



AMERICAN P&I CLUB
SUSTAINABILITY REPORT 2021



Who We Are

American Steamship Owners Mutual Protection and Indemnity Association, Inc. (“Association” or “American Club”) was established in New York in 1917. It is the only mutual Protection and Indemnity Club domiciled in the Americas and is regulated by the New York State Department of Financial Services. The Business of the Association is conducted by the Board of Directors, elected by the members. Under the By-laws, the Board appoints a Manager, which, under the direction of the Board, conducts the day-to-day affairs of the Association. In this respect, the American Club is managed by Shipowners Claims Bureau, Inc., based in New York, supported by offices in Houston, London, Piraeus, Hong Kong, Limassol and Shanghai. The American Club is a member of the International Group of P&I Clubs (the “Group”).

Protection and Indemnity insurance (commonly referred to as “P&I”) provides cover to shipowners and charterers against third-party liabilities encountered in their commercial operations. Responsibility for damage to cargo, for pollution, for the death, injury or illness of passengers or crew and for damage to docks and other installations, are examples of typical exposures.

Sustainability principles connected to Environmental, Social, and Governance parameters have always been strategically embedded in the core purpose and processes of the American Club as a mutual not-for-profit marine insurer, as well as in all its management operational, departmental procedures. This is enhanced by the role the Club plays within the International Group framework.

This report illustrates and evidences how the Club, at its operational level, at its service level, as well as within the International Group, integrates these principles into strategy, function, and purpose, while also discloses globally accepted measurements relating to specific United Nations Sustainable Development Goals.

COVID-19

From an internal operational perspective, the Manager's strategy is to ensure operational efficiencies, including those related to energy conservation and waste management, transparency, quality control and best practices in policies, and most importantly, that all staff are well, vested, and feel connected, as the organization evolves as an entity, as a business, and as a team across the globe. This strategy towards these goals incorporates all three pillars of environmental, social, and governance considerations.

COVID-19 forced changes in the way business is conducted. In line with the strategy, the Managers launched an initiative, through an independent consultant, inviting the feedback of all employees through interactive web based virtual departmental sessions, to gauge the pros, cons, obstacles, and opportunities with a view to enhance its business practice, quality of employment, and overall operational objectives.

In addition, as the pandemic required the immediate transition to an entirely remote work environment, the need to ensure continued quality controls in this new environment became even more critical. In line with the high expectations and standards set by the Board of Directors, the Managers formalized a top tier Management Governance Committee which is comprised of the CEO, COO, CFO, CCO, CLO, and CUO that convenes regularly and reviews company and Association processes and strategies. Just prior to the outbreak of the pandemic, the Managers recruited a new Chief Legal and Compliance Officer who enhanced the compliance function and oversees all aspects of governance across all departments and offices.

Upon the COVID-19 pandemic outbreak, the Managers implemented systematic departmental, office, and cross functional virtual meetings to ensure the continuation of smooth operations and the wellbeing and oversight of staff across the globe. Global "Town Hall" meetings brought staff together across all time zones to interact with Senior Management and to raise any issues of concern, ensuring that best practice for occupational health continued to be adhered to.

Chairman of the Manager's Message



The drive to establish and maintain sustainable practices in every sphere of human endeavor has gained irresistible momentum over recent years. This is entirely as it should be and has relevance to the insurance sector as explicitly recognized by the United Nations through the adoption, under the UNEP FI banner, of its Principles of Sustainable Insurance (PSI).

[UNEPFI-PSI](#) is a United Nations Initiative calling for insurance companies to actively incorporate four distinct principles into their operations and business strategy, namely: (1) embedding ESG issues into decision making that are relevant to the insurance business; (2) working with clients and partners to raise awareness of these issues, manage risk and develop solutions; (3) work with governments, regulators and other stakeholders to promote widespread action; and (4) demonstrate accountability and transparency through disclosure of progress.

The availability of insurance has long been a component of sustainability for business and society at large through its capacity to remedy both financial and physical loss when the unexpected occurs, and thus sustain those who might otherwise suffer unendurable consequences. This has long been the case within the marine insurance domain and the strength of the Group, of which the American Club is a proud member, has taken an increasingly large role over the years in underpinning, through its unparalleled reach and financial strength, global initiatives to make whole the victims of accidents at sea, particularly those affecting the maritime environment and the interests of seafarers.

