on the system.
The role of alternative capital in the industry was also highlighted, noting that despite substantial losses, the industry remains optimistic due to the lack of correlation with other asset classes.

As the discussion wrapped up, the speakers addressed the energy transition, noting a slight decline in momentum due to reduced financing and investment. There were concerns that the transition requires increased energy resources, regardless of the generation source. The importance of investing in sustainable energy and fostering collaboration between conventional and new energy sectors was emphasized.

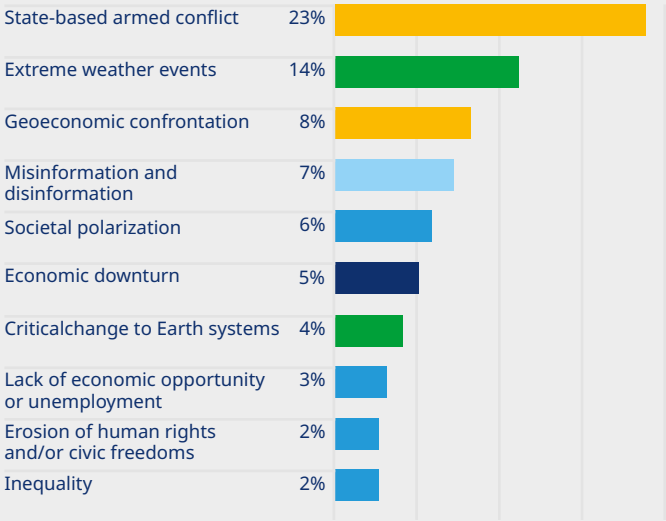
Further reading
https://www.marshmclennan.com/insights/publications/2025/january/global-risks-report.html

GRR Key Findings Panel Discussion

01| Current risk landscape

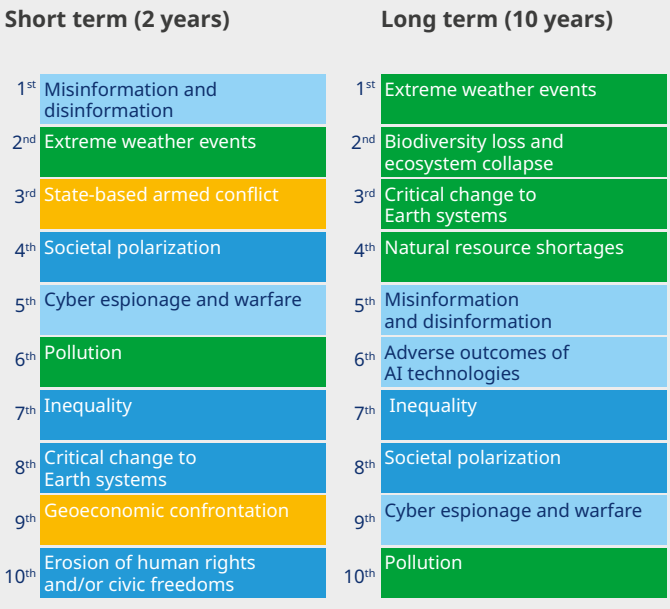
Please select one risk that you believe is most likely to present a material crisis on a global scale in 2025.

Top 10 risks selected by respondents
(Share of respondents %)



02| Global risks ranked by severity

Please estimate the likely impact (severity) of the following risks over a 2-year and 10-year period.



Risk categories Economic Environmental Geopolitical Societal Technological

Source: *Global Risks Report 2025, World Economic Forum*

Navigating climate adaptation: An interactive exploration of climate adaptation challenges

Speakers:

- **David Kelly,** Climate Resilience and Adaptation Lead, Marsh
- **Amy Barnes,** Head of Climate & Sustainability Strategy, Marsh

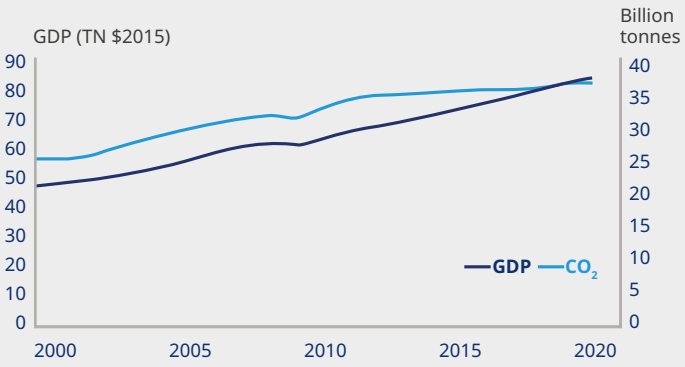
Since the 2000s, the focus of businesses and governments on climate change has intensified. David Kelly discussed how climate policies aimed at reducing emissions and limiting global temperature increases have evolved.

