

Brokerslink

Asia-Pacific Meeting 2024

Seoul, 10 - 12 April

HOST

LK INSURANCE SERVICES

Brokerslink Affiliate





Asia-Pacific Meeting 2024
Seoul, 11-12 April

Brokerslink

Alliant Overview & 2024 strategy

Adrian Lo, Vice President Alliant





Alliant Overview

April 8, 2024

The More Rewarding
Way to Manage Risk

Alliant Insurance Services
www.alliant.com





One of the Nation's Leading Brokerage Firms

- ▶ Industry-leading specialty P&C operations
- ▶ Forward-thinking employee benefits operation
- ▶ Expanding middle-market P&C business
- ▶ Broad and diverse program administrator

\$4.2B

In revenue*

M&A capabilities and track record

\$37B

In premium*

Flat management structure comprised of insurance industry experts

12,500+

Employees

7,000+ Alliant | 5,500+ Confie

Proprietary programs that leverage our expertise, scale, and volume

Offices Nationwide

Best-in-class organic growth

Alliant Ownership

52%

Alliant employees

48%

Institutional investors

Alliant One

Analytics | International | Large &
Complex/Alternative Risk | Modeling |
Carrier Management

Alliant One - P&C Team Directory

Peter Arkley
President

Alex Littlejohn
Managing Director

Karen Perez
Executive Assistant

Alliant P&C Carrier Management	Regional Carrier Management*	Financial & Data Analytics	Analytics	Large & Complex Property & Casualty	International	
Joe LaRocco Carrier Management	Andrew Oberreuter West	Max Demery Data Analyst	Tim Wei, Actuary	Leslie Parker Property	Adrian Lo Risk Management Leader	Jeannette Gonzalez International
Amery Vasso Carrier Management	Gina Wachtel Central	Karen Perez Flood Desk Manager	Open Position, Actuary	Marianne Hwee Property	Richard Stark Project Placement Leader	Kathleen Schimmenti International
Stephanie Hagan Carrier Management & Casualty	Jennifer Mendenhall Northwest	Carrier Administration**	Erica Timpanaro, Sr Business Analyst	Mackenzie Piatowski Property	Estela Lusky Service & Deliverables Leader	Ashlie Caruso International
Cole Nieman Carrier Management Sr Business Analyst	Chris Donovan** East – Middle Market	Erica Mendez Manager, Corporate Carrier Management	Richard Schwarzenberger, Sr Business Analyst	Justin Andolina Construction/Excess	Paul Bitner International	Account Executive TBD
Patty DeCandia Carrier Management Business Analyst	Cathy Fitzpatrick** East – National Accounts	Tools & Tech	Kevin Habash, Sr Business Analyst	Stephanie Hagan Large Primary	Peter Kozeija International	
Modeling	Market Security**	Ervin Mrishaj Business Analyst Lead	Alternative Risk	Rich Malone** Large Property	John Gipson International	
Ali Syed	CJ Webberly Compliance Leader	Michelle Serra Sr. Business Analyst	Roberto Rivera Risk Finance	Greg Streck** Large Property		
Jason Iannucci			Pete Kranz Captive/Risk Finance			
Michelle Serra						



Alliant International serves as international subject matter experts for both Alliant Americas and Alliant Specialty

Alliant International provides centralized global insurance brokerage services to help our clients manage, coordinate, and administer their global insurance programs while providing local “boots on the ground” service and support for their operations throughout the world.

- › 40-person team of international insurance professionals serving US Multinational Clients, Project-Specific Foreign Placements, and Reverse Flow business for Global P&C and EB Multinational Programs
- › Coordinates global insurance brokerage services in 130+ countries
- › Advises on compliance with local laws and regulations
- › Structures local fronting and reinsurance as needed
- › Manages foreign vendor payables and EPIC protocols

Alliant International
Today



US Multinational, Project Specific, and Reverse Flow

Alliant International brokers place insurance for US multinational companies, for project-specific construction, energy, food, hospitality, manufacturing, real estate, and retail exposures, and for reverse flow business

Our international team coordinates directly with our Alliant Americas and Specialty colleagues to structure and place Property & Casualty insurance globally in compliance with local regulations and coordinates local fronting and reinsurance

The international team has key relationships with insurers in Mexico and in the Caribbean territories to maximize capacity and reduce frictional costs on large placements



The More Rewarding
Way to Manage Risk



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Brokerslink

Handling international business in Hong Kong SAR & China

Claire Lee, Assistant Account Director, Nova Insurance Consultants



Handling International Business in Hong Kong and China

Part 1



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Part 1: Hong Kong

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NOVA's Update

- ❑ Nova is ranked as the largest local general insurance broker in Hong Kong and one of the top 5 by revenue, according to Frost & Sullivan in September 2023.
- ❑ Nova Hong Kong acquired 100% stake of Beijing Nova to further expand the insurance solution business on 01 February 2024. Proposed Acquisition is RMB143,000,000 (equivalent to USD19,770,900)
- ❑ Operation Insurance Program for Kai Tai Sports Park (contract sum HK\$3 billion) will commence in June 2024.
- ❑ Hong Kong Office Space Expansion - to recruit more staff.
- ❑ New office in Suzhou will be opened soon.
- ❑ We provided 3179 hours Training and Development sessions to our staff in 2023.
- ❑ Participated 25 social voluntary events and granted 9 company awards in 2023.



NOVA's Update



NOVA's Update

- ❑ Manpower Developer Award Scheme (ERB)
- ❑ Nova had awarded the "15 years Plus Caring Company Logo
- ❑ Happy Organization Label Scheme
- ❑ BARRIER BUSTERS
- ❑ "ESG Pledge" Scheme
- ❑ Joyful@Healthy Workplace Best Practices Award (Enterprise) - Outstanding Award
- ❑ Mental Health Friendly Organization Award (Enterprise) - Certificate of Attainment
- ❑ Employment Friendly Charter
- ❑ Partner Employer Award



