Circular

The NorthStandard Directors met on Thursday, 22 May 2025, to approve NorthStandard's financial statements for the financial year ended 20 February 2025

29 May 2025

Circular Ref: 2025/014

NorthStandard

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29 MAY 2025
CIRCULATED TO ALL MEMBERS, BROKERS, AND DIRECTORS

NorthStandard's 2025 Annual Review reports a steady performance, highlighting the benefits of scale and diversification in an unsettling P&I year, with escalating geopolitical instability and serious maritime incidents bringing the "first test" in our second full year of operation.

Continuing our successful growth strategy, NorthStandard's poolable mutual tonnage increased to just under 270M GT as at 20 February 2025, up from 260M GT a year earlier. However, following a benign claims period in 2022/23 and 2023/24, claims trends have returned to a more familiar pattern.

Last year, 15 claims were referred to the International Group of P&I Clubs pool at the 12-month point, including one claim of historic proportions, and a further five have been declared since then. Five of these claims involved NorthStandard, and this was reflected in our 114% combined ratio, compared to 93% in 2024.

NorthStandard's robust foundations were evident from the moderate impact the result had on free reserves, which decreased to US$800m from US$803m in 2024, but remained ahead of 2023's US$686m. The solid performance benefited from a 5.9% return on investments, up from 4.9% in 2024. Earlier this month, S&P Global reaffirmed NorthStandard's 'A' stable rating, with 'AAA' capital strength. Annual premium income reached US$886m.

Offshore & Renewables premiums grew 10% during the year, which also saw NorthStandard establish a new strategic partnership with NIORD. The club also offered combined hull and liability cover for smaller vessels for the first time via its Sunderland Marine and Coastal & Inland brands.

Global tensions have continued to drive growth in our Hull & War activities, while Strike & Delay welcomed 12 new members. We are well-positioned to help members navigate risk volatility and continue to engage actively with authorities on sanctions on behalf of our members.

Marine insurers are playing a leading role in identifying and assessing the liability and regulatory frameworks for low-carbon fuels. NorthStandard contributed to a recent review on the topic by the International Group, which informed the International Maritime Organisation's work on liability and compensation regimes for alternative fuels.

Given the scale and variety of the challenges facing global shipping today, NorthStandard continues to respond by investing in P&I excellence and our people, in scale and diversification, and our digital services portfolio.

The Annual Review 2025 is available to view and download from the NorthStandard website here. The combined financial statements, together with the Directors' Report and Financial Statements, will be published in due course.

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The Directors also reviewed the Release Calls for the P&I, FD&D/Defence, War Risks, Coastal & Inland and Strike & Delay Classes, which are detailed in the Appendix.

APPENDIX: CLASS UPDATES

NorthStandard Group Boards have agreed to:

- Close the 2022/23 policy year for the P&I, FD&D/Defence, War Risks and C&I classes without an additional call above ETP.
- Set the release call for 2025/26 at 12.5% (for the P&I and FD&D/Defence Classes).
- Set the 2023/24 release call at 0% and the 2024/25 release call at 5% (for the P&I and FD&D/Defence Classes).
- Maintain release calls for all open years for the Coastal & Inland and War Risks Classes at 0%.
- Close the Strike & Delay Class 2023/24 policy year without an additional call above ETP.
- Set the Strike & Delay Class release calls at 5% for 2024/25 and 10% 2025/26.

Summary Release Calls for the P&I, FD&D/Defence, War Risks, Coastal & Inland and Strike & Delay Classes

Policy Year	P&I Class	FD&D/ Defence Class	War Risks	Coastal & Inland	Strike & Delay
2025/26	12.5%	12.5%	0%	0%	10%
2024/25	5%	5%	0%	0%	5%
2023/24	0%	0%	0%	0%	n/a

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Managing Director
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