Dr Kelly noted that COP26 (2021) called on countries to "revisit and strengthen" their 2030 targets by the end of 2022 to align with the 1.5°C goal. Other advancements at COP26 included several countries signing the Global Methane Pledge to halt and reverse forest loss and land degradation, as well as phase out domestic coal. He highlighted that carbon emissions have closely tracked GDP growth, and to achieve net zero by 2050 (and limit warming to 1.5 degrees by 2100), global GDP carbon intensity must decrease by 8.5% per year. However, over the past decade, this reduction has only been 1% per year.

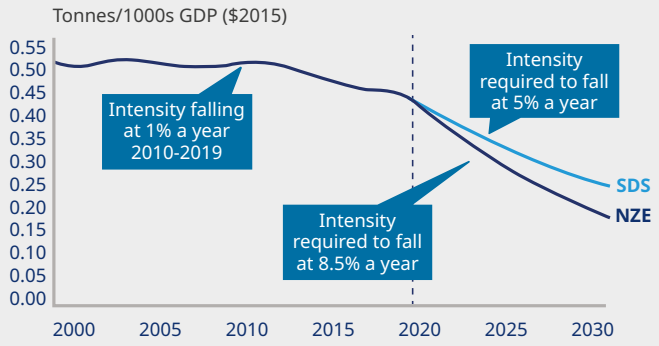
Dr Kelly emphasized the dramatic impacts of climate change, including the increasing frequency and intensity of storm events, flooding, and rising surface sea temperatures.

Further reading
Navigating climate adaptation

03| World GDP and carbon emissions growth



04| World GDP carbon intensity to deliver 50% CO_2 reduction by 2030*



Source: *World Bank, Our world in Data, Oliver Wyman Analysis; SDS = Sustainable Development Scenario, NZE = Net Zero Emission*

Principally, climate risks impact organizations through various vectors:

Physical risk

Physical risks arise from damage to property, land, and infrastructure due to catastrophic weather-related events and broader climate trends, such as heatwaves, hurricanes, droughts, floods, and rising sea levels.

Transition risk

Transition risks stem from changes in climate policy, technology, and market sentiment as we shift toward a lower-carbon economy. This need for transition affects not only energy companies but also sectors such as transportation, infrastructure, agriculture, and real estate, among others.

Liability risk

Liability risks emerge when individuals or businesses seek compensation for losses resulting from the physical or transition risks of climate change. Liability cases may involve individuals affected by events like flooding who claim that polluting companies are partially responsible. Relying on historical temperature trends will not accurately predict future conditions, as emissions and temperatures are rising rapidly. This variance in temperature increase will ultimately impact future emissions.

Given these considerations, it is imperative to integrate the following understandings into any decision-making related to climate change:

Where to invest and build?

Climate change considerations should inform:

- Where to invest and build new assets.
- What design standards are appropriate and how much redundancy is required.
- Which networks are newly vulnerable and how critical they are to operations and revenue generation.

How to operate assets?

Do asset management principles need to change if extreme events occur twice a year instead of once every five years? Does this create a business case for asset improvement? How can we secure water supply to ensure operational continuity?

