RBN's 2026 Buyer's Guide

Commercial Property & Casualty Insurance

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A healthy market, with hot spots

- Recent years have been marked by pain points and volatile capacity constraints across multiple lines of coverage - this has started to shift and many clients are benefitting from a more stable market
- Insurers reported strong profits in 2025; a light US hurricane season contributed to market health, and early storm forecasts for 2026 are favorable
- Softer conditions have continued into 2026 for several coverage lines - particularly property, workers' comp, and financial lines - while other lines, including auto and excess casualty, may continue to face challenges
- Thoughtful marketing strategy is key: incumbent carriers are seeking to protect their rates at renewal but are willing to compete aggressively for quality accounts
- Emerging areas of macroeconomic risk - jobs outlook, trade volatility, interest rate environment, international conflict - have had limited impact on insurance markets so far, but effects may play out over time

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A reprieve from property market displacement

Carrier profits invite more competition

After years of significant rate increases, the property market has become more competitive. Premiums have caught up to losses and catastrophes have remained within or below expected ranges. This profitability has brought carriers back to the market.

Rates improving overall, though not everywhere

Many clients who experienced large increases in premiums and deductibles in recent years are seeing partial reversals, especially in the "shared and layered" and surplus lines market. At the same time, areas susceptible to natural disasters (fire, windstorm, etc.) remain under pressure, and policy terms like higher wind / hail deductibles are increasingly common.

Preparing for your renewal

Loss Control Makes a Difference

Accounts that have favorably addressed loss control recommendations are getting better terms and pricing.

Key Focus Areas

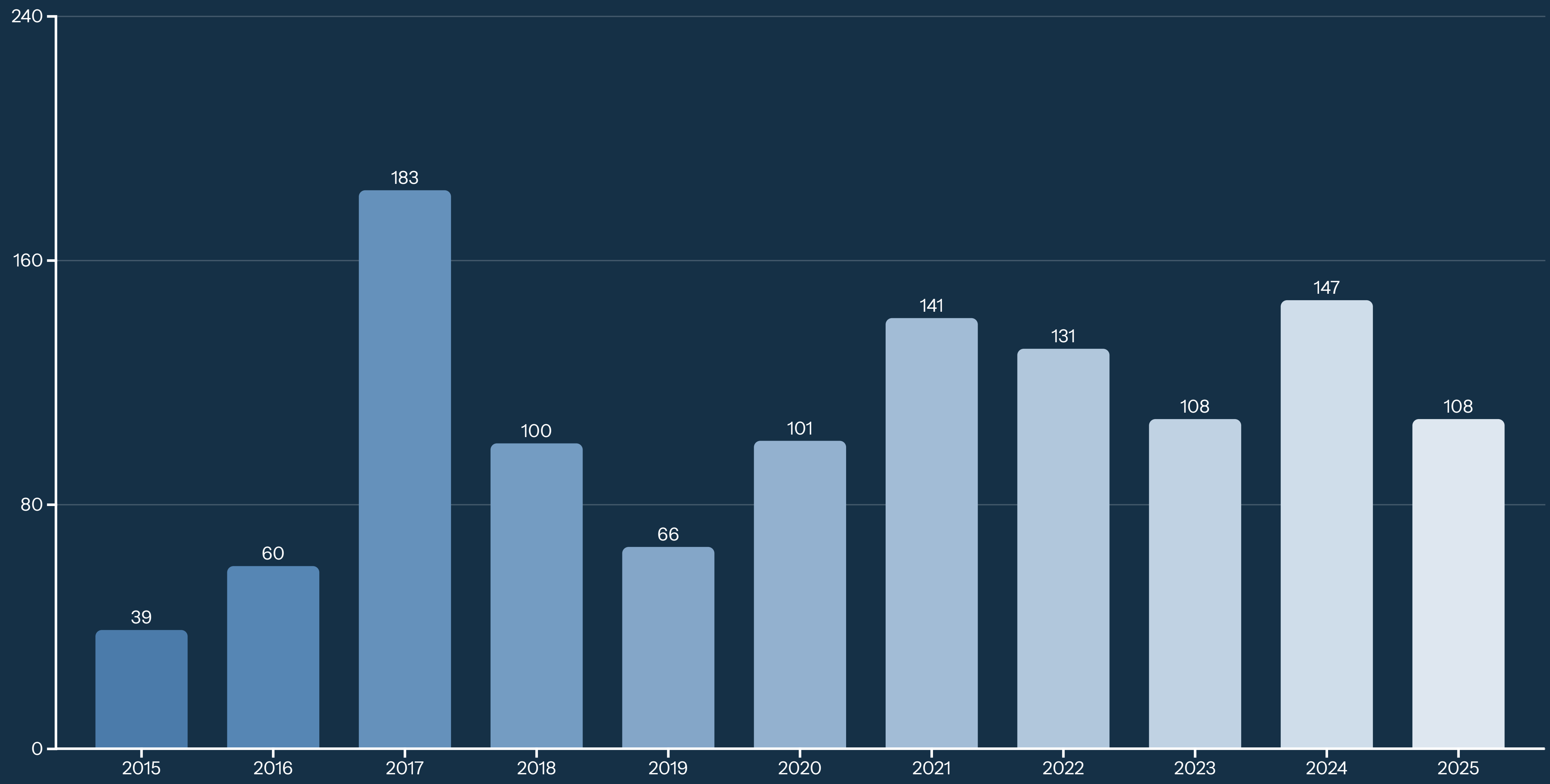
- Roof age and condition
- Electrical system maintenance
- Height and density of product storage
- Sprinkler system adequacy