In the current era, the scope of sustainability has expanded to embrace a much broader range of imperatives, as the UN's PSI recognize, and as has been articulated through the calibration of best practices by reference to environmental, social and governance standards, commonly referred to as ESG. These standards have become the touchstone for measuring commitments to sustainability across a widening spectrum of business activity and will inexorably grow in importance over the years ahead.

The American Club and its Managers, as will be clear from the remainder of this document, are committed to the implementation of ESG standards in all that they do and will continue to maintain policies which have at their core the four key principles of the UN's PSI. This will be an unrelenting focus over the years ahead, in fulfillment of the Club's and its Managers' mission to serve their many constituencies in the shipping industry, as well as their overarching obligations to ensure sustainability for the benefit of society at large.

Our Seafarers

Our Utmost Priority

The well-being, competency, and training of seafarers is critical to safe operations at sea and a key component to global trade. As such, the Club has held the training and health of seafarers as the highest priority of its loss prevention efforts and activities.



Within this context, and considering the hardships encountered by crews trapped on vessels as a result of the pandemic, the Club's loss prevention department, through the offices worldwide, focused on programs, instructive videos, and other social media to reach out to seafarers with an aim to bolster their morale and psyche. The claims team worked diligently with members to facilitate handling of matters relating to repatriation of stranded, as well as ill or injured seafarers during periods of extreme obstacles in movement through ports and across borders.

The Club provides support for the well-being of seafarers through its broad array of loss prevention initiatives as well as through its comprehensive cover, including physical, mental, and in particular, monetary support, in the case of abandonment, through its commitment to the Maritime Labor Convention. Through this commitment, seafarers are guaranteed support for wages as well as passage home in the event of bankruptcy and abandonment.

The Board and Managers were very distraught with the plight of seafarers during the height of the pandemic, and authorized the production of a video entitled "[Weathering the Storm](#)" which salutes the service of seafarers in turbulent times as they sought to protect themselves in their vital work, at sea and in port, against the ravages of COVID-19.

International Group P&I Clubs

The American Club is a member of the International Group (the "Group") of P&I Clubs. The thirteen P&I Clubs which comprise the Group provide marine liability cover (protection and indemnity) for approximately 90% of the world's ocean-going tonnage.

IGP&I

Through the unique Group structure, the member Clubs, whilst individually competitive, share

between them their large loss exposures, and share their respective knowledge and expertise on matters relating to shipowners' liabilities and the insurance and reinsurance of such liabilities.

The American Club has been a signatory to the Pooling Agreement and a full member of the Group since February 20, 1998. This lends very significant strength to the Club and security to its members. The administration of the Group's affairs is managed by a Secretariat based in London. Full details of the Group's activities can be found on the website at www.igpandi.org.

The Club, at its own operational level but also as a member of the Group, is in the process of creating greater industry awareness as to how Environmental, Social, and Governance (ESG) principles are integrated into strategy, function, and purpose.

The following are examples of the most significant functions of the Group incorporating environmental, social, and governance principles:

- Being a leading and informed industry voice. This means taking an active role in collaboration towards sustainable environment, communities, and regulation.
- The Pooling participation. This ensures the highest cover and better response to third party claimants against members, facilitates trade, protects the environment, and compensates at sustainable levels while ensuring compliance with international convention.
- The enhanced ship safety, loss prevention and casualty response function. This protects the environment by ensuring high standards of ships, training of seafarers and shore personnel, compliance with regulation and mitigates damage. It requires accountability and reliability.

Strategy

The American Club, through its Board of Directors and its Managers, incorporates ESG principles into strategy and decision making, thereby promoting sustainable marine insurance business practices that contribute tangible value to the maritime industry as a whole. Strategy has been established at the Board and executive management levels to identify and assess risks and opportunities.

From an operational and business perspective, the American Club's mission is to provide its members with a broad and financially secure range of P&I, Freight, Demurrage and Defense (FD&D), and related insurance services, which most effectively meet the demands of the day-to-day business and which are delivered in an attentive, efficient, courteous, and focused manner.

