

Ports facing changing climatic risk

Manos Karanikolas, Senior Claims Executive

TT CLUB
IS MANAGED
BY **THOMAS
MILLER**



Established expertise

TT Club is the leading provider of insurance and related risk management services to the international transport and logistics industry.

- Over 50 years' experience serving the industry
- Comprehensive cover
- Loss Prevention and expert support
- Integrated global reach – managed by Thomas Miller
- Membership advantages
- Our claims and underwriting executives work together as single team

TT Club overview



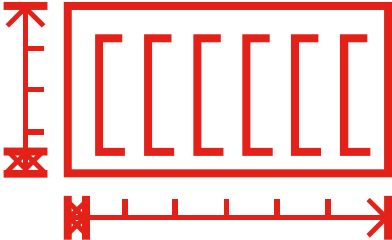
TT stands for 'through transport'



Club denotes our mutual status



Comprehensive cover



Tailored to your needs

TT Club overview

1968

The year TT Club was established and containers revolutionised freight transport.

80%

Percentage of the world's maritime containers insured by TT Club.

46%

Percentage of the top 100 ports in which TT Club provides insurance.

20⁺

The number of dedicated countries in which TT Club has dedicated offices.

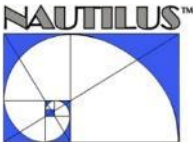
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It's not the usual relationship between an insurer and the assured. Ours is a long-term partnership where TT Club has supported us as our business has grown and our needs have changed.

Member (30+ years)

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Governed by the industry for the industry



Changes in climatic conditions

- Tidal surges, wind microbursts and unprecedented rainfall
- Assessment of the changing risk profile
- Protecting your personnel, operations, equipment, property and importantly your customers' property
- Meteorological advances
- Advanced technology (monitor, record, predict weather patterns) can help to make informed decisions

