2021 ANNUAL REPORT

ENDURANCE

35 YEARS STRONG

EIM®
ENERGY INSURANCE MUTUAL

EIM
EIM
EIM
EIM
EIM Quality
members
performance
participation
products
staff
management
Energy Insurance Mutual
EIM
COMMITMENT
EIM At the End of the 20th Century
EIM
THE MUTUAL DIFFERENCE
EIM @ XV
Energy Insurance Mutual 2002 Annual Report
Energy Insurance Mutual 2003 Annual Report

2021
ANNUAL REPORT

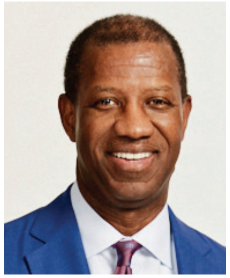
CONTENTS

AN ENDURING HISTORY...

1986
EIM receives Barbados charter and **issues first policies**

1990
EIM pays **first claim**

1992
Membership **tops 100**



Marcus V. Brown
EIM Board Chair

LETTER FROM THE CHAIR

I am pleased to report that Energy Insurance Mutual Limited (EIM) delivered strong results for 2021. This was achieved despite a year filled with challenges that tested the mettle of EIM, its member companies, and the energy industry as a whole. Carry-over concerns regarding COVID-19 and its ensuing variants continued to roil the global economy, delivering financial market upheaval, supply chain disruption, and political fallout across the globe.

As EIM celebrated its 35-year anniversary at the February 2022 Risk Managers Information Meeting, the company focused on "Endurance" as the driving force behind EIM's "35 Years Strong" history. This theme could not have been more appropriate. Member companies grappled with the downturn in industrial and commercial energy demand driven by COVID-related work-from-home protocols and reduced manufacturing output while also experiencing an uptick in residential demand commensurate with newly established home office work environments.

EIM's original Barbados location (1986)


The inaugural Risk Managers Information Meeting (1986)

What history has taught us is that endurance is not simply a race; it is a series of many races, one after another. The trick is not necessarily to have the strength to run each race, but to continue pressing forward when you are not even sure you have the strength to take that next step. EIM, its members, and the energy industry dedicated the last 12 months to an overriding concern for the safety and well-being of their employees and those with whom they do business – and they met this challenge. They also understood that the demands of the day required them to continue to reliably provide much needed products and services to their constituents – which they did. Along the way they identified opportunities to take advantage of the "new normal" by adopting innovative and more efficient ways of doing business.

Through these challenges, EIM remained mindful of its commitment to long-term financial stability, embodied in the company's mission statement: *"To provide members with a financially sound organization offering a secure, stable source of superior long-term insurance and risk financing products and services."*

Working closely with the Board, Insurance Advisory Committee, and member company risk managers, EIM successfully maintained its financial integrity while still meaningfully responding to the membership's core excess insurance needs. We also witnessed first-hand the overwhelming dedication of EIM employees to the membership and a corresponding commitment from member company representatives to find meaningful solutions that lead to "win-win" outcomes for the members and for EIM. Collaboration was the cornerstone of EIM's creation and has endured for decades.

Over more than three decades, EIM and its members have answered the call time and time again to meet the risk management challenges of our industry. It is that unfailing endurance that has made EIM so successful over the years. This success is attributable to numerous factors, including hard work, talent, dedication, and a shared vision. Each of these characteristics can be found in the EIM Board, which has worked tirelessly to ensure that EIM's strategic direction remains on course and that the company continues to offer a financially secure, meaningful, and responsive risk management platform for members. On behalf of the Board, I want to thank Carter Reid, EIM's immediate past chair, for her insightful and unfaltering leadership during the uncertain times of the COVID-19 pandemic. We are fortunate that she is continuing her board service as vice chair and that we will continue to benefit from her expertise and vision. The impressive track record built since 1986 is a testament to the Board's effectiveness and the talented professionals who give their time for the benefit of EIM and its member companies.