Our Strategy

The American Club seeks to:

Foster the development of a broadly based, diverse, and high-quality membership by reference to vessel- type, trade, and domicile of management.

Provide insurance services tailored to individual members' needs at a cost which is competitive yet reflects a responsible approach to the financial well-being of the Club in general.

Apply best industry practices in loss prevention and risk management.

Handle claims in a thorough but practical manner aimed at minimizing exposure both to individual members and to the Club as a whole.

Ensure that the financial transactions of members and others who deal with the Club are accomplished with efficiency, accuracy, and fairness.

Develop & maintain cordial and constructive relationships with regulators, the Club's International Group co-venturers, the broking community, reinsurers, the Club's correspondents and other service providers, rating agencies, and all its other business associates and counterparties.

Exhibit in the conduct of its corporate governance exemplary standards of transparency, being alert to the needs of, and accountable to, Club members at large.

Within this context, ultimately, the purpose of the Club is to provide the highest support for its shipowner membership, both in terms of expertise and loss prevention guidance as well as financial assurance and indemnity, at the most efficient cost, within a framework which facilitates trade, ensures protection for oceans, security for ports, and peace of mind to potentially affected third parties around the world. This mechanism not only fosters sustainable maritime trade, but facilitates protection of the environment, societies, and communities on a global level.

Reporting on Sustainable Development Goals

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which provide guidance for action by all countries - developed and developing - in a global partnership.

They recognize that certain goals related to ESG principles go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth. The SDGs lay out a clear vision for a sustainable future, representing an opportunity to shape a new era for responsible business.

The American Club incorporates sustainability principles into its day-to-day business and overall strategy through internal and external (service) operations and this report reflects specific examples, categorized by each heading of ESG in particular.

The United Nations Global Compact is the world's largest corporate sustainability initiative which introduced the SDG Action Manager to provide businesses with the ability to manage and improve sustainable performance.

SUSTAINABLE DEVELOPMENT GOALS



The Ten Principles of the United Nations Global Compact

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

United Nations Global Compact SDG Action Manager

The SDG Action Manager is a web-based impact management solution to enable businesses to take action on the SDGs through 2030. The SDG Action Manager brings together the Ten Principles of the UN Global Compact, and the Sustainable Development Goals, to enable meaningful business action through dynamic self-assessment, benchmarking, and improvement. It is informed by the work and feedback of a range of stakeholders, including experts in corporate sustainability, civil society, UN, and academia; and it is inspired by the Certified B Corp community and participating companies of the UN Global Compact.

In an effort to increase transparency and develop a framework for reporting, the **United Nations Global Compact SDG Action Manager** was utilized for this inaugural report with an aim to track progress.

The following results for 2021 are herewith highlighted:

- SDG 3 - Good Health and Well Being – 49.5%
- SDG 4 - Quality Education – 76.5%
- SDG 5 – Gender Equality – 79.8%
- SDG 8 - Decent Work and Economic Growth – 71%
- SDG 12 – Responsible Consumption and Production – 74.1%
- SDG 13 – Climate Action – 56%
- SDG 14 - Life Below Water – 54.7%
- SDG 16 - Peace Justice and Strong Institutions – 78.1%
- SDG 17 – Partnerships for the Goals – 100%

The Environment

Protection of the environment is entrenched in the culture and purpose of P&I Clubs as a whole, and this is re-enforced through warranties of regulatory compliance in the Rules and written underwriting procedures which dictate the parameters of the Club's risk appetite. The Loss Prevention & Survey Compliance department focuses ensuring on high ship standards as well as best practices and this, in conjunction with the underwriting guidelines, raises the quality of insured ships. Higher standards promote lower risk for maritime accidents, which translate to safer and healthier oceans and shores. The Club is also called to issue "Blue Cards" for entered vessels that demonstrate a direct assurance of financial security and responsibility to stakeholders for liabilities relating to the environment such as oil pollution and wreck removal.

