Data, discipline and partnership

Commercial Risk talks to **Faisal Setoe,** head of HDI Global Netherlands, about the importance of robust risk data, disciplined underwriting and long-term partnerships in an increasingly interconnected risk landscape.

As a seafaring nation with a port described as the mouth of Europe, the Netherlands has developed into an export-driven economy. While this puts the country at the heart of the global logistics sector, it also exposes Dutch companies, many of them mid-market players, to a host of domestic, regional and global risks, as well as the growing interconnectedness between them.

For Faisal Setoe, head of HDI Global Netherlands, that interconnectedness is one of the defining characteristics of today's risk landscape for Dutch firms.

Geopolitical tensions continue to loom large in the Netherlands, where the port of Rotterdam sits at the centre of a trade-dependent economy. "These geopolitical tensions disrupt the flow of goods coming in and out of the country and they have the potential to initiate a chain of events that can lead to severe business interruption," said Setoe.

Disruptions to global trade routes, sanctions regimes and energy markets have created uncertainty for businesses across multiple sectors. As a result, companies are increasingly exposed to risks that originate far outside their own operations but nevertheless have a direct impact on their revenues, costs and resilience, explained Setoe.

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Faisal Setoe, head of HDI Global Netherlands

One example is the sharp rise in energy costs. In the Netherlands, where energy prices are among the highest in the world, geopolitical developments have contributed significantly to cost inflation, creating cashflow and capital challenges for many businesses.

For Setoe, this illustrates how individual risks increasingly reinforce one another, creating broader consequences for organisations.

Climate risks become reality

Climate change is another challenge that has moved from a long-term concern to an immediate business risk.

Like geopolitical tensions, climate change has ranked among companies' top concerns for several years. However, recent events have underlined how rapidly these risks can materialise. The summer in western Europe brought extreme heat events, water shortages and floods, affecting both communities and businesses.

"2026 is the year these risks became real," said Setoe.

The consequences extend beyond physical damage. Climate-related events can disrupt value chains, affect infrastructure, influence energy availability and increase operational costs. For companies operating internationally, climate risks have become another factor that must be considered as part of a broader risk management strategy, said Setoe.

Cyber completes the triumvirate of critical risks, with artificial intelligence accelerating both the opportunities and the threats facing Dutch companies.

"As an insurer, we see how AI has been a big driver of more sophisticated cyberattacks and we have seen more cases materialising," said Setoe, pointing to recent vulnerabilities identified within Citrix environments.

The pace of AI development has become so rapid that even technology companies have called for greater restraint and regulation. For insurers, the implications are far-reaching. Beyond cyber security itself, AI is introducing new challenges around regulation, governance, liability and sanctions.

"It is creating a number of new risks not typically associated with technology," said Setoe. "These are all really important when it comes to underwriting."

As a result, understanding both the direct and indirect implications of AI is becoming increasingly important for companies and insurers alike.

Data the foundation of risk-adequate pricing

Against this backdrop, Setoe believes obtaining robust data from clients is the key to managing increasingly complex and interconnected risks.

"Our approach is based on a thorough risk dialogue with our clients, which helps achieve risk-adequate pricing. We look at the nature, cause and potential fallout of a risk. This leads to more accurate pricing and helps identify additional mitigation measures. The key is obtaining more information," he said.

Comprehensive information, including engineering reports, maintenance evidence, valuation data and business interruption assumptions, helps insurers understand exposures more precisely, enables effective mitigation measures and ultimately supports sustainable pricing.

"The equation of how risk is priced remains the same," said Setoe. "But the

quality of data has become increasingly important."

Robust data, however, can only be achieved through close cooperation between insurers and clients. The corporate and specialty insurer HDI Global therefore continues to work closely with clients to gain a deeper understanding of their exposures, operations and risk management capabilities.

"Clients want partners that will be with them for the long term and not just when there is capacity in the market," said Setoe. "As an insurer, we want to be more than a capacity provider and to show added value and solidarity with our clients. We are in this together."

This philosophy aligns with HDI Global's ambition to be a partner in transformation, helping companies navigate significant changes such as climate adaptation, sustainability requirements and evolving technology risks.

For Setoe, the role of the insurer increasingly extends beyond providing capacity. Risk engineering, technical expertise and collaborative problem-solving have become equally important components of the relationship.

Understanding risks before insuring them

This partnership approach is particularly important when companies introduce new technologies, materials or business models.

One example is the growing use of timber construction and bio-based building materials.

"If you apply those techniques on an industrial scale, it changes the risk profile and creates new risks," said Setoe.

Rather than taking a purely transactional approach, HDI Global seeks to assess these exposures together with clients and technical experts.

"We validate the risks collectively, with risk engineers, trade credit specialists and the building firm, and then we can adequately price the risk," said Setoe.

This focus on understanding risk before transfer has also led to product innovation. One example is HDI's Cyquins (Cyber Quick Insurance Scan), a cyber insurance solution for the mid-market segment that emphasises risk assessment as the basis for appropriate coverage and pricing.



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Multinational insurance programmes are another important tool for Dutch companies operating internationally. Despite the dominance of mid-sized businesses within the Dutch economy, many companies operate internationally and depend on global supply and value chains.

"Multinational programmes are very important for Dutch companies," said Setoe. "We operate in a highly international economy with overseas operations and global supply chains."

To support these requirements, HDI Global has continued to strengthen its global network and servicing capabilities. The insurer can service multinational insurance programmes, including captive solutions, in more than 200 countries and territories. It currently acts as lead insurer for around 5,400 multinational insurance programmes worldwide and ranks among the four largest insurance carriers globally in this segment.

From micro to macro

While many risks can be assessed and managed at company level, others raise questions about the limits of insurability itself.

Natural catastrophes, climate change, cyber accumulation and certain forms of business interruption increasingly present systemic exposures.

"From the insurer's perspective, if you zoom out completely, what you get is an accumulation of risk that goes beyond the insured object," said Setoe.

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This has fuelled debate about the role governments may need to play in supporting protection against large-scale systemic risks.

"There are certain situations where risks become too large for the insurance market and require government support," said Setoe. "But ultimately it comes down to the insurer and its expertise."

Whether assessing emerging technologies, climate-related risks or global supply chains, Setoe returns to the same principle: robust data, close cooperation between risk managers, brokers and insurers, and risk-adequate pricing are the foundations of resilient risk strategies in an increasingly interconnected world.