

Sustainability

Mutual Vision

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Our Vision:

Safety and Sustainability - commitment to safety of life at sea and the preservation of the environment

Sustainability

Written by

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Sustainability has underpinned the Club's activities since it began providing P&I insurance to its Members in 1909. Steamship Mutual's Vision is to be the shipping industry's most trusted and valued P&I Club, providing a comprehensive high-quality P&I service backed by sound underwriting and strong reserves. Steamship Mutual and its Managers aim to fulfil the Club's primary insurance function in an environmentally and socially responsible manner.

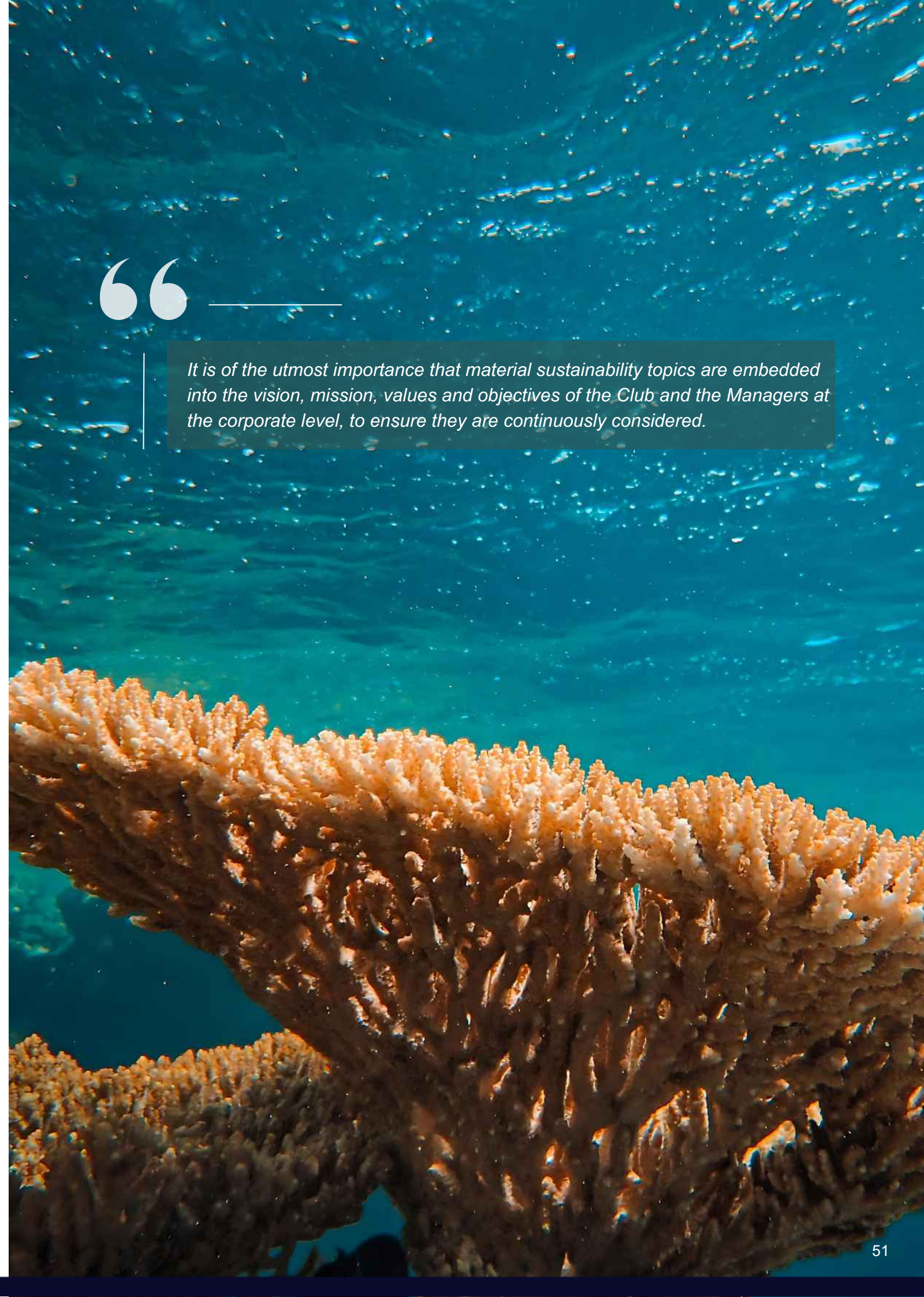
Since our first report in 2022, we have made progress on our focus and work in the sphere of Environmental Social Governance (ESG). As sustainability is integral to our strategy, we decided to include this update within the Management Highlights which already address a number of material topics related to sustainability. The key statistics and financial highlights show at a glance where we are as an organisation, and statements from our Board Chairs and CEO give insight into our thought leadership and direction. It is of the utmost importance that material sustainability topics are embedded into the vision, mission, values and objectives of the Club and the Managers at the corporate level, to ensure they are continuously considered.