Uniquely, the Club rules are drafted in a way that allows cover to evolve and meet the changing regulatory requirements related to protection of the environment. Through the parameters of the Club Rules, best practices are encouraged thereby reducing liabilities across the maritime industry. Furthermore, the mutual nature, in conjunction with the reinsurance structure of the Association, and participation in the pooling mechanism of the Group, provides the highest possible level of security to all stakeholders in the maritime sector, ensuring that when major casualties and maritime accidents impact the environment, they will be dealt with immediately, efficiently, and equitably.

As P&I insurance is required for vessels to trade, this helps ensure that ships conduct global trade safely, thereby preventing and mitigating loss, keeping the oceans, ports and people safe. The Club, through improvement of its own fleet, improves the global fleet which improves performance, reduces liabilities, and ensures sustainability of the industry and of the Club itself.

Loss Prevention and the Environment

Through the extensive array of loss prevention awareness activities including in depth guidance initiatives on ship operations, liabilities, and evolving regulation, the Club facilitates compliance with conventions aimed at protecting the environment.

We produced and offer:

- E-Learning tools - focused on safety and environmental protection training both relating to skills, as well as regulatory knowledge for seafarers and shore personnel of members. While the latest module is focused upon training for chemical tankers, web-based modules include a comprehensive series specifically dealing with the six annexes of the MARPOL Convention and the US Environmental Protection Agency's Vessel General Permit.

- Bunker Fuels Compendium - encompassing IMO emissions goals, while dealing with the greater ever existing legal, practical, and operational challenges of management and consumption of fuels, including animations highlighting bunkering best practices.
- Systematic seminars for the membership and the greater industry stakeholders on all issues relating to maritime loss prevention.

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Ensure sustainable consumption and production patterns

The Club's Managers have adopted a formal Waste Management and Recycling Policy.

Our waste management declaration:

we Reduce,

we Reuse,

we Recycle.

- We reduce waste and garbage produced by staff.
- We reuse materials as much as possible.
- We recycle as much waste and old equipment as possible to create new usable products.
- We encourage our staff to get involved in recycling initiatives.
- We avoid single-use drink and food containers for staff and guests.
- We avoid one-use plastic bottles and opt for water coolers, tap water filters or refillable glass bottles in the office.
- We use both sides of the paper when printing, copying, and writing.
- We reuse one-sided misprints for scratch paper.
- We use emails instead of paper memos.

- We encourage sharing documents via email and shared drive folders instead of printing.
- We have specially and clearly marked bins and containers for waste (things that cannot be recycled), paper (container under each office desk), and recyclable materials (such as paper and plastic).
- We recycle all technical equipment no longer viable for use.
- We follow local waste management regulations and policies.

Conserving energy and water consumption as well as waste management and recycling in all offices, in full compliance with regulatory standards in each city and country where the Club’s Managers have a presence.

Regional offices take part in local industry initiatives aimed at preservation of the environment such as beach cleaning initiatives in cooperation with other regional industry bodies and organizations.

In 2020, the North American Marine Environment Protection Association (NAMEPA) awarded the American Club and Shipowners Claims Bureau, Inc. its “Maritime Sustainability Passport” (MSP) Certificate and Seal. The MSP is awarded to companies, organizations and individuals who meet the requirements of the program which encompasses the three pillars of CSR/ESG: corporate governance, environment and the human element. The American Club is the first service provider to conclude the program.

The American Club qualified for NAMEPA’s MSP by successfully completing all three phases of the program, including supplying supporting documentation for its claims. Their submission was evaluated by a team of assessors to determine whether they met the criteria of the [CSR/ESG program](#), which upon confirmation, made them eligible to receive the MSP Certificate and Seal.

Staff from the New York and Piraeus offices of the Managers of the American Club participating in the International Coastal Cleanup Campaign organized by the Hellenic Marine Environment Protection Association (HELMEPA) in October, 2021 in Rafna, Greece.



13 CLIMATE ACTION



Take urgent action to combat climate change and its impacts

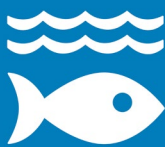
The Board and Managers systematically review policies to reduce the environmental footprint caused by travelling. A very robust travel vetting policy has been in place since 2017, requiring travel requests to be thoroughly reviewed on multiple levels to ensure the travel is necessary prior to approval and in line with a global holistic approach within the business development strategy. Furthermore, the Club supports recycling, operating nearly entirely in a paperless fashion, and closely monitors energy usage with the goal of minimizing energy consumption.

