
February Board Meeting Report

February 2022

Dear Member,

At the Board meeting, held virtually on 8 February, the following developments were reported in respect of the Steamship Mutual group companies.

Highlights

- Claims relating to Covid in the 2021/22 policy year continue to be reported but remain lower in severity than in the previous year.
- Pool claims reported in the first six months of this policy year were the highest on record.
- The Club's financial year combined ratio will be over 100%.
- Despite volatility in investment markets, returns are expected to be positive at year end, albeit below projections.
- Entered owned gross tonnage has increased by 9.2% in the year to date.

Impact of Covid-19

As previously reported, projections for the 2020/21 and 2021/22 policy years include provision for the impact of Covid upon claims and premiums. In the 2021/22 year Covid claims have been in line with expectations.

Underwriting Results

2021/22 Policy Year

At nine months the Club's own incurred claims, excluding Covid-19 liabilities, are higher than at the same point last year consistent with the Club's growth in tonnage.

Despite an improved claims experience since 20 August 2021 Pool claims remain in excess of initial projections, at levels similar to the preceding 2020/2021 policy year.

2020/21 and prior years

As has been reported previously the overall development of the Club's own prior year claims has been less favourable than projections.

Investments

In the eleven months ending January 2022 the Club's investments recorded gains of \$7.3m.

Renewal 2021/22

At the Board meeting in October 2021, it was decided that there should be a general increase of 12.5% in premium ratings. The Directors received a report on renewal progress and thanked the Members for their support.

Reinsurance

Changes in the cost of the International Group Excess of Loss reinsurance contract and the Hydra reinsurance programme for 2022/23 were reported in the Club's December Circular [L.384](#).

Tonnage

The Club's combined owned entry is 105m GT at 20 January 2021 with an owned and chartered entry of 180m GT.

Club Circular: L.387

Yours faithfully,

**STEAMSHIP MUTUAL
UNDERWRITING ASSOCIATION LIMITED**