EIM welcomed to its Board in 2021 Kodwo Ghartey-Tagoe, Executive Vice President, Chief Legal Officer and Corporate Secretary, Duke Energy, and Marty Lyons, President, and Chief Executive Officer, Ameren Corporation. We couldn't be more pleased with these additions who will no doubt add significant value to EIM through their insights and contributions. The Board also thanks Brian Tierney, former Executive Vice President for Strategy, American Electric Power, who served most recently as Board Vice Chair before departing to undertake a new and exciting role outside of the utility sector.

As strong as EIM and its Board are, we are nothing without our member companies. You can be enthusiastic for 30 minutes, or even 30 days, but it is the organization and its people that sustain their enthusiasm for 35+ years that ultimately succeeds. EIM's members truly represent the collaborative fabric that makes EIM a unique and formidable organization that is "35 Years Strong."

On behalf of the Board, thank you for your enduring support and your critical role in EIM's ongoing success.

Marcus V. Brown

1992

Energy Insurance (Bermuda) Ltd.
begins operations

1993

EIM receives initial
A.M. Best rating of A (Excellent)

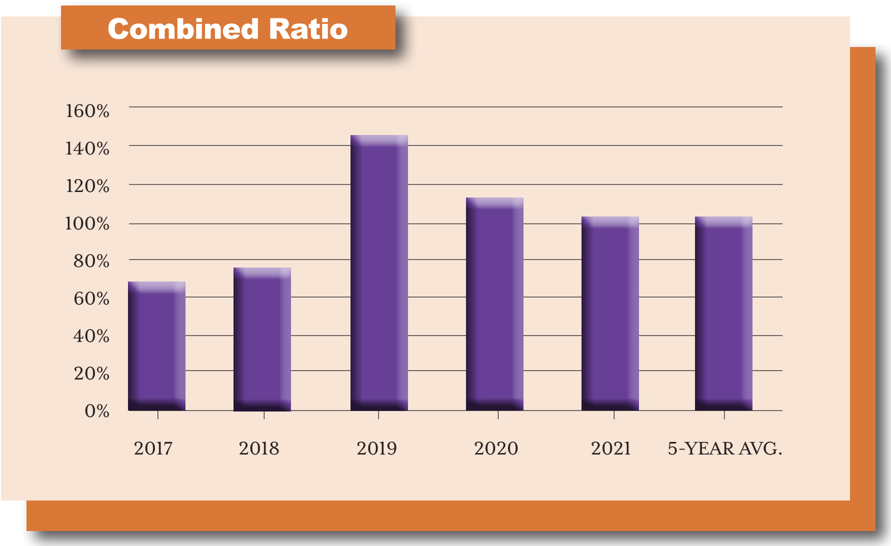
1996

Membership
surpasses 150

Tommy Bolton
President and Chief Executive Officer

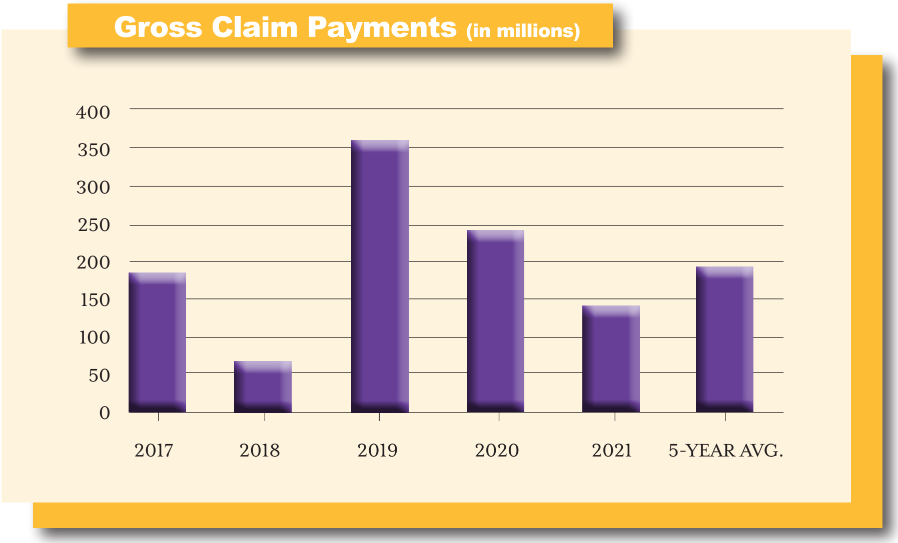
LETTER FROM THE PRESIDENT AND CEO

2021 proved to be a very successful year for EIM, despite facing strong headwinds occasioned by continuing global loss activity and more specifically, within the energy sector as large outsize jury verdicts impact the valuation of claims. Nowhere was this success more clearly defined than by EIM's ability to support the membership's risk management needs by maintaining limits and being a stable provider of capacity across all lines of business. We could not do this without the support of the EIM members. ***We at EIM sincerely thank the membership for this continued confidence in 2021 and over the last 35 years.***



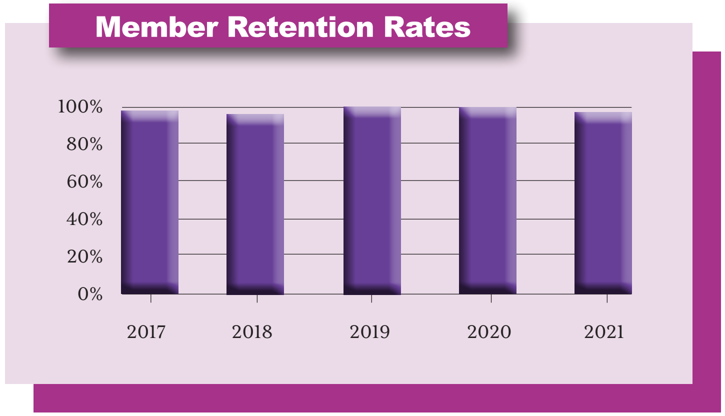
EIM remains financially sound. Surplus grew more than 8% before distributions, buoyed by a strong investment market generating EIM returns of 7.7%. Even in the face of escalating loss activity, the company reported a net loss ratio of 98% which, when coupled with its 6% expense ratio, produced a net combined ratio of 104% compared to 114% in 2020.