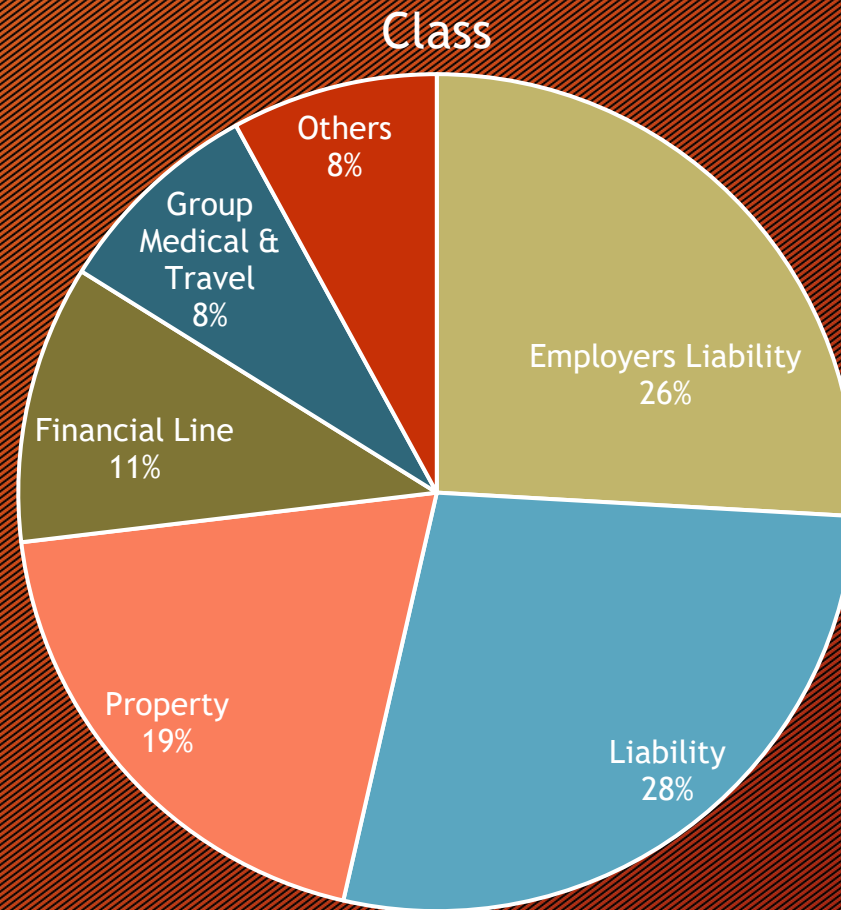
Brokerslink's Account Analysis

HK & China

Accounts referred : 129

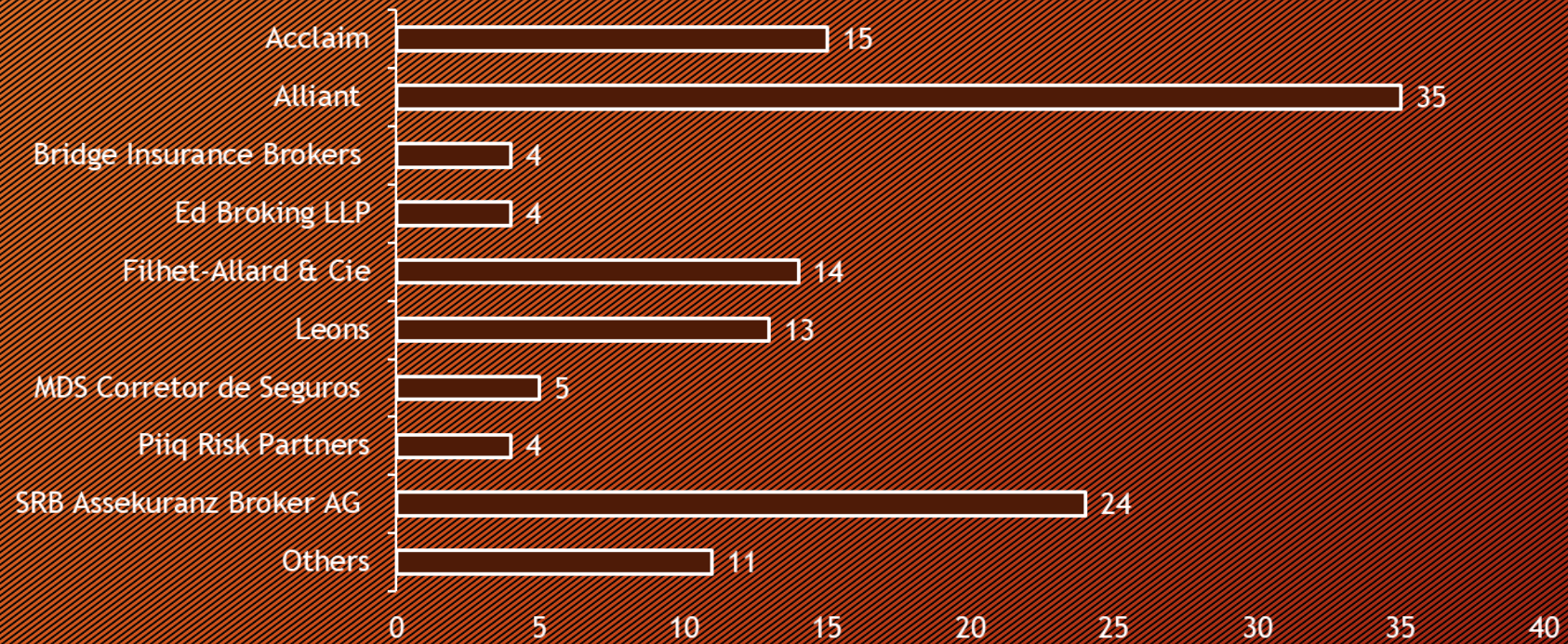
Gross Premium ~HKD30M

Year 2023



Brokerslink's Account Analysis

Brokerslink's Member



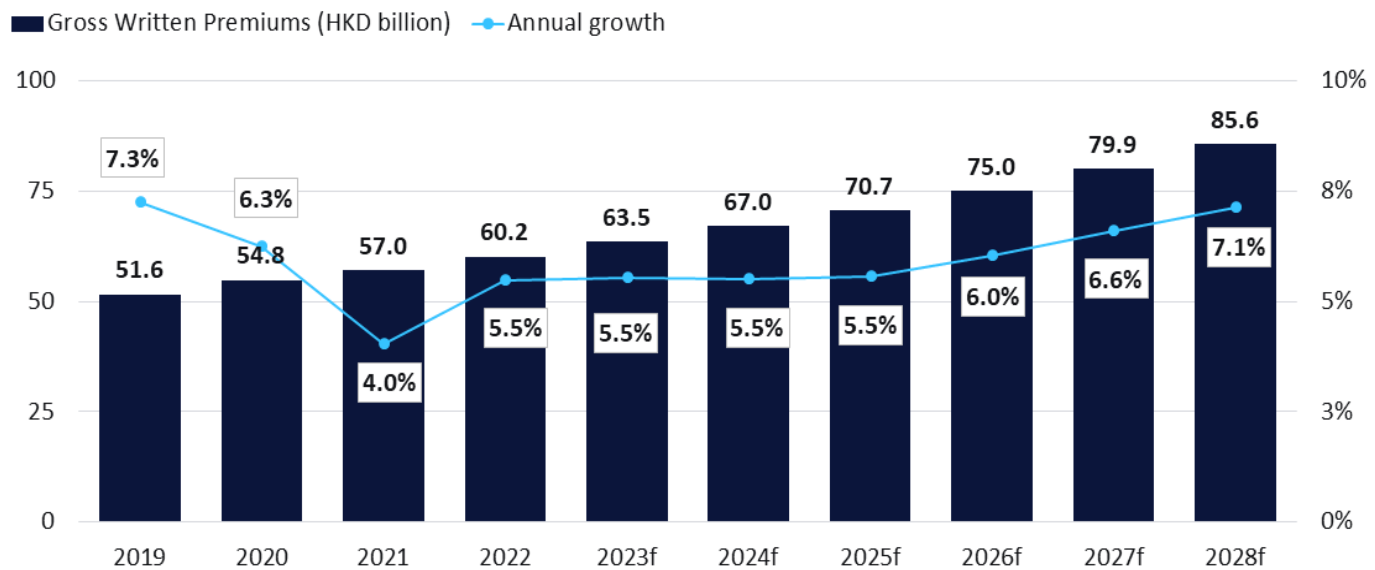
Top 20 Ranking By Insurance Premium Volume

Rank	Country	Total premium, \$mn	% change
1	US	2 718 699	8.1%
2	China	696 128	6.1%
3	Japan	403 592	-2.6%
4	UK	399 142	16.7%
5	France	296 380	24.0%
6	Germany	275 779	5.9%
7	South Korea	193 008	1.5%
8	Italy	192 481	11.5%
9	Canada	161 289	15.8%
10	India	126 974	13.5%
11	Taiwan	113 423	0.1%
12	Netherlands	92 986	5.7%
13	Spain	73 571	9.4%
14	Australia	72 576	15.5%
15	Hong Kong	72 227	-1.0%
16	Ireland	64 696	31.3%
17	Brazil	62 082	7.2%
18	Switzerland	57 793	1.2%
19	South Africa	51 215	24.6%
20	Luxembourg	48 287	30.9%