From a service cover perspective, as members/insureds must comply with all regulatory requirements as warranties on policies, which also include those related to emissions reduction, the Club contributes to promoting energy efficient transportation in line with regulatory framework goals, while also supporting the membership through extensive guidance in managing the transition.

On a fundamental level, as the Club's Rules were drafted for adaption to the ever-evolving needs of society, the Clubs provide a safety net for innovation and change in the shipping industry as it relates to liabilities of ship operators. Therefore, we must research, develop and innovate to meet the goals of our members' current energy transition.

The Club maintains memberships in environmentally purposeful industry associations such as [INTERTANKO](#), [NAMEPA](#), [HELMEPA](#) and [INTERMEPA](#).

14 LIFE BELOW WATER



Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Our services directly help prevent marine or coastal degradation through the support of international initiatives aimed at preventing illegal, unreported, and unregulated fishing, as well as promoting best practices and compliance with regulation for navigation at sea and within

port areas. The cover afforded ensures not only fair compensation where damage is accidentally caused, but also provides restoration where needed.

Society

The American Club has shown a strong commitment to the communities within which it does business and within which it has a presence through its Manager's offices. Executives in all offices are encouraged, and indeed do take part in local community industry initiatives, such as mentoring, charitable activities, guest lecturing, and members of local trade associations which foster sustainable industry practices.

3 GOOD HEALTH AND WELL-BEING



Ensure healthy lives and promote well-being for all at all ages

The Club recognizes the important of the human element in shipping and prioritizes support for the wellbeing of seafarers on insured vessels through its vast array of loss prevention initiatives which concentrate on safety practices as well as mental wellness guidance.

The Club maintains an enhanced pre-employment medical examination (PEME) program since 2004 for selected nations. The program ensures a higher standard of fitness for seamen responsible for safety and environmental protection of the global maritime fleet. Furthermore, the Club provides monetary support in the case of seafarer abandonment through its commitment to the Maritime Labour Convention.

The Club also recognizes that mental wellness awareness is a key element to seafarers' health and have produced two guides for shipowners and seafarers, [What's on Your Mind?](#) and [Caring for Seafarers' Mental Wellbeing](#), as well as produced a [vlog](#) and have held seminars for shipowners on the importance of mental wellbeing.

4 QUALITY EDUCATION



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

The Club, through its Managers, shares knowledge and expertise by conducting seminars for maritime educational purposes for members, as well as the industry at large. The Managers systematically produce vlogs, guidance, circulars, alerts, and pamphlets aimed at maritime social issues, such a mental health of seafarers, handling of difficult environmental claims, and compliance good practices. The Club has a dedicated [loss prevention website](#) and a [YouTube channel](#) for easy and constant access to all videos, seminars and vlogs.

Also, the Manager's staff participate in trade associations, such as WISTA, which promotes business and educational opportunities for women in shipping, HELMEPA, NAMEPA, and INTERMEPA, which promote education and awareness for shipping related environmental matters, [BIMCO](#) and other organizations which facilitate approaches to legal, contractual and commercial issues that continuously arise in the industry.

The goal is to support other stakeholder educational initiatives aiming towards:

- training;
- awareness;
- guidance; and
- sharing of information which supports social maritime goals.

Internally, the Club, through its Manager, places great emphasis on educational activities within the organization and in the marine insurance industry. The goal is to advance staff expertise and knowledge while creating responsible executives that will serve the best interests of the organization, its members/insureds and benefit society by engaging with local communities, thereby cultivating both professional development and the next generation talent pool.