At the 2022 Risk Managers Information Meeting, EIM celebrated its 35-year anniversary with the theme, "Endurance – 35 Years Strong." Some have commented that "business, like life, can be volatile, but if you stay with it long enough it has the potential to reward you with handsome returns in the long run." Nowhere is that observation truer than with EIM. Starting in 1986 with a $75 million contribution from 17 founding members, EIM has grown



in 2021 to an organization with $2.7 billion in assets, annual gross premiums of more than $332 million, and surplus of $1.2 billion. Over the course of this 35-year journey, EIM has paid more than $2.5 billion in gross losses and provided cumulative distributions to members of more than $595 million. In March 2022, EIM paid out a $50 million distribution to members of record as of December 31, 2021, marking the 10th consecutive year of distribution payments.

Endurance requires not just the fiscal stamina to withstand an evolving judicial, regulatory, and financial landscape, but also the nimbleness and resourcefulness to anticipate unfolding member company needs and fashion responsive risk management solutions. As an example of this resolve, while other insurance companies were reducing capacity, EIM has increased excess limits beyond $100 million in recent years to support member risk financing needs. In turn, member loyalty has remained steadfast with a 2021 retention ratio of 98%.



Further evidence of EIM's strength and endurance were on display in 2021 as we took steps in the underwriting, finance, and claims areas to better serve members through maintaining financial strength while still responding to emerging risk management needs. On the underwriting front, EIM increased capacity on its excess General Liability and Property coverages, while seeing 7% of members increase attachment points by at least $5 million. EIM also introduced a new underwriting tool using FEMA's natural risk index to better understand and communicate wildfire risk to member companies. And with the ongoing hard commercial insurance market, Energy Insurance Services has been busier than ever launching three new Mutual Business Programs and adding new coverages and risk to existing cells.