Future financial resilience

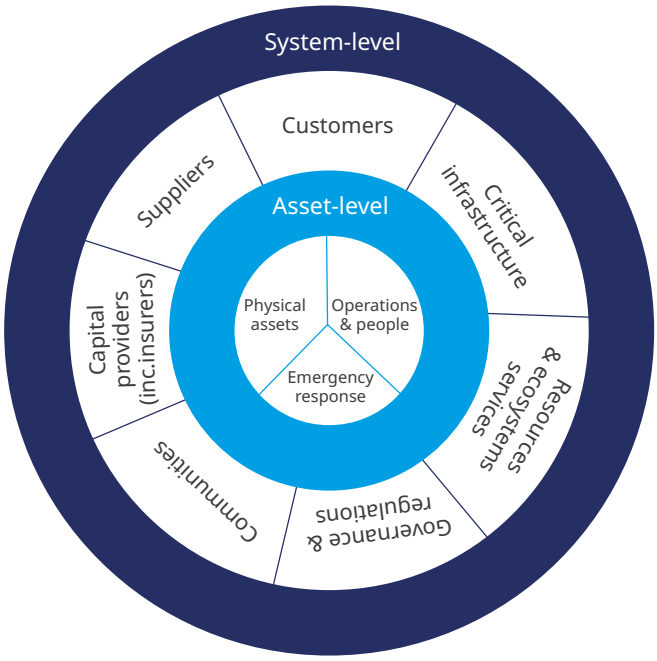
It is vital to incorporate climate-adjusted financial needs into determining capacity requirements:

- What will the market bear?
- Can I afford to transfer that much risk?
- What additional measures do I need to implement to enhance resilience while balancing costs?

The session concluded with an interactive desktop assessment that explored climate resilience challenges among attendees. This activity was extremely well received, enhancing understanding of changing climate threats and the resilience of both the industry and the surrounding community.

David leads Marsh's value proposition to these climate risks by offering the Marsh Climate Adaptation Framework which explores the adaptation considerations at both asset and system level for business to think about.

05| Marsh Climate Adaptation Framework



Navigating the risks of sustainable fuels and hydrogen production

Speakers:

- **Jane Johnson,** Risk Engineer, Marsh
- **Prakash Patel,** Hydrogen and CCS Risk Engineering Leader, Marsh

Hydrogen is emerging as a crucial component in the transition to a decarbonized economy, with three primary production methods: green hydrogen, blue hydrogen, and grey hydrogen. Each method has distinct characteristics, benefits, and challenges that must be understood to facilitate a sustainable energy future.

Green hydrogen is produced using renewable energy sources, such as solar and wind power, which power electrolysis plants that separate water (H2O) into hydrogen (H2) and oxygen (O). Additionally, green hydrogen can be generated from biomass, including waste materials and biochemicals. Once produced, hydrogen can be stored or transported, often converted into ammonia for easier handling. This ammonia can then be transported via ships, trucks, trains, or pipelines.

Blue hydrogen is generated through the steam reforming of natural gas, with a key difference: the CO_2 emissions produced during this process are captured and stored underground using carbon capture and storage (CCS) technology. While blue hydrogen represents a significant step toward decarbonization, it is not fully carbon neutral, with carbon capture efficiencies ranging from 85% to 95%.

Grey hydrogen is produced from fossil fuels, with CO_2 emissions released directly into the atmosphere. This method is the least environmentally friendly and underscores the need for a transition to more sustainable hydrogen production methods.

Both blue and green hydrogen are essential for achieving a fully decarbonized economy. Significant investments in green hydrogen production include the Air Products-NEOM joint venture, valued at approximately US$5 billion, and the Air Products Alberta US$1.6 billion hydrogen plant for blue hydrogen production.

As clients embark on the transformation toward hydrogen production, they face various project and technology risks. Many companies are actively working to reduce carbon emissions, with some reporting reductions of up to 60%. These efforts align with the commitments made under the Paris Agreement, which aims to limit global temperature rise to well below 2 degrees Celsius.

The capital costs associated with hydrogen production are decreasing, making it increasingly competitive with traditional fuels such as LNG. However, there remains reluctance to invest in consumable parts and the development of unproven technologies at scale.

The hydrogen production process is not without its risks. Historical incidents, such as the explosion at Laporte Industries Ltd in Ilford, UK, in 1975, highlight the potential dangers associated with hydrogen production. Recent incidents, including explosions at hydrogen refueling stations and chemical facilities, underscore the need for stringent safety measures and hazard management throughout the project lifecycle.

Blue hydrogen production introduces additional risks related to carbon dioxide capture, including explosive decompression of elastomer seals, corrosion risks from carbonic acid formation, and potential vessel failures leading to boiling liquid expanding vapor explosions (BLEVEs). Industry good practice publications are available for managing the risks associated with these fuels.