Hong Kong General Insurance - 2019 To 2028

Hong Kong General Insurance - Gross written premiums (HKD billion) and annual growth, 2019 - 2028f



Market Dynamics And Practices - Hong Kong

1. Very competitive market – as at 31 December 2023, there were 161 authorised insurers and 810 brokers in Hong Kong.
2. NatCat - Hong Kong's insurance industry received a total of HK\$1.9 billion (US\$243.6 million) in claims related to damage caused by a black rainstorm and Super Typhoon Saola in September 2023.
3. High inflation in cost components relevant for insurers, such as construction and healthcare that suggests insurers' claims and costs could rise markedly in 2024.
4. Market Challenges ie. Increase regulatory requirement, changing consumer expectations.
5. Many financial lines underwriters based in Hong Kong available to write regional program;



Regulatory Considerations

1. Hong Kong Regulator – The Insurance Market in Hong Kong is regulated by the Insurance Authority (IA).
2. Capital Requirements: HK\$500,000 for Hong Kong.
3. Admitted policies - Employees' Compensation, Private and Commercial Vehicle Third -Party Liability (Bodily Injury), Marine Third- Party Liability and Owner's Corporation Liability Insurance.
4. Disclosure Requirement: clear and transparent information to clients about remuneration, coverage, terms and conditions.
5. Levy such as IA levy (0.1%), ECI levy (10.8%) and MIB (3%);



What clients are looking for:

1. Not just cost sensitive but also our understanding of the insurance market and their industry;
2. Contract review to meet with the compliance;
3. Availability of package insurance, say for smaller operation such as office or shop, with a few sections of coverages at competitive premium;
4. To propose on uninsured risk exposures and emerging risk such as cyber risk in addition to what they are looking for.
5. Client Engagement.



BrokerLink's Account Analysis - Pure Local

Insured: Auric Pacific Group Limited

- Subsidiaries:
- Lippo China Resources Limited (“LCR”)
- Cuisine Continental (Brand: Delifrance, Chatterbox Café)
- Manufacture, wholesale, and distribute food and consumer goods.
- Require to set up compulsory Employees' Compensation insurance in HK



Brokerslink's Account Analysis - Outward

Insured : Tristate Holdings Limited (HKEX: 0458)

- Focus on garment manufacturing, brand product distribution, retail and trade. The brands including "Nautica"
- Products including: Marine Cargo, Property, Fire & perils, General Liability, Group Personal Accident, Group Travel
- Countries involved: China, Taiwan, Japan, Thailand, Vietnam, Myanmar
- Brokers Involved: TW, Cornes, APMC, Aegis



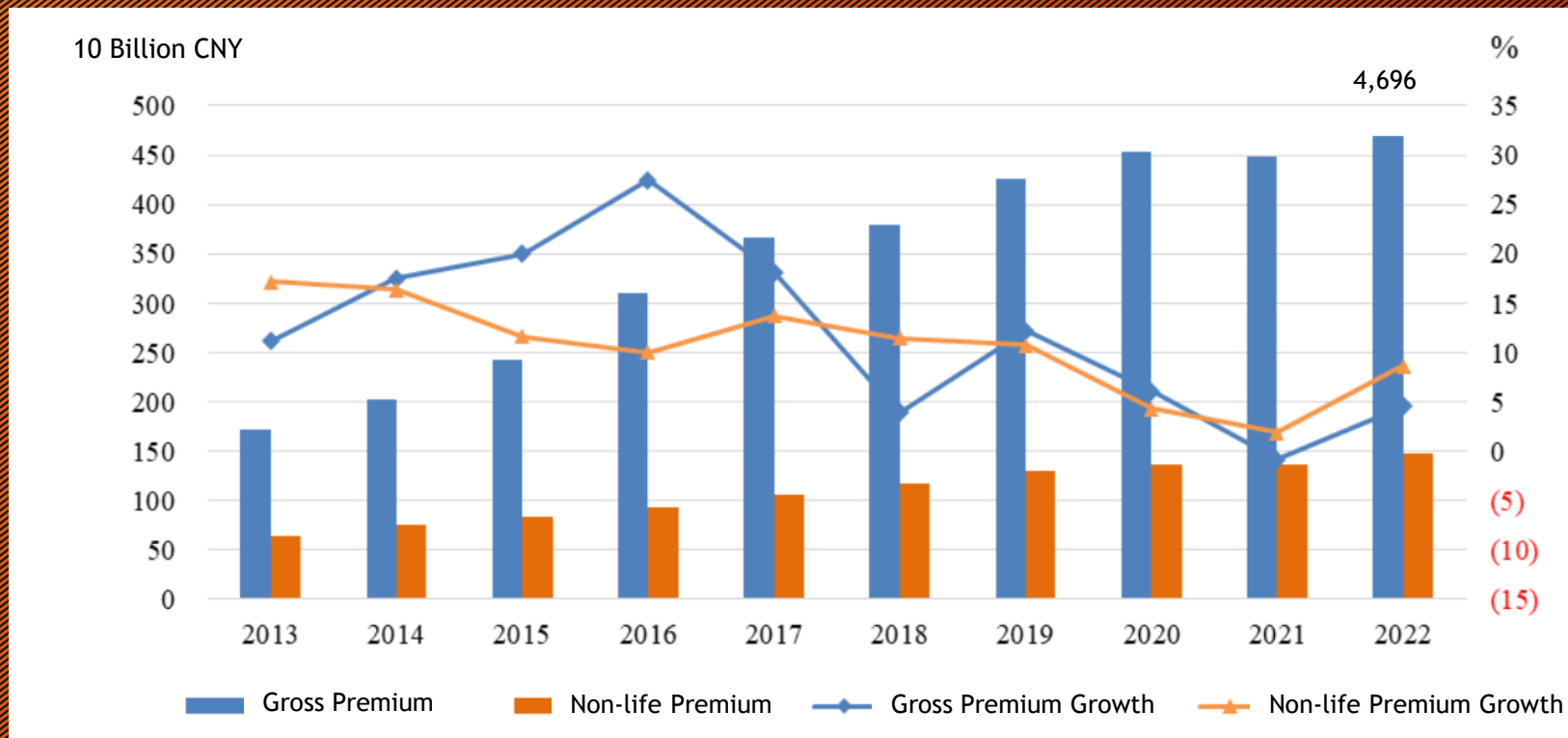
Handling International Insurance Business in China