Steamship Mutual recognises the relevance of seven out of the 17 UN Sustainable Development Goals as most pertinent to its business activities. How the Sustainable Development Goals apply to our activities can be seen in the following sections.



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Biodiversity, Marine Life, and Coastal Areas

Overarching goal: Promote the safety of life at sea and minimise ship-source damage to the environment, marine life and coastal areas

The Club's vessel condition survey programme makes an important contribution to the objectives of promoting safety of life at sea and preserving the marine environment through quality management of the Club's entered tonnage, thereby minimising the risk of accidents.

Total number of condition surveys undertaken 2021-2023



The Loss Prevention Report on page 71, details more of the recent work undertaken by our Loss Prevention team to meet the Club's sustainability goals.

Political Engagement and Partnerships

Overarching goal: Ensure the sustainability of the Club's insurance and claims handling response. To share knowledge and expertise to promote health, well-being and safety of life at sea

The Managers promote and enforce laws and policies for sustainable development and, with the International Group, support fair and transparent frameworks for liability and compensation.

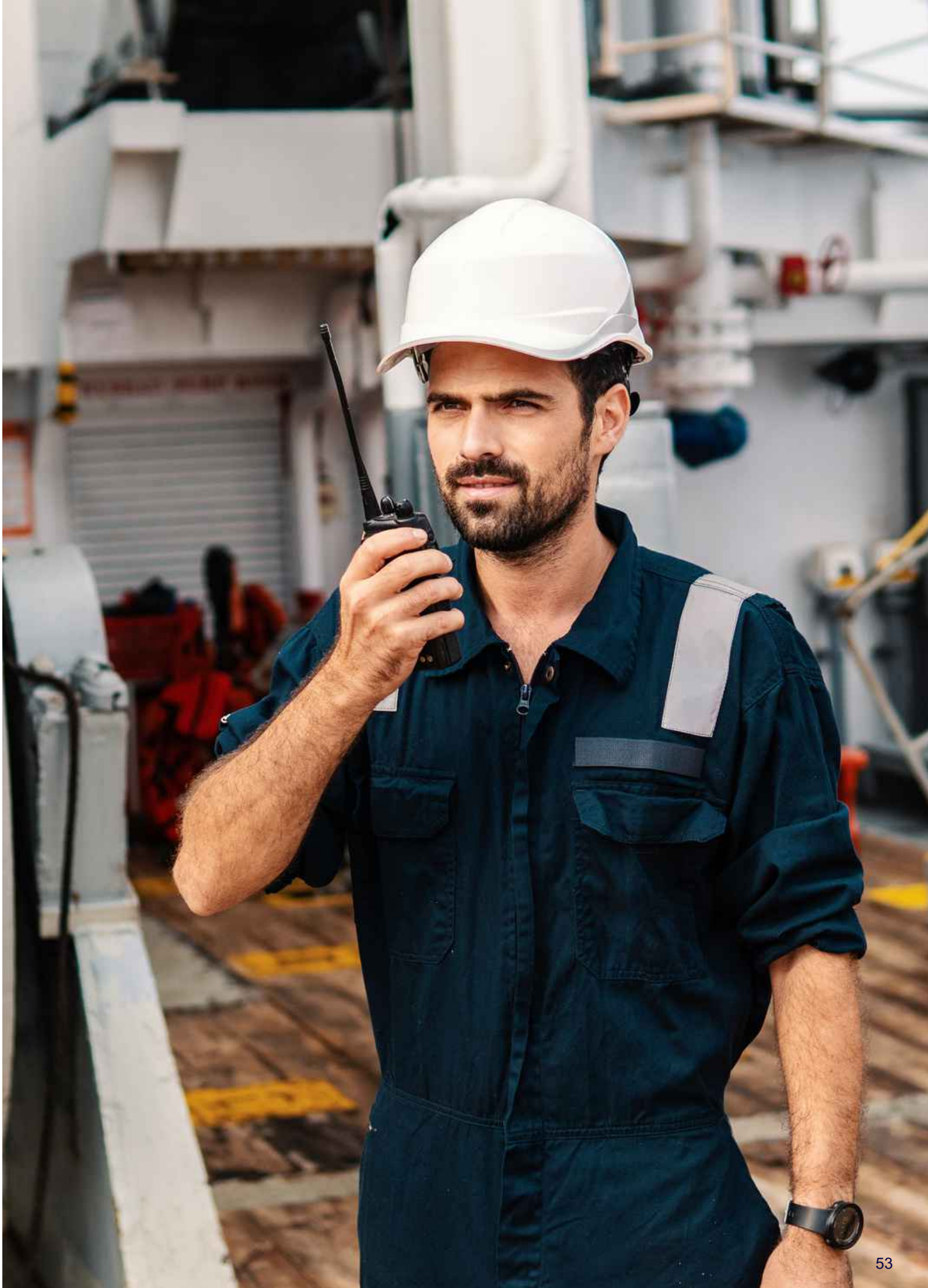
The Managers of the Club established the Ship Safety Trust (SST) over thirty years ago to support its loss prevention projects, and initiatives that serve to improve safety of life at sea and education. Through funding provided by the SST the Club supports the training of officer cadets through schemes operated by the Vasant Sheth Foundation in India, the Maritime London Officer Cadet Scholarship and, more recently since 2023, the Cyprus Maritime Academy.