Insurance to Value

Pay careful attention to your building, stock, and equipment valuations. Carriers want to make sure they're capturing the full exposure, and buyers want to be adequately covered in the event of a major loss.

Catastrophe losses are high, but not getting worse (for now)

Worldwide insured catastrophe losses have been stable for several years - and no major US hurricanes in 2025



Source: Munich Re. Inflation-adjusted USD in billions.

Auto liability remains a flashpoint

Plaintiffs are more aggressive and more successful

Accident-related litigation has been a major driver of social inflation, with plaintiffs drawing out claims for longer and winning larger verdicts from juries. This contributed to industry-wide commercial auto liability losses in the area of ~$5bn annually over the last several years.

Trucking exposure is particularly sensitive

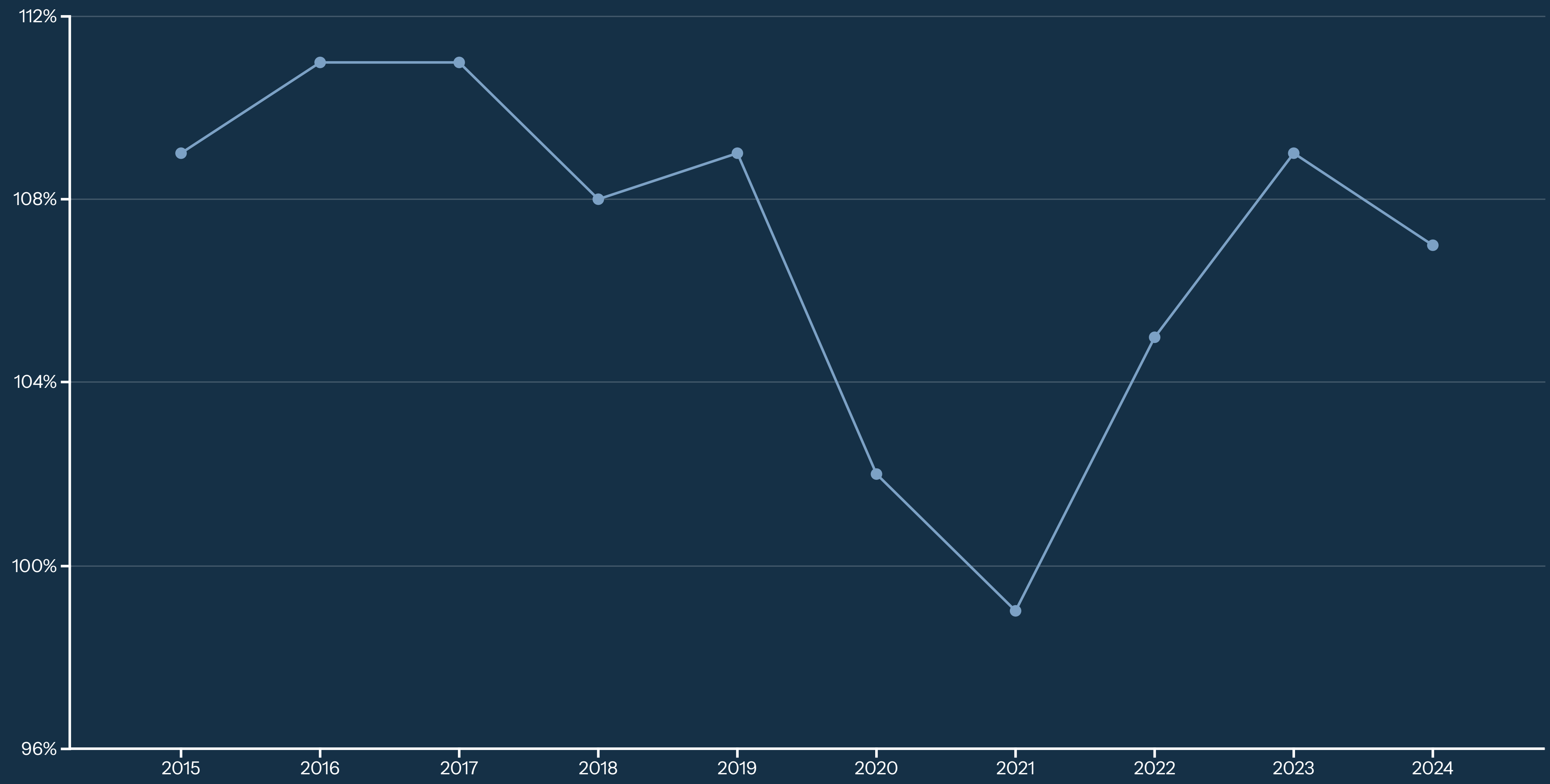
Heavy trucks are a major target of plaintiffs' attorneys. Additionally, accounts with trucking operations face pressure around recruitment and retention of qualified drivers, which leads to an elevated risk profile.