5 GENDER EQUALITY



Achieve gender equality and empower all women and girls

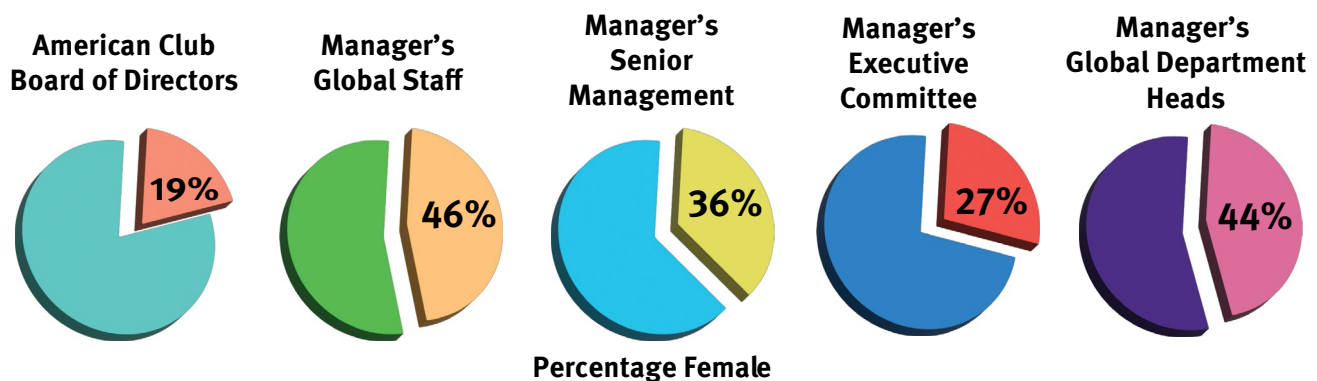
Gender equality in the shipping industry has been a major focus in the last decade. The Association and its Manager are proud of the strides it has made in this area.

The employee handbooks of all offices expressly call for:

1. equal opportunity;
2. promote ethical conduct; and
3. gender and racial diversity for an inclusive environment.

Empowerment of female employees is actively promoted by Senior Management, outperforming counterparts in the industry with respect to gender diversity ratios. A culture of enablement is fostered which means there is dialogue with executives to ensure that participation and growth is not hindered by issues of gender, including those of motherhood which often form obstacles to career development.

In early 2022 the Managers, supported by the Board of Directors, recently announced the appointment of the first female CEO not only in the history of the American Club and its Managers, but in the 167-year history P&I Clubs.



Governance

Corporate governance best practices are maintained for the protection of the Club, its members and due to its role in global trade, society at large. The Club's Board Corporate Governance Committee convenes yearly to review and update the Club's [Governance Guidelines](#).

The American Club is subject to regulation by the New York State Financial Services Department, widely recognized to be the most demanding licensing authority in the United States. It requires detailed reporting, exceptional transparency, and robust security. In addition to providing quarterly statements to New York State regulators in accordance with their statutory demands, the Club also publishes an annual report in accordance with Generally Accepted Accounting Principles (GAAP) providing for easy comparison with other Group clubs.

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

The Association supports peaceful and inclusive societies for sustainable development, ensuring access to justice, and effective, accountable and inclusive institutions at all levels. In addition, it supports transparency by sharing information, such as financial and now ESG performances. It provides clear processes for adjudication through Rules of cover, while the Managers have transparent processes for addressing employment issues disclosed to all staff globally in the employee handbook.

The Club Board has dedicated committees to oversee the highest functions of the Club, namely Corporate Governance, Executive, Safety and Environmental Protection, Finance and Audit, and Claims and Risk Management, which meet at least four times a year to carefully review, evaluate, and decide on policy, which is implemented by its Managers.

The Association maintains a formal policy of Board Governance Guidelines, which are published on the website. All policies are systematically reviewed to ensure they incorporate best practices in line with regulatory standards and in compliance with applicable laws. All processes incorporate quality controls and authority checks to ensure transparency of operations, effective

management, and risk control.

Under its By-Laws, the business of the Association is to be conducted by the Board. The Board, in turn, must appoint a Manager which, under the direction and control of the Board, is to conduct the day-to-day affairs of the Association. The Manager so appointed is Shipowners Claims Bureau, Inc. (the “Manager”), a separate, independent business corporation. Both the Association and the Manager are incorporated in the State of New York. The Manager and Board operate within the framework provided for in the [By-Laws and Rules of the Association](#), which are reviewed and published yearly.

The Board reviews and assesses the Association’s strategic and business planning as well as reports regularly submitted to it by the Managers with respect to its and the Association’s performance, as well as significant events, issues and risks that may affect the Association’s business and financial performance. The Directors maintain frequent, active and open discussions with the Manager’s officers.