Our Cyprus Maritime Academy Cadet, Dimitris Savva with Elpida Kalathia



Our Maritime London Officer Cadet, Ellen Carter with John Taylor



Strategic Partnerships

In 2024 Steamship Mutual became a Member of the Maritime Anti-Corruption Network (MACN). MACN is a global business network working toward the vision of a maritime industry that is free of corruption and that enables fair trade to the benefit of society at large. Established in 2011, it now has over 200 members.

In 2024 Steamship Mutual became an Associate Member of InterManager. This is an association of ship and crew managers involved in managing more than 5,000 ships and responsible for over 250,000 seafarers. Its mission is to encourage the highest standards of ship operations, to advocate efficiency, quality and ethics in ship management and promote a career of seafaring.

Volunteering

From 2024 all global offices will be encouraged and supported to engage as a group in a local community project each year, enabling the Managers and all employees to give back to the communities in which we operate. All employees are invited to submit proposals for charities and events which might be supported.

The Managers also launched a Volunteering Day. All employees are offered one day of paid leave per annum to participate in volunteering activities of their choice.

Well-being and Development of Employees

Overarching goal: Promote health, well-being and development of employees through fair working conditions with access to employee benefits and development opportunities.

Over the last year, we took steps to further develop our onboarding programme for new joiners, implemented an enhanced recruitment process and revised our appraisal process. We also looked to revamp various HR policies.

In September 2023, we launched a Diversity and Inclusion Group. 'D&I in the P&I' is committed to celebrating and promoting diversity, equity and inclusion in all aspects of the Club and the Managers' activities. We believe that by fostering a diverse and inclusive environment, we can create a stronger, more vibrant workplace.

The Managers wish to support employees achieving a healthy lifestyle. We therefore offer all employees a well-being subsidy that can be used towards any well-being activity or product.

We will support employees who choose to disclose that they are experiencing the menopause. Support will include the consideration of reasonable adjustments to help reduce the potential impact menopausal symptoms can have on employees while they are at work.



Above left: Steamship Mutual beach cleaning for CYMEPA (Cyprus Marine Environment Protection Association) on the occasion of World Maritime Day.

Above middle, right: Steamship Mutual competing in the yacht race during Posidonia week.