What can you do?

- Rigorous driver hiring process + ongoing safety training
- Detailed post-accident investigation process to be prepared for claims
- Implement telematics, dashcams, and other safety tech
- Limit employees' personal use of company vehicles

Insurers are still struggling to keep up with auto losses

The combined ratio for commercial auto, a key measure of profitability, has consistently exceeded 100% (higher = worse)



Source: S&P Global. Combined Ratio = (Losses + Claims Adjustment Expenses + Underwriting Expenses) / Premiums.

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Social inflation is straining casualty lines, especially Excess / Umbrella

Social inflation—the increasing tendency to litigate claims and plaintiffs' corresponding success in winning large verdicts—is driving modest but consistent rate increases on general liability coverage, with more volatile impact on excess / umbrella lines.

Higher risk classes of business

Large verdicts and settlements have the largest impact on excess / umbrella layers. Mid-high single digit rate increases are typical but there is significant variation based on class of business, amount of coverage, and loss history. Accounts with consumer product exposure, construction risks, and larger vehicle fleets are most exposed.

Take a close look at your contracts

Indemnification and risk transfer are common provisions in many contracts - work with your broker and attorneys to ensure you're transferring risk where you can and only assuming liability when you must.

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Workers' Compensation is a bright spot

Competitive Market

Workers' comp has been the softest area of the insurance market for years, delivering strong profitability for carriers and stable rates for most insureds.

Can Support Other Lines

For accounts in the standard market with multi-line carriers, workers' comp premium can often support better terms on other lines (e.g., Property and Auto)

X-Factor: Macro Environment

Employment uncertainty is historically correlated with increases in workers' comp claims. If layoffs or job stagnation materialize, workers' comp rates may be affected.

The Cyber and Tech insurance markets are healthy

Businesses with strong controls are afforded healthy coverage and rates are stable.

Social Engineering & Fraud

Bad actors increasingly use AI to craft authentic-looking communications, making social engineering and funds transfer fraud a persistent threat. Regulatory complaints related to these incidents continue to rise, highlighting the growing sophistication of attackers.

Ransomware Dominates Claims

Ransomware remains a primary concern, driving the largest cyber insurance claims. While a declining percentage of overall breaches, its impact is severe, with median ransom payments increasing. Robust defense mechanisms are critical.