We calibrated EIM's investment portfolio to optimize expected return without taking on additional risk and continued building out our data analytics capabilities to support EIM's reserving, pricing,

2000

EIM begins writing property coverage

2002

Total assets exceed $1 billion

2006

Energy Insurance (Bermuda) Ltd. moves from Bermuda to South Carolina and is renamed Energy Insurance Services, Inc.

capital modeling, and captive insurance functions. With the uptick in claim frequency, EIM added three law firms to its existing panel of five to expand the breadth and depth of expertise across the U.S. for energy-related occurrences.

Each of these initiatives furthered the goals set forth in EIM's three-year strategic plan, which will be updated and communicated to members in 2022. But, if recent years have taught us anything, particularly given the multifaceted challenges of COVID-19, an evolving energy landscape, and accelerating claim activity, it is that *collaboration and communication, people, and data analytics are essential to continued success.* In challenging times, it is important to remember EIM's roots where, in 1986, industry leaders banded together and seized the opportunity to create EIM amidst a hard commercial insurance market where coverage was either nonexistent or exorbitantly priced. Without this collaborative effort, members would not have benefited from the stable, long-term excess coverages offered by EIM over the last 35 years.

Communication goes hand in hand with collaboration, particularly as we navigated the challenges of the last 24 months. As EIM adopts changes in operations, underwriting or finance, we are committed to sharing these decisions with members and effectively communicating to those impacted. Whether it is the hundreds of underwriting meetings held with risk managers each year, the claims department meetings designed to review and facilitate resolution of pending member company claims, or the Mutual Advantage meetings intended to highlight the key differentiators that set EIM apart from commercial carriers, communication has been and will continue to be a focus for EIM. This includes quarterly Board and Insurance Advisory Committee (IAC) meetings where EIM receives valuable direction and feedback from member company executives and risk managers.

We recognized two departing IAC members, Marianna Michael, formerly Director, Insurance, Liberty Algonquin Business Services and Denise Straka, Vice President-Insurance, Calpine Corporation, at our 2022 Risk Manager Information Meeting and welcomed new committee member Gordon Payne, Director of Risk Management, Fortis, Inc. We wish Marianna and Denise well in their future endeavors and look forward to Gordon's contributions to the IAC.

People provide the foundation for meaningful collaboration and communication, and EIM remains committed to maintaining staff who are unfailingly member focused. Our additions to staff in the last year were designed to expand expertise as well as augment existing competencies. We remain committed to in-house training that encompasses areas such as business ethics, privacy, and a healthy work environment. In addition, diversity and inclusion remain pivotal drivers in our workplace.

To ensure that those who serve the membership are appropriately resourced, we have focused on our information technology infrastructure over the last 12 months, updating our proprietary EPIC system for improved claims analyses to further understand trends and impacts of loss activity to the membership. In addition, new software used by our analytics leader allows for increased analytical capabilities, as well as the addition of new applications OneDrive and Power BI. To further IT security, we implemented web application firewalls and conducted a cyber incident tabletop exercise, as well as testing of EIM's disaster recovery procedures.

While I would like to characterize 2021 as the year of returning to normalcy, it appears that the new normal is ensuring that you are positioned to anticipate and respond quickly to worldwide, national, and industry-related changes. By remaining flexible and agile, with a focus on collaboration, communication, and people (much like those who founded, inspired, and have supported EIM for more than 35 years), I am confident that EIM will remain strong and endure for decades to come.

Tommy Bolton

2009

Inception to date claim payments eclipse $1 billion

2011

Inaugural David L. Hadler Risk Manager of the Year Award is presented

2015

Energy Captive Management LLC forms and EIM begins writing cyber insurance

Sir Trevor Carmichael

EIM Director

REFLECTIONS OF A FOUNDING DIRECTOR

Sir Trevor Carmichael was instrumental in the founding of Energy Insurance Mutual Limited and has served on the Board since 1986. In 2013, the Accolade of Knight of St. Andrew, Barbados' highest national honour, was conferred on Sir Trevor in recognition of his outstanding contribution to the financial services sector, international business law practice and his several exceptional, philanthropic and voluntary activities.