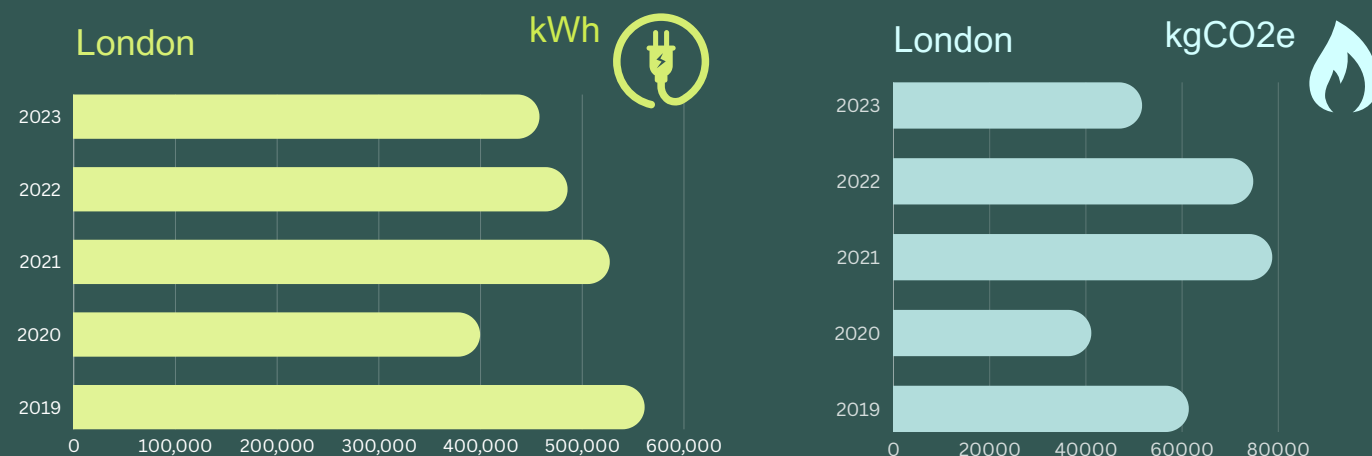


Left: Rachel Morgan-Trimmer leads a discussion about Autism Awareness and Neurodiversity for the Club's employees, hosted by the Club's D&I Group.

Below: Pauline Miller talking to employees at the launch of our D&I Group for Black History Month



Above: Employees shared Indian food and spoke about Diwali



Resource Management and Emissions

Overarching goal: strive for continuous improvement in operational efficiency whilst reducing reliance on resources and carbon footprint