Market Responds to Controls

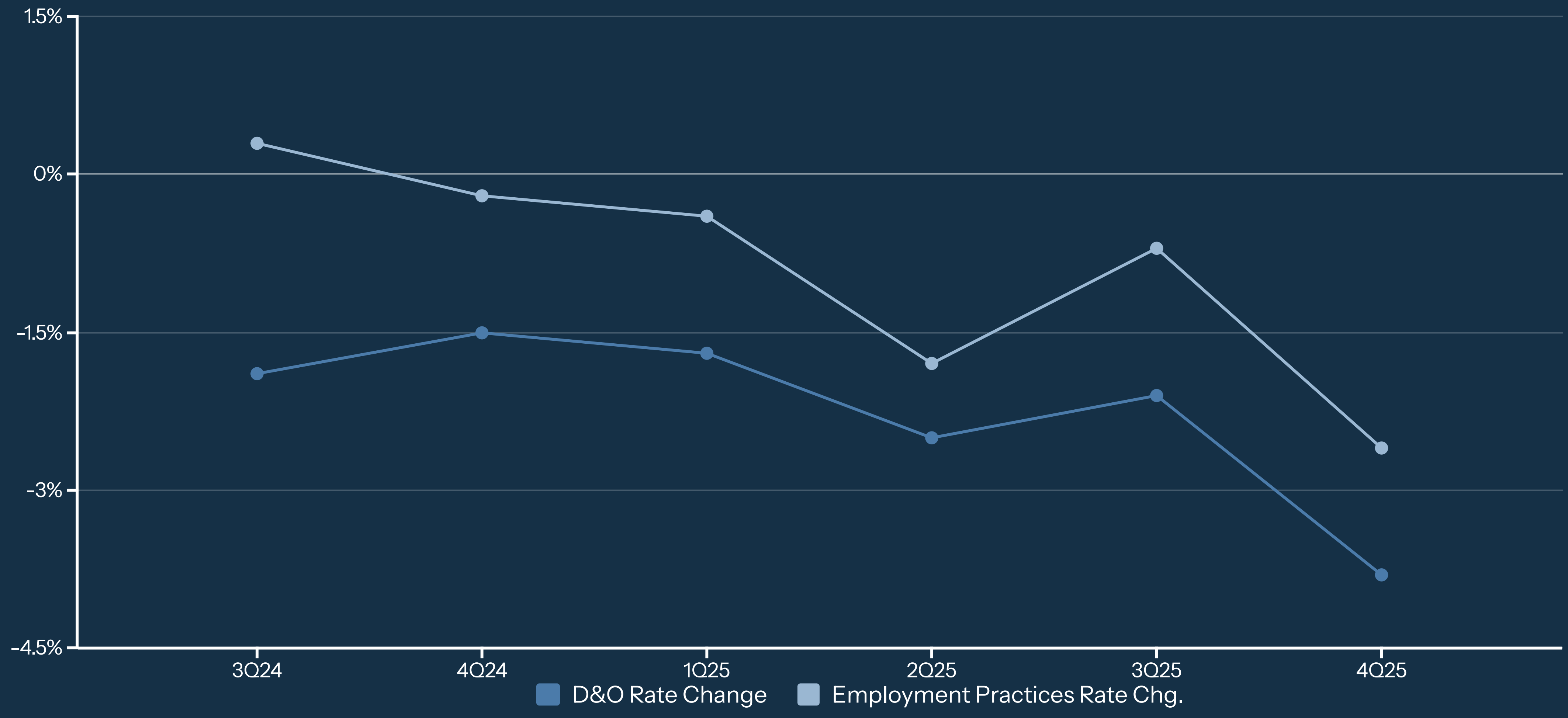
For businesses with effective controls like MFA, EDR/XDR, and strong funds transfer protocols, comprehensive coverage is available at competitive prices. Insurers reward proactive risk management.

Emerging AI-Specific Risks

As AI adoption grows, so does the complexity of associated cyber risks. Coverage for AI-specific exposures, including data bias, algorithmic failures, and misuse, is an emerging area of focus for both insureds and carriers.

Soft conditions continue in Management Liability

- Most clients seeing flat or slightly improved rates over the last year; carriers are competing for business
- Exceptions for companies with debt maturities approaching, changes in financial condition, or significant layoffs



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A well organized renewal process drives results

1

Prepare exposure info and business updates

- Be ready at least 60+ days ahead of renewal to allow time to approach markets strategically
- Thorough submissions are the most effective - keep your broker informed about what's happening in your business

2

Highlight risk improvements

- Document any improvements in process, controls, or physical plant since your last renewal
- Ensure you've provided written responses to any outstanding loss control recommendations
- Note actions taken in response to any recent claims

3

Approach the market with discipline

- Work with RBN to develop a marketing strategy that optimizes carrier interest in your account to get the best results
- In the long run, insurers reward multi-year relationships vs. perennial shopping for the best deal - but need to hold carriers accountable for competitive terms