In addition to hydrogen, sustainable fuels derived from renewable resources are gaining traction as essential components in the transition to a low-carbon economy. These fuels include development fuels and “drop-in fuels,” which can replace conventional fuels with minimal modifications to existing infrastructure. Regulatory frameworks such as the Renewable Energy Directive (RED II) in Europe, the Renewable Transport Fuel Obligation (RTFO) in the UK, and the Renewable Fuel Standard (RFS) in the US guide the production and use of these fuels. However, there is no international consensus on standards, with the US leaning more towards gasoline production and less stringent feedstock regulations compared to Europe, which has specific policies for biofuels at the member state level.

The market for renewable fuels is diverse, encompassing various products such as used cooking oil (UCO), plastic pyrolysis oil, tire pyrolysis oil, and the Fischer-Tropsch (FT) process. The global UCO market was valued at approximately US$7.09 billion in 2023, with North America holding a significant share. Technologies for producing these fuels range from traditional methods, which are well-established and feedstock-specific, to newer approaches like hydrothermal liquefaction, which is still in development. Sustainable aviation fuel (SAF) is highlighted as a critical tool for decarbonizing the aviation sector, with ongoing research aimed at refining production methods and reducing costs.

Despite advancements in renewable fuel technologies, risks remain, particularly in safety and operational practices. An incident involving a facility transitioning from petroleum refining to renewable fuels underscores the importance of robust safety measures. This incident, which resulted from poor design and control of a heater, illustrates that traditional process safety controls are essential, regardless of the feedstock used. As the industry evolves, continuous learning from past incidents and the development of new technologies will be crucial in managing risks and ensuring the safe implementation of sustainable fuel projects.

The panelists also mentioned that Marsh is updating its energy transition loss assessment methods to better address the evolving risks associated with full-scale energy transition operations. As the industry continues to learn about these risks, it is essential to adapt assessment methodologies to accommodate variations in technology and circumstances. Key assessment methods and software models currently under development include vapor cloud explosion (VCE) models for both indoor and outdoor scenarios, as well as a bursting pressure vessel (BPV) model for electrolyzer internal explosions. These models aim to evaluate potential loss scenarios, such as hydrogen and oxygen pressure imbalances and leaks from equipment, while also considering the consequences of these incidents.

Existing tools like Marsh BLAST and PHAST are being enhanced to model various hazards, including vapor cloud explosions and jet fires from high-pressure hydrocarbon releases. The updates include new models for pool and tank fires, which are particularly relevant for biofuels units located at standalone facilities or co-located within traditional oil refineries. Ongoing collaboration with BakerRisk ensures that these tools remain effective and relevant, with regular updates planned to incorporate new findings and improve functionality. The focus on continuous improvement and adaptation of risk assessment methods is crucial as the industry progresses toward sustainable fuel solutions.

The hydrogen production landscape is evolving rapidly, with green and blue hydrogen playing pivotal roles in the transition to a sustainable energy future. However, the associated risks — ranging from project and technology uncertainties to safety and operational challenges — must be effectively managed. Marsh is committed to supporting clients in navigating these complexities, ensuring that the transition to hydrogen and renewable fuels is both safe and successful. Ongoing research, development, and collaboration within the industry will be crucial in mitigating risks and achieving a sustainable energy future.

Further reading

Navigating the risks – Hydrogen and sustainable fuels project risks

The power of parametrics: Insurance solutions for today's energy challenges

Speakers:

- **Rocío Pereira Fernández,** Managing Director-Alternative Risk Solutions, Marsh (EMEA)
- **Robert Drysdale,** Head of Southeast Asia, Descartes

The session explored how parametric insurance works, its unique characteristics, and its applications across various sectors, particularly in energy and renewable energy. The discussion highlighted the flexibility of parametric insurance in covering a wide range of perils (and combinations of perils), as well as its cost-effectiveness and tax treatment.

Highlights

- Descartes was introduced as the largest independent provider of parametric insurance and reinsurance solutions, having deployed over US$10 billion in capacity on a parametric basis and offering a wide range of products.
- Parametric insurance was explained as a risk transfer solution structured around a transparent third-party index, with pre-agreed payouts.
- The speed and simplicity of payouts were emphasized, along with the importance of having a suitable index that correlates with the losses covered.
- The flexibility of parametric insurance allows the insured to choose various aspects, including the trigger, level of coverage, duration, cost, and frequency of payouts.
- Case studies of major events were presented, including the 2011 Japan Earthquake, the 2017 Caribbean hurricanes, and the 2023 Turkey Earthquake.
- The "cat in the circle" concept was illustrated using the example of a hurricane, where a circle is drawn around a location to determine payouts based on the maximum wind speed of the hurricane and its distance from the insured location.