Part 2



China's Insurance Market

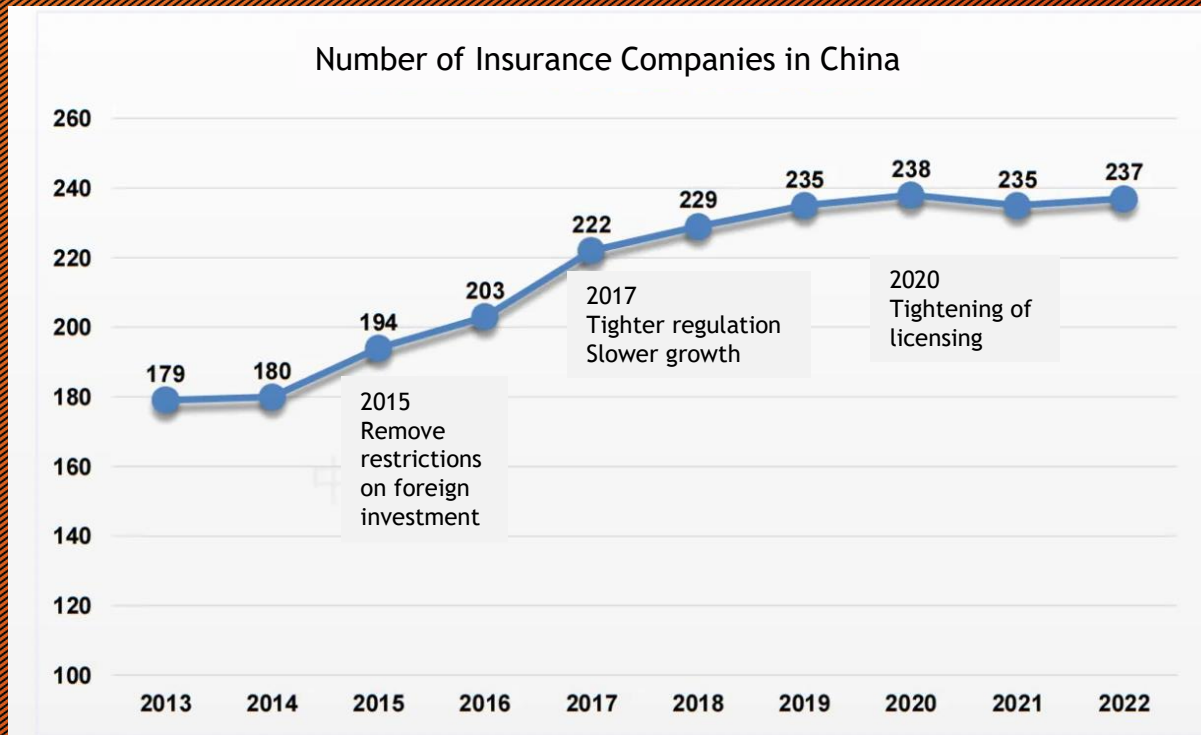
- Gross written premium and annual growth in China



Source: National Financial Regulatory Administration



Key Players - Insurers



The number of registered insurance companies in China has steadily increased in the last decade.

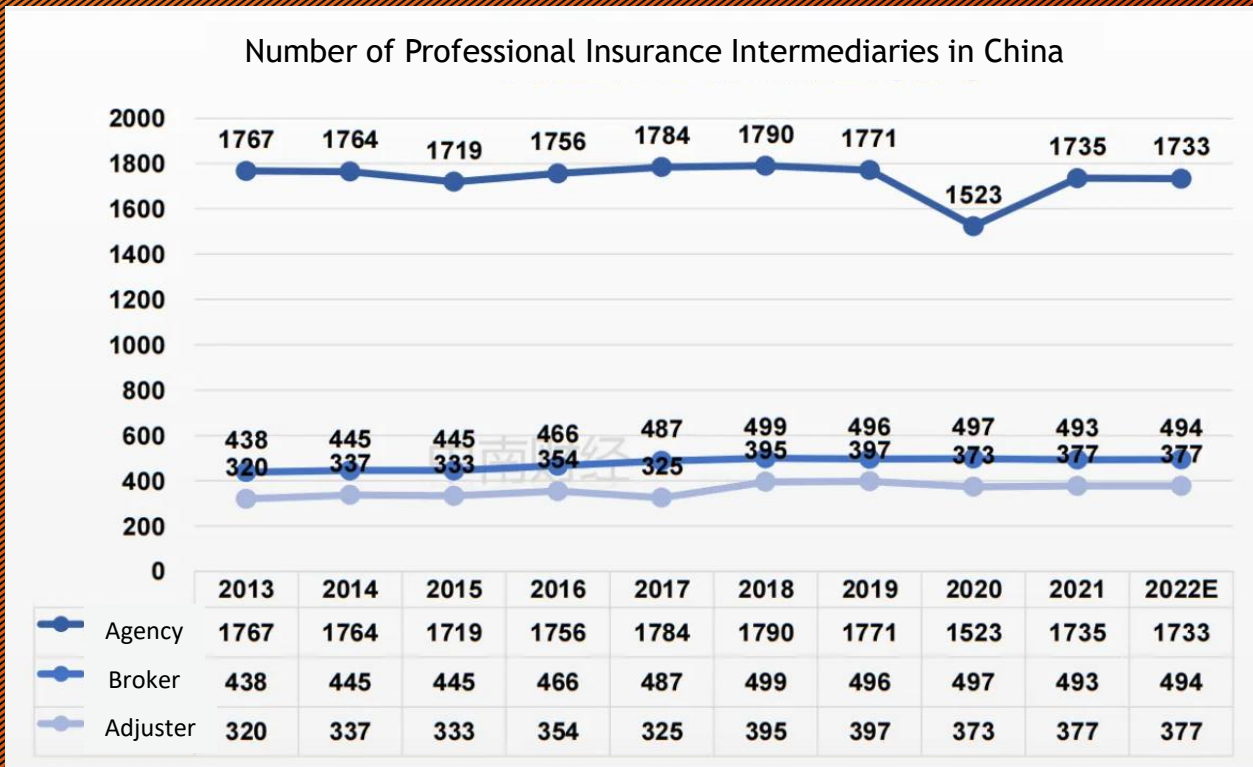
As of the end of 2022, there were 237 insurance companies, including: 13 insurance groups, 88 property insurance companies, 75 life insurance companies, 10 pension insurance companies, 7 health insurance companies, 33 insurance asset management companies, 7 reinsurance companies, and 4 other companies.

After 2017, supervision has become increasingly strict, insurance licensing approval is in a tightening state, and the number of insurance companies in China has stabilized.

Source: National Financial Regulatory Administration



Key Players - Professional Insurance Intermediaries



As of the end of 2022, there were 2,604 professional insurance intermediaries nationwide, including: 1,733 professional insurance agencies, 494 insurance brokers, and 377 insurance adjusters.

The professional insurance intermediaries achieved CNY722.5 billion in premium income, accounting for 15.28% of the country's total premium income, up 16.33% year-on-year.

Source: National Financial Regulatory Administration



Regulatory Framework in China

- Insurance Regulatory Authority



- China Insurance Industry Association (CIIA)



Key Regulatory Issues

Capital Requirement of a Broker Company: RMB 50 million

Admitted Policy

Insurance Law of the People's Republic of China

Article 7 Any legal persons or other organizations within the territory of the People's Republic of China that need insurance coverage within the People's Republic of China shall, for the purpose thereof, apply to insurance companies established within the territory of the People's Republic of China.