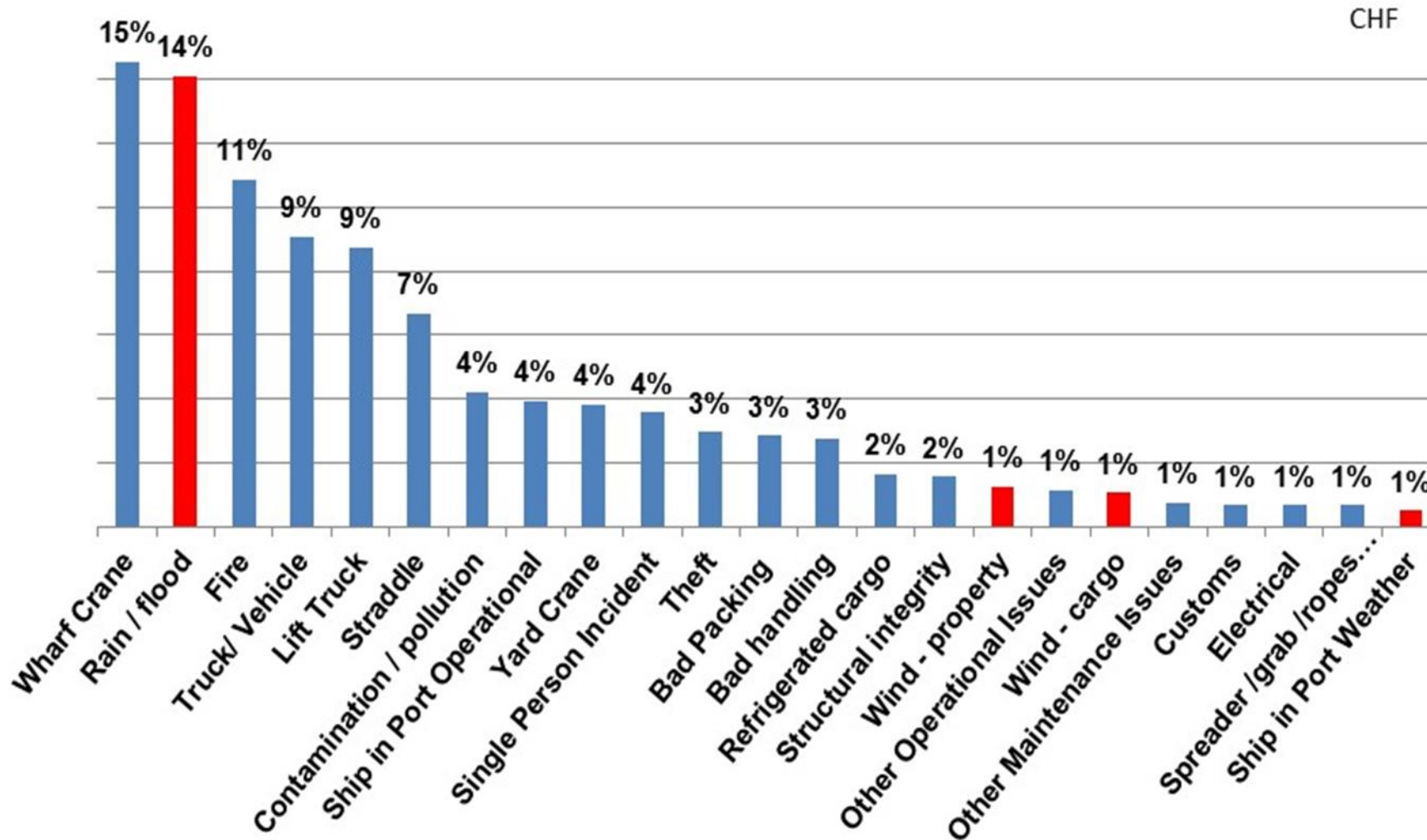


Changes in climatic conditions

- Seasonal storm events (e.g. hurricane & typhoon)
- Isolated severe weather events
- Wind strength in coastal areas
- Surge and flood risk that can cause greater problems on coastline & inland
- Flood water can be dirty/unsanitary -> increasing propensity to damage



Port & Terminal Members – Top Insurance Claim Costs



Weather issues cause

17%

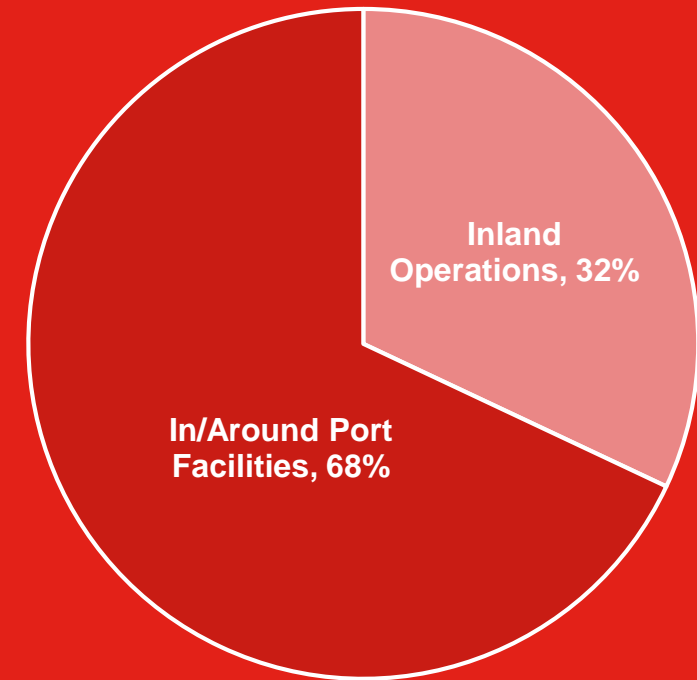
of claim costs

Claims data

Causal topics of concern

- **16%** of claims involved heavy rainfall
- **74%** of claims involved strong winds/
microbursts

Location of notified weather related claims



How to assess the risk?

Your operation

What activities, how would it be affected?

Location of your operation

Storm breach of your storage facility - yard and warehouse, exposed to high winds/floods, precautions

Historical local weather data

Investigation may provide an indication as to the propensity

Cargoes

What types, how vulnerable, are you protected? Is there an emergency evacuation plan?

How to assess the risk?

Aggregation risk

Value of cargo/is the insurer aware?

Business continuity

Quick return to full operational capacity? Maintain communication capability?

Property

Who owns the property, who is responsible for upkeep/maintenance? Proper internal communication if defects are discovered? Preventive maintenance?



How to assess the risk?

Contractual obligations

- Compliance with contractual commitments to customers?
- Financial exposures?
- Limits of liability?
- Standard trading conditions?
- Full potential exposure?
- Potential financial penalties for non performance?
- Review terms of contract (force majeure clause)?



How to assess the risk?

Insurance

- Insured Economic Loss vs Full Economic Loss
- Disclosed all the information to the insurer incl. reasonable valuation?



“

It is important to ensure that adequate risk assessments are undertaken across the full breadth of your operation in order to understand thoroughly the various risks and, where appropriate, develop mitigating actions and controls, together with effective continuity plans to protect your business.

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Industry engagement

We engage in international forums and trade associations.

Our enthusiastic involvement not only keeps us ahead of the curve regarding industry developments, but also ensures that we are able to make a positive contribution to issues that affect our Members.



Creating added value

Your dedicated Loss Prevention team

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Sydney

- Analysing TT Club claims data to identify and communicate trends
- Providing technical and risk management advice focused on reducing claims occurrence
- Participating with key industry associations
- Delivering practical, accessible guidance
- Assisting improvement of risk assessment, mitigation and control
- Maintaining awareness of emerging risks
- Exploring digital opportunities to access big data to improve understanding of risk

Windstorm II booklet



Thank you

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