For earthquake coverage, peak ground acceleration (PGA) is used as an index to measure the intensity of an earthquake event. It was noted that a client in Nepal had purchased PGA coverage for a hydroelectric power station.

A question arose regarding the applicability of parametric insurance in remote locations and along lengthy transmission lines. It was stated that this type of insurance can still be effective due to its ability to assess remote areas using satellite data.

Regarding the tax treatment of claim payouts in various jurisdictions, it was clarified that parametric insurance is classified as an insurance product rather than a financial derivative, making it subject to insurance tax rules.

As for the cost of parametric insurance, it is highly bespoke and depends on factors such as the frequency and severity of the events being covered, as well as the type and extent of coverage selected.

Parametric insurance in action

Case study | Hurricane cover for a solar power plant in the Caribbean

POLICY OVERVIEW

Aggregate limit: US$50 million

Risk period: 1 year

Location: Long & lat coordinates of insured location

Index: Cat-in-a-circle using three circles (of pre-determined distance) with parameters determined by:

- Maximum hurricane wind speed
- Distance of hurricane track to insured location
- Client-bespoke payout structure

PAYOUT STRUCTURE

One-minute sustained wind speed

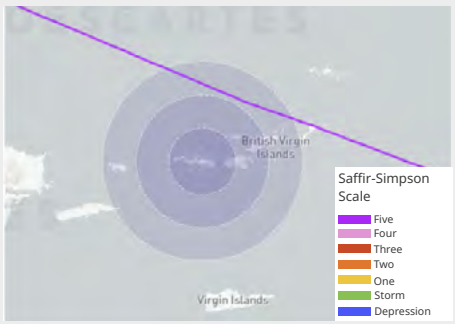
Category	One-minute sustained wind speed (mph)	Payout (% of the annual aggregate limit)		
		<10mi	10-20mi	20-30mi
< 3	< 111	0%	0%	0%
3	≥111 and <130	30%	25%	10%
4	≥130 and <157	60%	50%	25%
5	≥157	100%	75%	50%

BACKTESTING HISTORICAL EVENTS

In 2017, Hurricane Irma made landfall in the Virgin Islands and came close to St. Thomas, entering the 30-mile circle around the client's location with winds of a Category 5 hurricane.

According to the payout structure, this would have led to a payout of 50% of the annual aggregate limit.

Payout would have been US$25 million (50% * US$ 50 million).



Further reading

Masterclass - The power of parametric insurance

Navigating carve-out strategies for success

Speakers:

- **Paul Knowles,** Global Head of PEMA, Marsh
- **Luke Sutton,** Head of Transactional Risk, Marsh McLennan (MEA)

Carve-outs involve separating a portion of a business to create a standalone entity. This process can take various forms, including selling, spinning off, or reorganizing business units. The primary objective of a carve-out is to unlock value from specific operations while ensuring the operational integrity and continuity of the remaining business. This strategy is particularly relevant in the energy and power sectors, which are undergoing significant transformation due to various external and internal pressures.

Several key drivers are propelling carve-outs in the energy and power sector. First, the ongoing energy transition toward sustainable sources is a major factor. As global awareness of climate change and environmental sustainability increases, companies are divesting from fossil fuels and non-core assets to reinvest capital into renewable energy projects, grid modernization, and energy storage solutions. This shift not only aligns with global sustainability goals but also positions companies to capitalize on emerging market opportunities.

Second, technological advancements necessitate a specialized focus within organizations. The rise of smart grids, automation, and predictive maintenance technologies requires companies to isolate tech-driven units, ensuring better alignment with strategic objectives and enhancing operational efficiency.

Geopolitical factors also play a significant role in driving carve-outs. Issues such as energy security, political instability, and regional conflicts compel companies to reassess their asset portfolios, often leading to divestment from regions or assets that pose higher risks. Additionally, the competitive landscape is evolving, with agile competitors prompting larger firms to streamline operations and concentrate on core competencies. Carve-outs can facilitate this focus by shedding non-essential business units, allowing organizations to allocate resources more effectively. Finally, regulatory requirements aimed at managing risks associated with decarbonization increasingly influence corporate strategies, making carve-outs a viable option for compliance and risk management.