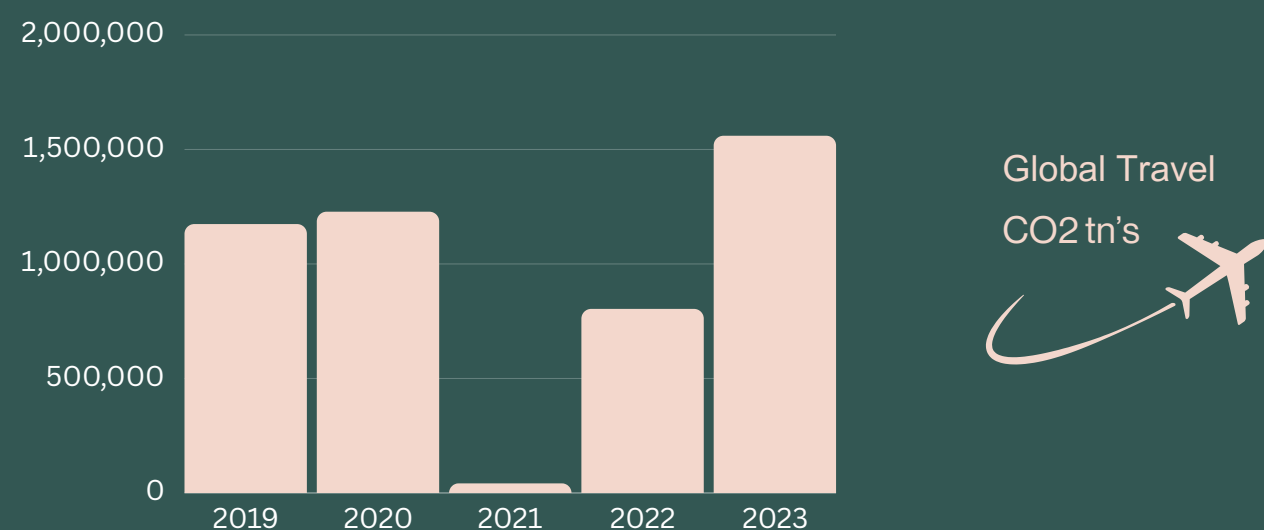
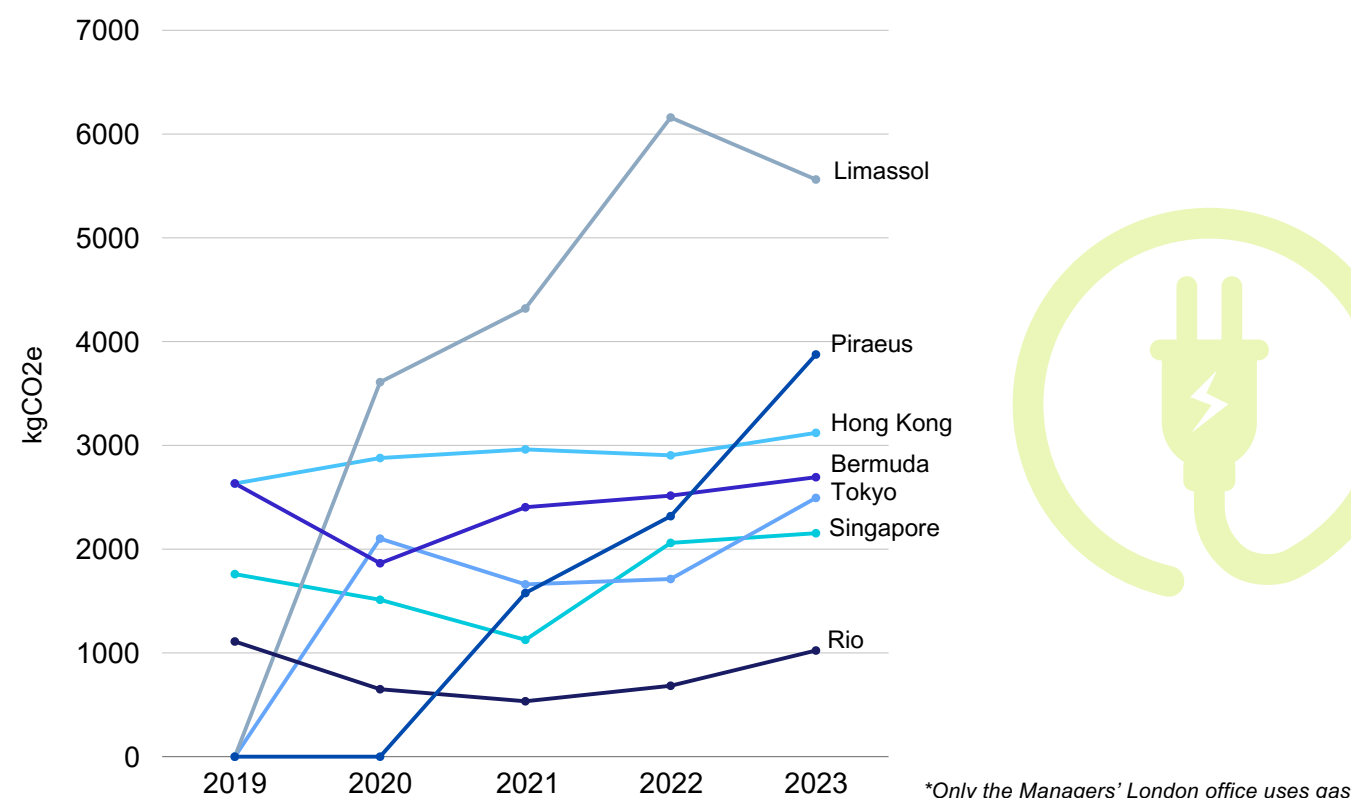
We have included charts depicting our emissions (kgCO2e) from all global offices. These clearly show the effect COVID restrictions have had on emissions over recent years. Where we show an increase in emissions, this reflects growth within that location. All electricity used in London is derived from renewable sources, and the reduced consumption (therefore shown in kWh) is thanks to the implementation of additional operational efficiencies.

Currently, our Scope 3 reporting includes both business travel and employee commuting, however, we are working towards including more categories as well as enhancing all our reporting going forward.

In 2024, the London operations will move to a new leased office at 155 Bishopsgate. The sustainability credentials of 155 Bishopsgate and the landlord's sustainability strategy were important considerations in the selection criteria for the premises.

The landlord, British Land, has objectives and a proven track record for delivering on emissions reduction targets. It has a clear policy to achieve net zero carbon emissions across its property portfolio by 2030. This will be achieved through reducing both embodied and operational carbon emissions and identifying certified schemes to off-set residual emissions. Read the [British Land 2030 Sustainability Strategy](#).

In March 2024 the Hong Kong office also moved to an equivalent BREEAM "Excellent" building.