Energy Insurance Mutual or EIM by its familiarly known acronym, has experienced a corporate life infused by remarkable governance and exemplary performance. Indeed, these two principles are very much at the kernel of its emergence in 1986 as a Barbados incorporated insurance carrier.

The Baker and McKenzie law firm was the guiding professional formation light and Peter D. Lederer – now deceased – its shining star. His task of structuring of insurance entities and his knowledge of the mutual concept was visionary and clear – and he received great support from his junior colleagues, particularly Gerry Hayes in New York and from the younger Trevor Carmichael in Barbados.

This American-Barbadian duality was to characterise EIM at formation and subsequently – albeit in different forms. For a while EIM's articles on formation made it exclusively a Barbados carrier, the amendment of its Articles on the 6th November 1990 allowed it to hold meetings in Florida, and to otherwise also enjoy the singular benefits of being a Barbadian incorporated entity. Hence after four years under the management in Barbados of Sedgwick Management Services, then part of the Sedgwick's global management, EIM was able to open the welcoming and efficient Tampa offices under the management of Gene Weaver, its first in-house manager and Donna Dunlap as his trusted Assistant.

Bathsheba Rock - Barbados

The post 1992 period gave EIM the flexibility to attract its many new members seeking to benefit from the competitive pricing and ample excess of loss capacity. These advantages became so readily available through the ever-expanding office in Tampa – later lead by David Hadler, Scott Goodell and more recently, the experienced and well-rounded Tommy Bolton. During these changes, one underlying feature was the evolving EIM policy to promote from within the company when possible so as to benefit from acquired knowledge and gained expertise. In the case of David, his untimely passing was a great opportunity for the very able and skilled Scott Goodell who brought considerable experiential value from previous related engagements. On Scott's retirement, the company reverted to "promotion from within." Tommy Bolton's appointment recognised his long-standing treasure trove of insurance and accounting knowledge and expertise unmatched within the industry, much of it gained during his long tenure within EIM.

Within the EIM philosophy of sound leadership has been a "built in" recognition that the notions of collegiality and purpose should be imbedded at the Board of Directors level. Hence stress and emphasis continue to be placed on the preparation of very comprehensive and informative Board papers, which not only inform and engage, but also alert EIM Board Members to the wider context of insurance carriers generally and the mutual in particular. In seeking to engender this sophisticated worldview, EIM, from its early beginnings, held its Board Meetings with ancillary activities and at venues which ensured that the associated leisure of the Board meeting was not only exhilarating and pleasurable but also mentally stimulating and rewarding.

The Barbados meetings were stamped with a strong cultural component. While early visits to the Barbados Museum were carefully curated, the ongoing dinners at Staple Grove House were always wrapped within a cultural evening ranging from a solo Broadway singer Alex Santoriello, an international mezzo soprano Jeanine De Bique, an international tenor Damien Worrell, a European jazz singer Rosemarie Phillips, the international acclaimed saxophonist Arturo Tappin, and the Barbados Chamber Orchestra. While these performances took place in the Staple Grove Amphitheatre, one of the very memorable EIM cultural dinner events in Barbados was staged on Staple Grove's Eastern Lawn. It was a special 2009 celebration of Chinese New Year with a programme which included Qigong, Tai Chi and Acrobatics by members of the Barbados Wu Shu Tai Chi Federation. True to its shared roots, the Board meetings in the United States were also replete with cultural immersion and appreciation.

The EIM doctrine has also recognised that leadership must be broad ranged if it is to be responsive and effective. The risk managers within member companies and potential risk managers have therefore been consciously engaged in the EIM process. Not only has there existed a regular course of ongoing dialogue, but it has been crystallised every February with the Annual Risk Managers Information Meeting in Florida buttressed by the accompanying report. The structure of the meeting has been refined over the years, but it has always recognised the essentials. With attendees ranging well over three hundred persons, the meeting incorporates information sharing, reporting of company performance, and a high level of camaraderie and collegiality.