Stakeholders involved in carve-outs have distinct objectives that guide their actions throughout the process. Parent companies aim to ensure business continuity and maintain operational integrity while maximizing profitability and shareholder value during and after the carve-out. Buyers, on the other hand, seek strategic growth opportunities through synergies and enhanced jurisdictional exposure. They must conduct thorough due diligence to identify potential risks and ensure a smooth integration of the carved-out entity into their existing operations. Management teams desire entrepreneurial freedom and the ability to align with new strategic goals, often leading to a more agile and responsive organizational structure that can adapt to changing market conditions.

Common structures for executing carve-outs include share sales, asset sales, spin-offs, and initial public offerings (IPOs). A share sale involves selling shares of a subsidiary to a third party, transferring both assets and liabilities. An asset sale entails selling specific assets, contracts, with liabilities transferring only if specified in the agreement. A spin-off creates a standalone entity while retaining ownership, allowing for independent operation, while an IPO involves listing the carved-out business on the stock market, providing access to capital and enhancing visibility.

Despite the potential benefits of carve-outs, several challenges can arise during the process. One significant challenge is the presence of insurance gaps; the insurance

coverage of the parent company may not extend to the new entity, leading to significant underestimations of new insurance costs, often by 60-70%. Additionally, managing historic liabilities, such as environmental or pension liabilities, can complicate the carve-out process and pose financial risks to the new entity. Transitioning shared resources, such as IT and HR, requires careful planning and the establishment of Temporary Service Agreements (TSAs) to ensure continuity during the transition. Furthermore, retaining key talent and ensuring a smooth cultural transition are critical for maintaining operational effectiveness and morale within the newly formed entity.

To mitigate these risks, organizations should implement several effective strategies. Early due diligence is essential; conducting thorough assessments early in the process helps identify potential risks and facilitates smoother execution. Clear temporary service agreements (TSAs) for shared services during the transition period can help manage operational continuity and clarify responsibilities. Comprehensive insurance planning is also crucial; assessing the new entity's risk profile and securing appropriate coverage is essential to protect against unforeseen liabilities. Additionally, maintaining transparent communication between buyers and sellers regarding liabilities and expectations fosters trust and collaboration, which is vital for a successful carve-out.

Human capital considerations are another critical component of successful carve-outs. Key priorities include ensuring continuity and stability during the transition, retaining key employees, addressing legal compliance across jurisdictions, and building a strong, cohesive culture for the new entity. A structured roadmap for a HR transition should include assessing key roles and individuals critical to the success of the new entity, designing reward structures that align with the new goals and objectives, establishing standalone HR systems and benefits packages, and fostering a culture of innovation and collaboration to drive future growth.

Effective contractual risk allocation is also essential in carve-outs, focusing on warranties and indemnities that ensure the accuracy of financial statements and compliance with laws. Various insurance solutions can mitigate risks associated with carve-outs, including warranty and indemnity insurance (W&I), which covers unknown risks and seller fraud, enabling clean exits for sellers. Tax insurance protects against challenges from tax authorities, while contingent risk insurance covers known risks such as litigation or contractual disputes. Pollution legal liability addresses environmental risks within the transaction perimeter, offering both parties protection from potential liabilities.

Successful carve-outs in the energy and power sectors require a multifaceted approach that encompasses thorough due diligence, appropriate insurance coverage, clear definitions of shared services, retention of key talent, transparent management of historic liabilities, and alignment of operational and cultural strategies. By adhering to best practices — such as starting early with due diligence and planning, focusing on human capital, maintaining transparent communication, leveraging strategic insurance products, and planning for long-term success — organizations can effectively navigate the complexities of carve-outs and position themselves for future growth and sustainability in an increasingly competitive landscape.

Further reading
Navigating Carve-Outs: Strategies for Success

Everen explained

Speakers:

- **Angus Rodger,** Senior Vice President, Marsh
- **Lars Østebø,** Senior Vice President and Business Development Officer, Everen
- **Theresa Dunlop,** Vice President and Senior Underwriter, Everen

Everen is a mutual insurer owned exclusively by its policyholders, with the primary purpose of providing (re) insurance at cost. This unique structure, combined with financial strength, broad coverage, cornerstone capacity, and predictable premiums, positions Everen as a complementary alternative to the commercial market.