In addition, the Managers have multiple levels of risk management within the corporate management structure as it relates to handling the day-to-day functions of the Association as provided for in its management agreement and for the implementation of both short- and long-term strategy directives as directed by the Board of Directors of the Association. The Managers maintain robust internal controls through departmental policies and procedures which are systematically reviewed and updated and disclosed to the regulator.

As an international insurer of global trading ocean going vessels, compliance with all applicable regulation is of the highest strategic importance. With sanctions playing an ever increasing and critical role in geopolitics within the shipping industry, the Association, through its Manager, maintains a highly efficient and experienced sanctions compliance department with a robust, advanced sanctions policy in place, supporting due diligence practices in evaluating risk for underwriting and legal compliance purposes.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Priority is given to workforce development programs providing high quality jobs and professional development opportunities. The company commits itself to offer competitive wages to its employees, while protecting its extensive network of executives through employee handbooks that include among others:

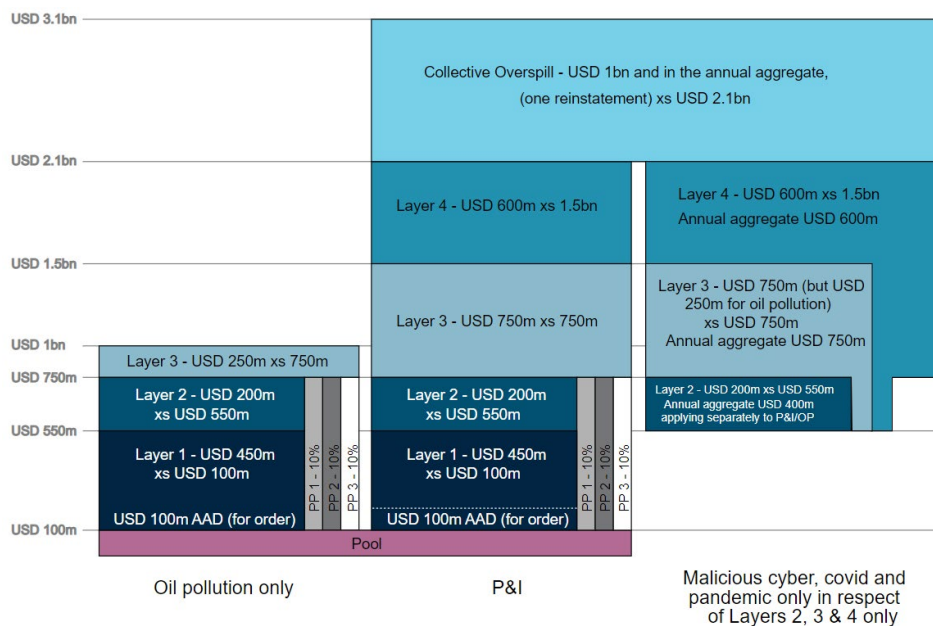
- **A non-discrimination statement**
- **An anti-harassment policy with reporting mechanisms, processes, and disciplinary procedures**
- **A statement on work hours**
- **Policies on pay and performance issues**
- **Policies on benefits, training, and leave**
- **Grievance resolution process**
- **Ongoing training on core job responsibilities**
- **Internal promotions and hiring for advanced positions**
- **Cross-skills training for career advancements or transitions**

During the course of 2021, the Managers participated in an industry wide compensation benchmarking initiative which collated and analyzed anonymized data regarding salaries and benefit packages, as they range relative to region, position, education, nationality, experience, gender and professional licensing. The results overwhelmingly evidenced that the Managers of the Association, competitively compensate based on industry standards. The Association and its Managers are committed to continuing this practice and ensuring these standards are maintained.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

As a member of the Group, the American Club participates in the largest marine reinsurance program in the world, participating in the provision of cover for over 90% of the world’s ocean going fleet, with limits exceeding \$3 billion dollars. This mechanism underpins global trade in such a way as to provide peace of mind to all stakeholders, not only in the trading chain, but to authorities, ports, nations, and people.



In addition, through the Loss Prevention and Claims departments, joint initiatives are conducted to provide guidance to members and insureds aimed at best practices, claims reduction and mitigation, protection of life and the environment, and compliance with regulatory framework, all within the greater framework of ESG principles as they apply to the business of the Association.