Market Behavior Regulation

Prohibition of unfair competition, consumer protection, risk management, disclosure requirements, anti-money laundering

Tax: 6% value-added tax

Payment before Cover



Compulsory Insurances

Social Security Insurances

Social Security Insurances	Description
Social Pension Insurance	<ul style="list-style-type: none">• Pays a monthly pension to retired employees in China who have made more than 15 years of contributions
Social Medical Insurance	<ul style="list-style-type: none">• Covers one's actual medical expenses through reimbursement for certain proportions
Social Maternity Insurance	<ul style="list-style-type: none">• Covers one's actual maternity-related medical expenses through reimbursement for certain proportions and the employee's wage for a maternity leave
Social Work-Related Injury Insurance	<ul style="list-style-type: none">• Covers medical expenses and financial compensation for the employees who suffer from work-related injuries or occupational diseases
Social Unemployment Insurance	<ul style="list-style-type: none">• Covers qualifying employees who become involuntary unemployed• Provides minimum living allowance and vocational guidance and training

Vehicles' Mandatory Liability Insurance

Safe Production Liability Insurance for the Eight High-risk Industries
(including mining, hazardous chemicals, fireworks, transportation, construction, civilian explosives, metal smelting, and fishery production)



BrokerLink's Account Analysis - Inward

- Insured: Dätwyler Holding Inc. (Referred by SRB)
- China's 5 subsidiaries - Anhui, Suzhou, Wuxi, Dongguan, Yantai
- Business Nature: Focus on high-quality, system-critical elastomer components and hold leading positions in attractive global markets such as Healthcare, Mobility, Connectivity, General Industry and Food & Beverage.
- Development, design and production of cables and related components/ Manufacture and sale of rubber products for automobile brake systems and other components and etc.
- Countries Involved: Swiss, China, Korea, India, Germany, USA, Brazil, Netherland



Brokerslink's Account Analysis - Pure Local

- Insured: Interplex (Referred by Acclaim)
- China's 10 subsidiaries - Shanghai, Hangzhou, Suzhou, Huizhou, Dalian
- Premium:
- CNY 370,000 (Global CGL+CARGO)
- CNY 1,120,000 (Local Standalone PDBI)
- Business Nature:
- Designing and manufacturing interconnect and mechanical products



Opportunities for Incoming and Outgoing Business

Incoming

- Medical insurance has seen substantial growth due to China's aging population and increasing middle class, while health insurance is on the rise due to the growing awareness of health and wellness.
- Penetration Opportunities: Employee's Benefits Insurances, Employer's Liability Insurance
- Technology and Innovation: Chinese consumers are increasingly tech-savvy, expecting digital platforms and mobile applications for policy management and claims processing.

Outgoing

- Belt and Road Initiative: large enterprises take the dominant position, while SMEs are accelerating their pace of going overseas with the support of policies and markets.



Q & A



THANK YOU





Asia-Pacific Meeting 2024

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Brokerslink

Coffee break 





Asia-Pacific Meeting 2024
Seoul, 11-12 April

Brokerslink

Trade Credit practice

Win local and global credit insurance business

Anne Collette, Business & Partnerships Director
Dongmin Lee, Head of Financial Risks, LK





Global Reach: Expand TCI services globally to reinforce Brokerslink partners & affiliates's offering in key markets.



Expertise: Develop deep understanding of TCI to elevate industry knowledge and expertise.



Innovation: Drive new solutions in TCI practices to address evolving market needs and client expectations.

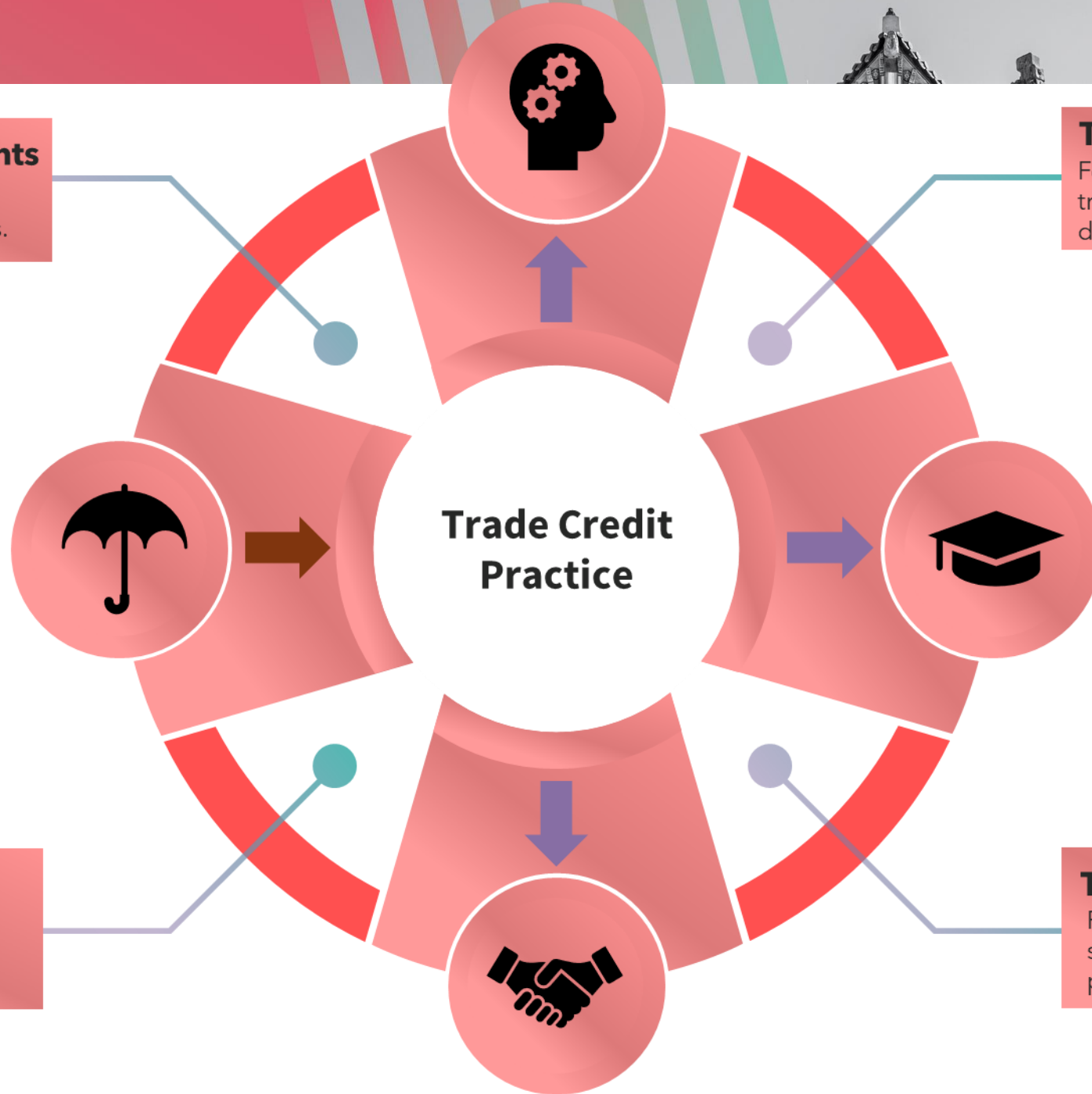


Customer Loyalty: Strengthen financials of client companies to maintain business.

TCI Market Insights
Providing market intelligence and surveys.

TCI Academy
Focused on education, training and skill development.

Global Framework



Trade Credit Practice

TCI Capacity
Providing global market capacity.

TCI Business
Facilitating development strategies and business pipeline.