Everen's rating and membership growth

Lars Ostebo provided insights into the evaluation of Everen by rating agencies, emphasizing the necessity of maintaining an investment-grade status for mutual membership. He noted the US$450 million limit for equity interest and the company's strategy of partnering with members who possess balance sheet assets exceeding US$4 trillion. Lars also highlighted Everen's commitment to long-term partnerships, the return of surplus capital to shareholders, and its low expense ratio.

Theresa Dunlop followed with an overview of membership growth, reporting the addition of twenty-two new members over the past decade and the geographic and industry diversification of these members. She stressed the organization's responsibility to protect the mutual pool by ensuring high-quality membership, mentioning that two potential members were denied last year due to underwriting concerns.

Mutual pool member selection criteria

Theresa elaborated on the criteria for selecting members for the mutual pool, highlighting the importance of assessing risk exposure and diversification. She explained how a member's weighted gross assets are calculated to determine their share of losses and premiums. Additionally, she outlined the process for reporting audited values, which are categorized into sixteen business activities. The inclusion of renewable sectors since 2018 and the significance of sector weighting in adjusting member assets were also noted, along with substantial growth in the utilities and pipeline sectors over the past decade.

Everen's comprehensive insurance coverage

Theresa discussed the advantages of Everen's insurance coverage compared to the commercial market, emphasizing that it provides worldwide coverage for all member-owned assets without requiring a statement of insured values. Construction projects and newly acquired assets are automatically covered without additional premiums, and members involved in joint ventures can extend coverage to their partners, subject to guidelines. Everen also offers coverage without sub-limits, except for windstorm coverage. Premiums are based on losses and expenses, with a single premium covering all coverages, although business interruption coverage is not included due to its complexity and capital consumption.

Everen mutual insurance program overview

The Everen mutual insurance program offers a combined limit of up to US$450 million and an aggregation limit of US$1.35 billion for multiple event occurrences. The program allows members to set different limits and deductibles for various sectors. Theresa highlighted the program's unique premium model, which is formula-based and transparent, providing predictability and a long-term cost advantage that makes it more competitive than the commercial market. Eligibility criteria for joining the program include having an investment-grade credit rating, a minimum of US$1 billion in assets, and at least 50% of assets or revenue in the energy sector. Meeting these criteria does not guarantee membership, as an underwriting process is also required.

Mutual organization joining and underwriting

Theresa explained the process for joining the mutual organization, stressing the importance of understanding the mutual concept from a long-term perspective. She noted that new renewable factors introduced in 2018 lack historical loss data, so they are currently associated with existing sectors until sufficient data is available for pricing. The underwriting review involves a thorough examination of business operations and risk assessment. Once approved, the organization signs a shareholder agreement and pays a share to join. Theresa also discussed the organization's strategic plan, which focuses on enhancing the value proposition, increasing membership, and ensuring the well-being of existing members. She addressed concerns regarding the complexity of underwriting in certain jurisdictions, explaining that 55% of members join by account, representing fifty-two companies, with options available for territories where they are not limited insurers.

Membership policies and renewal strategies

Theresa reviewed the membership and renewal policies, clarifying that while the annual renewal cycle runs from January to December, members can make changes mid-year. The organization aims for slow and steady growth, targeting two to three new members per year. In the event of a large payout, the organization would proportionally scale back each member's limit. Additionally, she noted that the organization adheres to sanctions guidelines and cannot provide insurance or make claim payments in sanctioned territories.

Everen is dedicated to providing cost-effective (re)insurance solutions exclusively for its policyholders. With a robust 50-year history and strong financial ratings, Everen is well-positioned to serve its global client base. The organization's strategic focus on long-term partnerships, rigorous member selection criteria, and comprehensive insurance coverage underscores its commitment to protecting the mutual pool while ensuring high-quality membership.

By continuously adapting to market demands and incorporating new sectors, such as renewables, Everen aims to demonstrate its commitment to innovation and sustainability.

As the organization aims for steady membership growth and maintains a transparent premium model, it remains a competitive alternative to the commercial market. With a clear focus on enhancing its value proposition and ensuring the well-being of its members, Everen is poised to navigate the complexities of the insurance landscape while delivering exceptional service and support to its policyholders.