Conducting joint initiatives with other industry stakeholders such as the [American Bureau of Shipping](#), BIMCO, and INTERTANKO to promote social issues such as:

- **well-being of seafarers;**
- **compliance;**

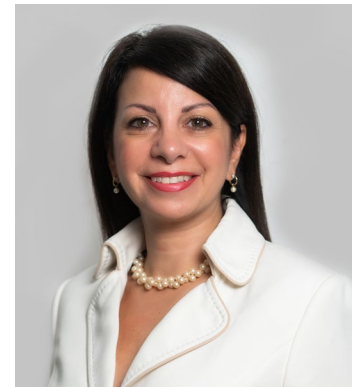
- **cyber awareness; and**
- **shipboard safety.**

The Club has worked with the American Bureau of Shipping on studying slips, trips and falls, safety critical electronic spare parts and cyber security as well as the Seamen’s Church Institute on providing mental wellness guidance and seminars. Also, the Managers participate regularly the Safety4Sea and Green4Sea forums promoting safety and environmental protection.

Conclusion

Sustainability underpins all of the American Club’s core functions:

- facilitating global trade, thereby providing peace of mind to all maritime trade stakeholders;
- providing the “safety net” for maritime innovation and technological advancement as far as it impacts on liabilities for the operation of sea going vessels;
- protecting the lives of seafarers and the marine environment;
- in raising standards of operations through its regulatory warranties;
- delivering external customer service, offering skilled and knowledgeable management of maritime casualties;
- through transparent and publicly available rules and governance guidelines; and
- ensuring long term reliability for extraordinarily high levels of financial and legal accountability and compliance.



The above functions are accomplished within the framework of the Board and through quality controlled internal operations, thereby accomplishing the Club’s mission to maintain its status as a first-rate marine insurer with a reputation for professional integrity, financial strength, and customer care, commanding universal respect for its essential and positive contributions within the industry and leading toward a resilient and sustainable future for all.

The American Club and its Managers have consistently been committed to the essential role they play in an overall sustainable future, as now defined by the UN Sustainable Development Goals, as evidenced by the concepts of these SDGs becoming part of the fabric of the Club’s very existence and purpose, from its creation in 1917. Our goal, through this inaugural report, is to provide results through globally accepted transparent metrics of the United Nations Global

Compact SDG Action Manager, and to illustrate and provide the baselines from which we proceed. The Membership and market stakeholders can look forward to future progress reports in this respect, evidencing the commitment to our continuing mission and contribution towards ever higher standards.

Dorothea Ioannou

Chief Executive Officer, Managers of the American P&I Club



Appendix

The report was conducted according to the Global Reporting Initiative's indexes.

Appendix

Reporting Index	Description	American P&I Club
GRI 100	Universal	
GRI 101	Reporting Principles	Organization's sustainability report in accordance with the Standards
GRI 102	Organizational Profile	Organization's legal entity
GRI 102, 1-13	Organizational Profile	Scale of organization
GRI 102, 14	Strategy	CEO's note
GRI 102, 16,18	Governance	Governance structure
GRI 102, 40-47	Stakeholder Engagement	Material topics & Stakeholders groups
GRI 102, 50, 52-55	Reporting Practice	Reporting cycle & period
GRI 103, 2-3	Management Approach	Policies, grievance mechanisms, results of evaluation, effectiveness of management approach
GRI 200	Economic	
GRI 200, 201, 202	Economic Performance / Market Presence	Financial implications & market presence, economic indexes
GRI 300	Environmental	
GRI 300, 301, 305, 307	Environmental disclosures	Actions to reduce environmental footprint, climate change, emissions' strategy, environmental compliance
GRI 400	Social	
GRI 400, 401-403, 408	Labor	Policies, management relations, occupational health & safety, child labor, management relations
GRI 400, 404	Education	Enhance training & education through training programs
GRI 400, 405-406	Diversity	Equal opportunities, non-discrimination policies, anti-harassment policies
GRI 400, 407, 412-416	Human Rights	Freedom of association, human rights assessment, public policies, health & safety



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