Core Ambassadors



Miguel Carranza
Vice President One Source
Risk Management/Alliant
Insurance Services



Phillip Krinker
Executive Director of
MDS CredRisk
Seguros



Frantz Bouchereau
Director of Client
Relations Filhet-Allard
Crédit

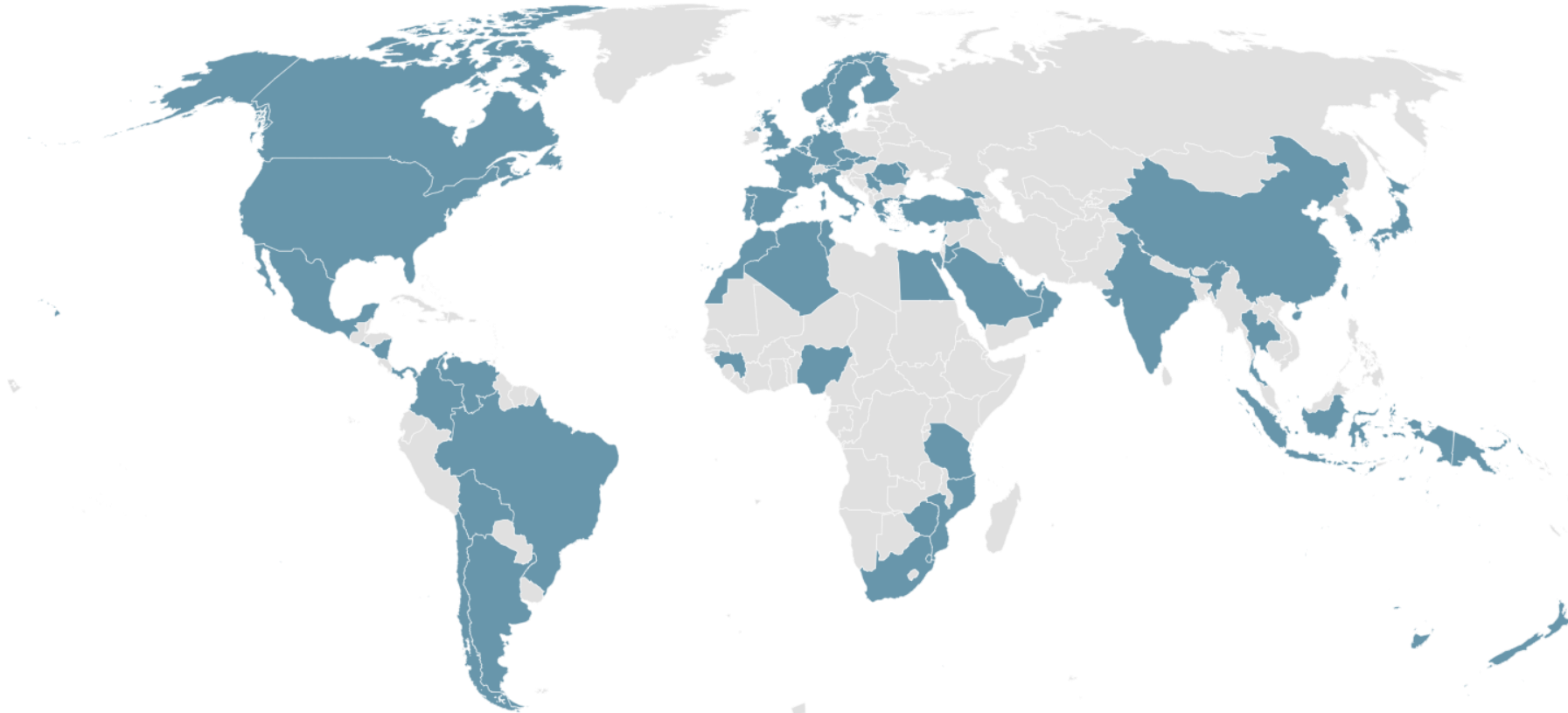


Dongmin Lee
Vice President / Head of
Financial Risk Solution
Team of LK



Key Regions: Our Core Team covers each global region: North America, LATAM, EMEA, APAC.

Brokerslink **Global** Trade Credit Footprint



+800 million USD
premiums placed in
trade credit and
political risk by
Brokerslink brokers

All information is based on the network survey and internal assessment.

TCI Practice – Strategic Roadmap

Kick-off with Core Team

Done
22.12.23

Global TCI Survey:

Launched
11.01.24

Strategic Global Carrier:

In
Progress

Prospects and Opportunities:

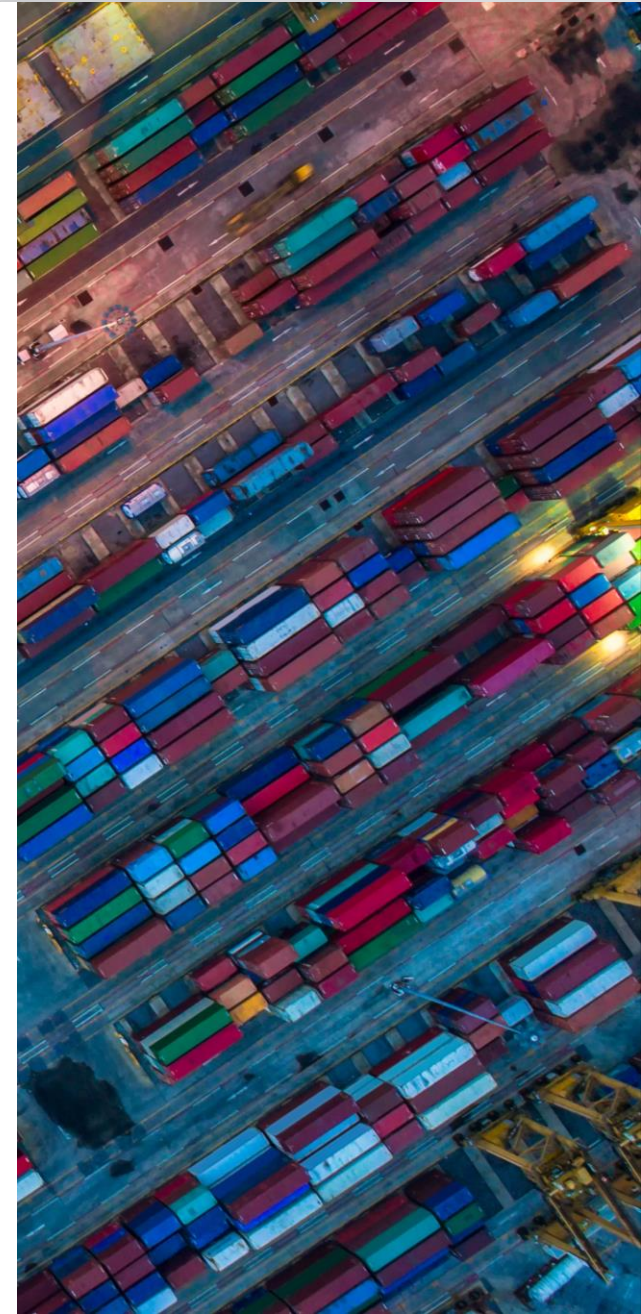
In
Progress

TCI Academy:

In
Planning

TCI Development Kit:

In
Planning

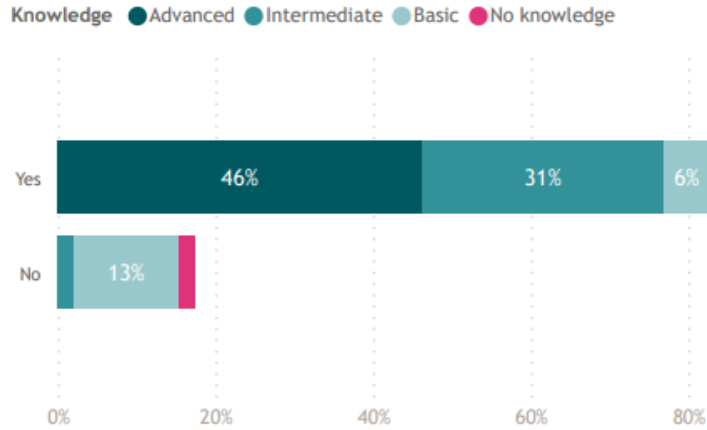


Brokerslink Trade Credit Insurance Survey – Network Overview

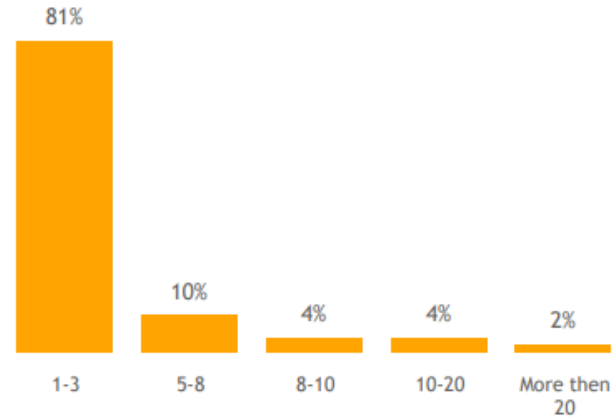
50%

of Brokerslink retail brokers answered

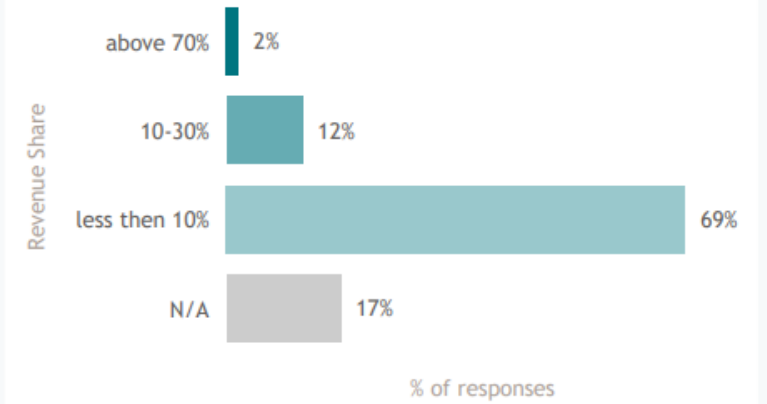
Currently selling credit insurance



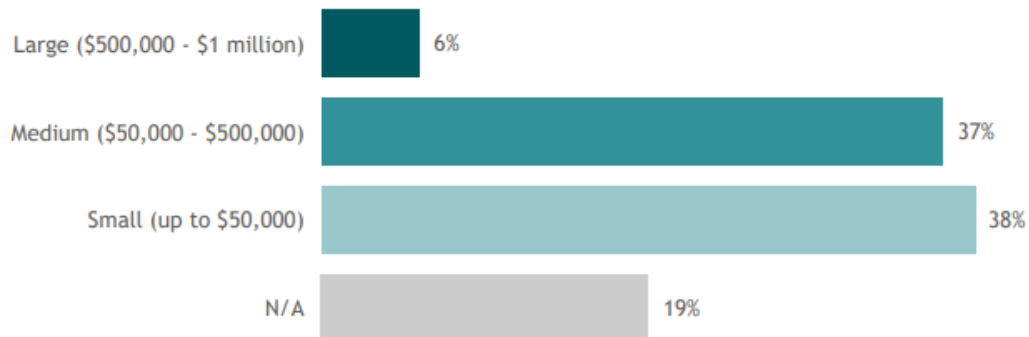
Dedicated Personnel



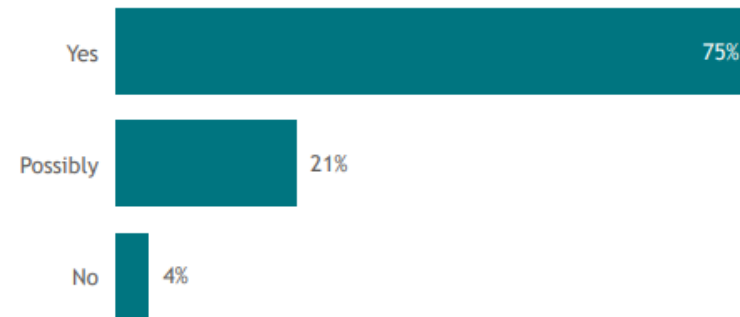
TCI revenue in overall annual revenue



Average Premium

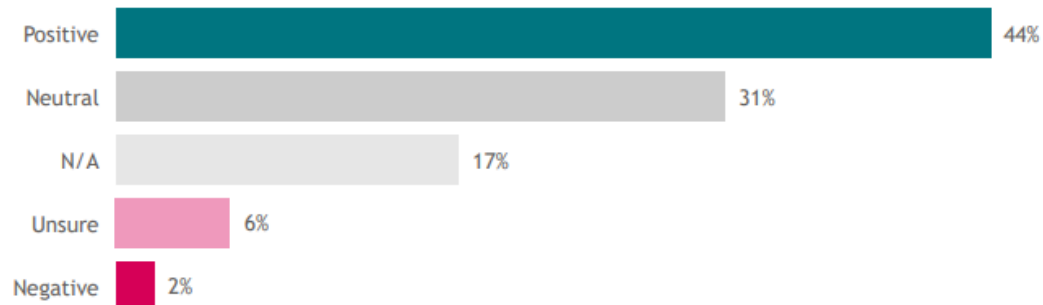


Interest in Selling Credit Insurance

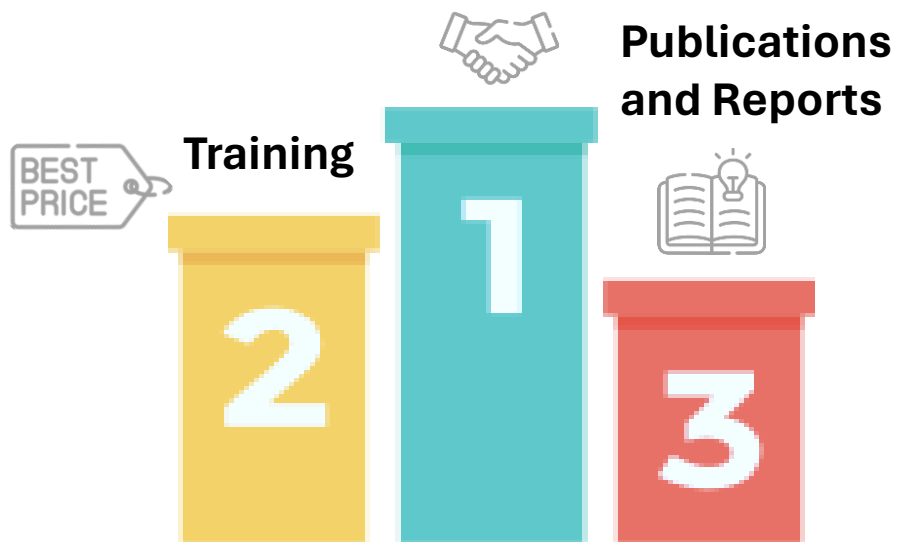


Market

Perception of current trends in the market?