Further reading

Everen Marsh Dubai Conference

A guide to Everen Limited

Cybersecurity and risk engineering: Unifying strategies for resilience

Speakers:

- **Peter Clayton,** Risk Engineering Hub Leader, Marsh
- **Subiksha Krishnamoorthy,** Vice President - Cyber Risk Consulting, Marsh (IMEA)

In 2025, the increasing focus on artificial intelligence (AI) and the evolving cyber landscape has made misinformation and disinformation significant threats to an organization's intellectual property (IP) and cybersecurity. This session emphasized the critical need for securing operational technology (OT) to ensure the safety of personnel and the environment.

The discussion highlighted the challenges and complexities of securing OT systems, particularly in the context of the energy transition, and addressed the threat of cyber-attacks within the energy industry, along with the potential risks and exposures in the cybersecurity sector.

Secure OT in the energy sector

Given the challenges of securing OT systems, there is an urgent need for clear ownership and responsibility within modern energy businesses. Advanced incident response planning and fostering a 'secure culture' through training and simulation are essential for maintaining robust defenses against cyber threats. Additionally, the risks posed by third-party supply chain management and ancillary organizations that regularly interact with energy companies cannot be underestimated. These complex and integrated organizations require a layered defense strategy with well-defined internal and external barriers to effectively manage threats.

Several factors are contributing to the increasing cyber risks in today's environment, including:

- Pace of innovation
- Geopolitical factors
- Human factors
- Attack sophistication
- Complex environments

Quantifying cyber risks is critical, and Marsh is well-positioned to assist organizations in measuring and managing these risks. By conducting in-depth cyber studies or process hazard analyses, firms can gain insights into how cyber risks intersect with other risk elements at their technical sites. A typical outcome involves developing a model to compare potential cyber events with standard property damage scenarios, providing a basis for risk comparison. While cyber exposure is relatively new, many significant historical losses may have been caused by cyberattacks.

Modeling a cyber risk scenario

When modeling a remote cyberattack, aggressors typically aim to inflict significant damage and exit quickly. The session included a case study of a hypothetical cyber event involving a fictional organization. An employee received a suspicious email from a trusted contractor, which led to malware infiltrating the system. The malware spread throughout the organization and detected a temporary connection made for patching a system in the OT environment. This allowed the attacker to encrypt critical files on the network infrastructure, resulting in the organization losing control of its ecosystem and ultimately leading to an explosion at an operational site within 15 minutes of the attack. The organization faced significant legal and financial repercussions, which could have been mitigated with greater awareness of the exposures it faced.

Given these vulnerabilities, energy organizations should adopt a comprehensive defensive model to prevent such incidents, incorporating physical, governance, technical, and infrastructure layers.

Further reading

Masterclass - Cybersecurity and risk engineering

Key themes and takeaways from EIC 2025

1. The acceleration of energy transition risks

- Achieving net-zero goals requires over US$4 trillion in global energy investments each year.
- New risk models are essential to navigate the regulatory and financial landscape.
- Supply chain security and political risk insurance can provide certainty for investors.

2. The impact of AI, digitalization, and cybersecurity

- 76% of energy executives view AI adoption as a top priority for optimizing risk management.
- The rise in cyber threats within the energy sector has led to more cyber insurance policies and stricter security protocols.
- AI-powered solutions are enhancing underwriting precision and speeding up claims processing.

3. Innovations in insurance and risk transfer for energy companies

- Parametric insurance is becoming a realistic risk mitigation tool for climate-sensitive assets.
- Hydrogen, renewables, and LNG require specialized risk solutions to address their unique safety and operational challenges.
- New investment vehicles, such as ILS and climate risk bonds, are reshaping how projects are financed and insured.

Contact us

For more information on how you can participate or partner with us at the Energy Industry Conference in 2027, contact your regular Marsh representative, or one of the team below.

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Energy Industry Conference 2025

About Marsh

Marsh, a business of Marsh McLennan (NYSE: MMC), is the world's top insurance broker and risk advisor. Marsh McLennan is a global leader in risk, strategy and people, advising clients in 130 countries across four businesses: Marsh, Guy Carpenter, Mercer and Oliver Wyman. With annual revenue of over $24 billion and more than 90,000 colleagues, Marsh McLennan helps build the confidence to thrive through the power of perspective. For more information, visit marshmclennan.com, follow us on LinkedIn and X.

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