Risk Management

Overarching goal: Ensure strength and stability of business through risk management

The Club Boards of Directors oversee the Club's ESG responsibilities, ensuring that sustainability is a key topic of discussion at Board meetings.

The Managers' Climate Change and Sustainability Working Group, chaired by the ESG Director, meets on a regular basis. The Group is tasked with the development and implementation of sustainability strategy at Steamship Mutual, reporting to the Risk Management Operations Committee, whose discussions are reported to the Audit and Risk Committee.

The objective of the Club's risk management function is to identify, measure, monitor, manage and report on a continuous basis the risks, at an individual and at an aggregated level, to which the Club is or could be exposed and the interdependencies between those risks. This applies as much to ESG risks as to other risk categories.

The ESG aspects of risk have been an integral part of the Risk Register since early 2021 and were formalised into a Risk Cause Dashboard later in the same year. In line with Steamship Mutual's review cycle this Dashboard has subsequently been reviewed at least annually. The ESG Risk Dashboard currently cuts across three risks: Strategy Risks, Underwriting Risks, and Finance Risks. The Club's Risk Committee acknowledges that the dashboard may develop further to incorporate other risks over time. In common with recent years, Steamship Mutual plans to conduct stress testing on ESG-related topics as part of its annual Solvency Self-Assessment (ORSA/GSSA) process in the course of 2024.

Across 2023 and 2024, the Compliance function conducted two reviews on sustainability. The first review focused on the legal and regulatory aspects relevant to the Club's entities across the globe, culminating in an ESG tracker. The second review aimed to benchmark Steamship Mutual's sustainability reporting against peers in the market. Both reviews will help inform sustainability reporting going forward, whilst keeping abreast of the requirements across the jurisdictions within which we operate.

ESG Support Hub

Decarbonisation is the single biggest challenge facing the shipping industry today. Last year, Member States of the IMO adopted the 2023 IMO Strategy on Reduction of GHG emissions from ships. States agreed an ambition to reach net zero GHG emissions from international shipping close to 2050, targeting at least a 20% reduction by 2023 and 70% by 2040 compared to 2008 levels. This compares to the previous strategy of a 50% reduction in emissions by 2050. Whilst fully recognising the importance of decarbonisation, this nevertheless presents challenges for individual ship owners and the industry as a whole.

In 2023, we launched the ESG Support Hub. The Hub comprises a core group of individuals from across the business who focus on developing their knowledge in areas such as new fuels and technologies and regulatory developments including EEXI, CII, EU ETS and Maritime Fuel EU. The Hub helps to enhance the service we can provide to the Club's Members, and helps support the Members' own sustainability goals.



Compliance and Ethics

Overarching goal: Base business practice on ethical principles and comply with all statutory requirements

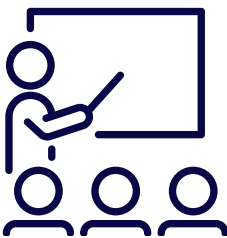
Steamship Mutual’s values include Integrity which we define as upholding high ethical, legal and regulatory standards. This applies to internal and external relationships. We have continued to adapt our policies and controls as risks have changed and emerged. In particular, ensuring compliance with sanctions continues to be a high priority, and significant bespoke training has been provided to employees in order to educate them in respect of sanctions risks and the policies and procedures which are in place. There will be training for all employees on avoiding different types of financial crime in 2024.

The Managers are committed to information security, and it is a fundamental expectation of employees, Members, and other Steamship Mutual counterparties. The Club Board approves the information security strategy and policy, and receives regular updates from the Chief Information Security Officer (CISO). The CISO and the Data Protection Officer (DPO) are both members of the IT Steering Committee, which provides governance for information security by providing overall direction and control of its activities. This body considers the cyber risks to the Managers’ operations and takes action to minimise the likelihood of successful attacks and their impact. A framework of policies, standards, and procedures, supported by other best practice security controls, is in place to minimise the risk to the confidentiality, integrity and availability of the information held by the Managers.

All employees undergo annual cybersecurity awareness training and quarterly phishing simulation exercises.

Substantial measures, both technical and cultural, have been taken to protect personal data. The DPO reports directly to the Club Boards at least annually on matters such as data incidents, training, and security measures.

Key performance indicators relating to the protection of IT systems and key risk indicators concerning the number of incidents and other related matters are monitored. The Managers aim to have no data breaches.



100%
of employees
completed Infosec
training



zero security
incidents



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