Sales Material

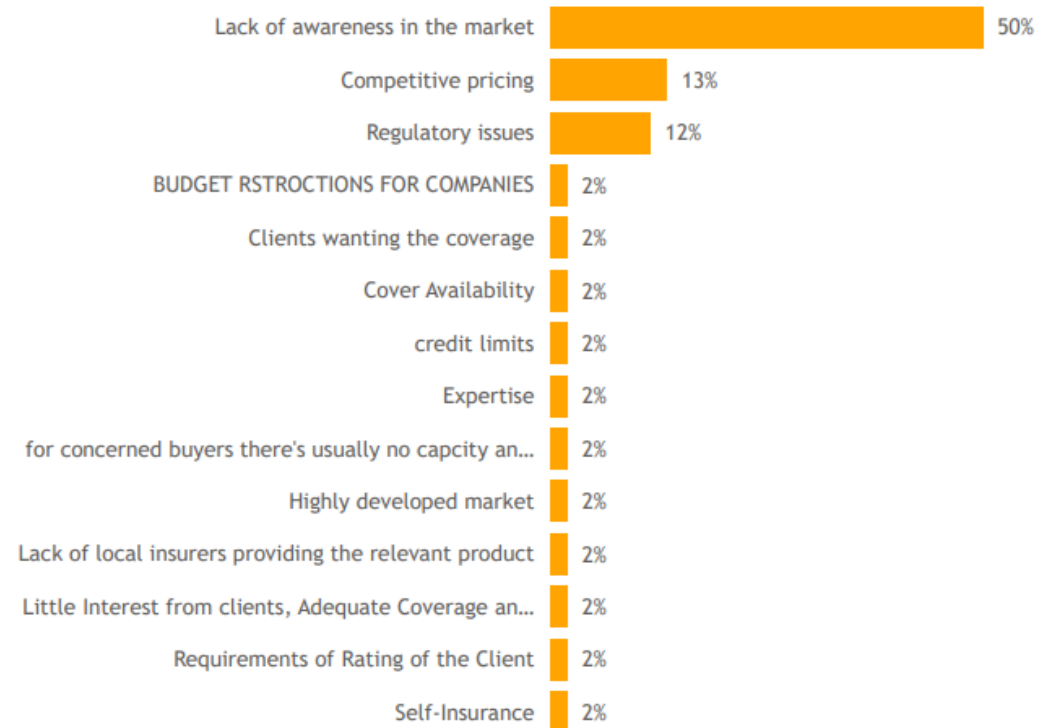


Inquiries coming from the market and if yes which?

● Financing ● No ● Risk Mitigation ● Structuring of Credit Management procedures



Challenges in promoting or selling credit insurance

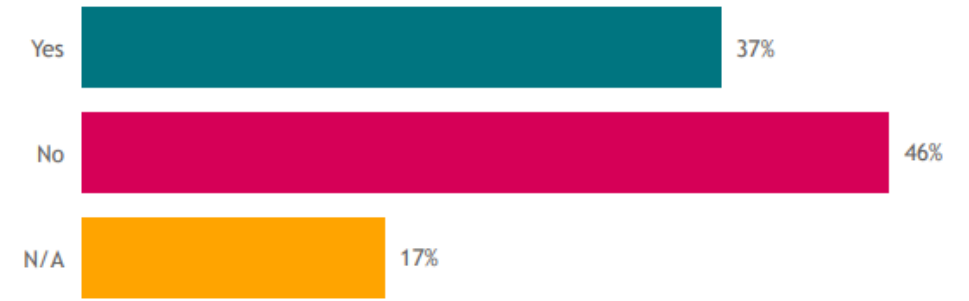


Products

Specific products currently focusing on

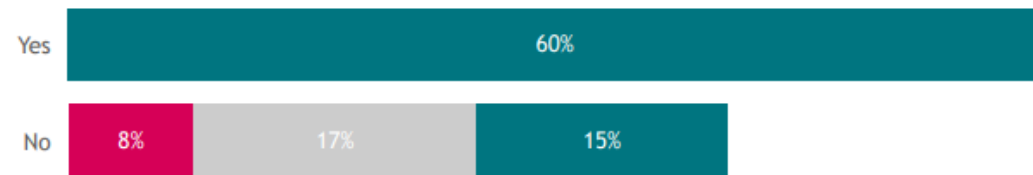


Commercial risk and Political risk coverage

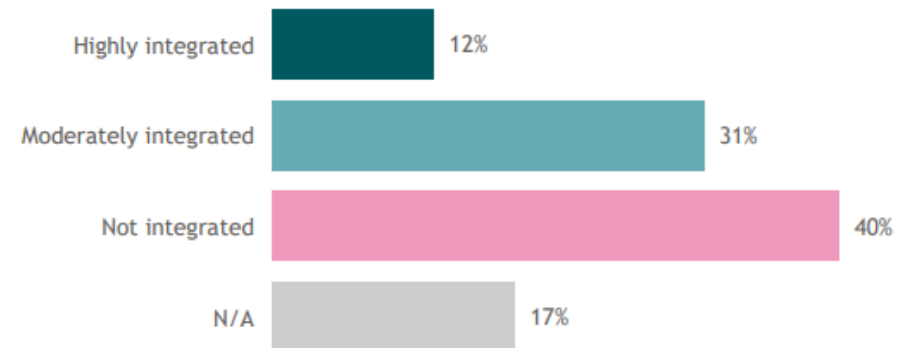


Offering surety bonds solutions and services? If No, any interest?

If No, any interest? ● No ● Undecided ● Yes



Technology integration with credit insurance processes



The 10 best prospecting sectors

1. Retail
2. Electronics
2. Agriculture
3. Chemicals
4. Packaging
5. Iron & Steel
6. Pharmaceutical
7. Paper & Pulp
8. Food & Drink
9. Financial Institutions
10. Textile

The ideal size of company to prospect

1. Corporate

2. SME - (Small and Medium Size Entities)

3. Local companies

4. Global companies

Offer the right trade credit product

- Domestic credit insurance.
- Export credit insurance.
- Political risk insurance (PRI).
- Single risk insurance.
- Credit information.
- Debt collection.
- **Factoring** or Forfaiting.



Offer the right carrier for your client needs

- Allianz Trade / Euler-Hermes (WTO) (XOL) (TU)
 - AIG (XOL) (TU)
 - Atradius (WTO) (XOL) (TU)
 - CESCE (WTO) (XOL) (TU)
 - Chubb (XOL) (TU)
 - Coface (WTO) (TU)
 - SGIC (WTO)
 - K-sure (WTO)
 - Sino-sure (WTO)
 - Others...
- *Whole Turn Over (WTO)*
 - *Excess of Loss (XOL)*
 - *Top Up (TU)*

6 reasons why your client should buy trade credit insurance

1. Receivables are one of the **most valuable assets** on the balance sheet
2. Well-regarded by **auditors**/rating agencies/shareholders/banks/investors
3. Normal business expense that can **avoid serious balance sheet damage**
4. **Increase sales** to existing & new customers without increasing exposure
5. Respect **local legislation** - “non admitted”
6. **Get paid** and leave collections to insurer

What separates Brokerslink from the competition?

- Few global trade credit networks
- Local service, global reach
- 2- or 3-year programs
- Profit sharing
- Buyer volume & strategic partnerships with carriers
- Higher credit limits on buyers
- Efficiency in management, reporting and centralizing information

TCl Deliverables 2024

- Create a **Business Strategy** for Global Trade Credit Accounts
- Global Trade Credit **institutional presentation**
- Global **marketing** material
- Select **global accounts to target**
- Multinational commercial negotiations with Global Trade Credit **Insurers**
- Standard **questionnaire** to be used by all local offices
- Template **SLA** – Service Level Agreements
- **Training** sessions with professionals
- **Surveys** for business intelligence

APAC TCI Ambassador – Questions & Answers

- 1. Korean companies exporting to India: TCI new potential ?**
- 2. TCI market practices & insurer capacity in Korea ?**
- 3. Brokerslink Trade Credit Practice offering global growth ?**
- 4. Loss, Claim & Price evolution in the APAC region ?**
- 5. Your support & engagement with the local brokers across APAC ?**

Dongmin Lee, Head of Financial Risks, LK

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