One very special feature is the David L. Hadler Risk Management Award to the member company risk manager who embodies the professionalism, commitment to excellence, and long standing dedication to risk management that were the hallmarks of David's career. The first award took in shape in 2011 and continues today, keeping the link between past and present an active one. Jill Dominguez, VP - Chief Underwriting Officer, EIM, and the entire underwriting team, have effectively balanced the risk managers' demands for expanded coverage and capacity along with stable long-term pricing against the Board's commitment to long-term financial stability, ensuring a strong, mutually respectful relationship which supports the EIM good governance ethos.

David Hadler confers with Sir Trevor (1993)

At the end of the day, or more appropriately in conclusion, the passage of thirty-five years of EIM as a Barbados incorporated and Florida-based excess of loss insurer is not unlike a modified Charles Dickens' *Tale of Two Cities*. For while George Washington's first and only visit outside of the United States of America was to Barbados and we are reminded by Barbados' George Washington Museum that it was a pleasant one for visitor and host; so too EIM's first visit outside of Barbados to the USA remains a good one as the statistics readily show. Dickens may therefore be refashioned and it may be safely said that the tale is one of good times and no bad times!

2018

Total assets top
$2 billion

2020

EIM inception to date distributions total more than $500 million

2021

EIM celebrates
35 Years Strong
and enduring success

FINANCIALS AND NOTES TO THE FINANCIALS

The Financial Statements To This Annual Report Have Been Approved By The Board Of Directors Of Energy Insurance Mutual Limited

Marcus Brown | EIM Board Chair
March 1, 2022

Report of Independent Auditors

To the Audit Committee of the Board of Directors
Energy Insurance Mutual Limited

Opinion
We have audited the financial statements of Energy Insurance Mutual Limited (the Company), which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of income, changes in policyholders' surplus, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the disclosures about short-duration insurance contracts, including incurred and cumulative paid losses and allocated loss adjustment expenses, net of reinsurance and average annual percentage payout of incurred claims by age, on pages 26 - 27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Johnson Lambert LLP

Jacksonville, Florida
February 17, 2022

Energy Insurance Mutual Limited
Balance Sheets

(Expressed in Thousands of U.S. Dollars)

	As of December 31, 2021	As of December 31, 2020
Assets		
Fixed maturity securities, trading	$ 1,150,344	$ 1,068,040
Equity securities	561,985	459,100
Alternative investments	301,069	252,841
Investment in subsidiaries	5,314	5,170
Total investments	2,018,712	1,785,151
Cash and cash equivalents	67,599	58,644
Reinsurance recoverables on unpaid losses	523,304	397,838
Reinsurance recoverables on paid losses	5,972	64,092
Prepaid reinsurance premiums	37,230	53,754
Accrued investment income	6,338	6,328
Receivables for securities sold	1,766	2,069
Premiums receivable	14,206	20,109
Deferred policy acquisition costs	1,010	2,052
Income taxes recoverable	9,111	27,162
Due from subsidiaries	332	299
Other assets	1,118	835
Total assets	$ 2,686,698	$ 2,418,333

	As of December 31, 2021	As of December 31, 2020
Liabilities and policyholders' surplus		
Liabilities:		
Reserve for losses and loss adjustment expenses	$ 1,127,868	$ 905,085
Unearned and advance premiums	169,258	181,141
Reinsurance premiums payable and funds held for reinsurers	1,693	18,085
Net deferred tax liability	70,067	58,815
Policyholder distributions payable	50,000	50,000
Accounts payable and accrued expenses	19,800	16,488
Total liabilities	1,438,686	1,229,614
Policyholders' surplus	1,248,012	1,188,719
Total liabilities and policyholders' surplus	$ 2,686,698	$ 2,418,333

See accompanying notes to the financial statements.

Energy Insurance Mutual Limited
Statements of Income

(Expressed in Thousands of U.S. Dollars)

	Years ended December 31, 2021	Years ended December 31, 2020
Underwriting revenue		
Net premiums earned		
Direct and assumed premiums earned	$ 331,829	$ 305,082
Ceded premiums earned	(105,071)	(94,882)
Net premiums earned	226,758	210,200
Ceding commission income	3,450	3,516
Total underwriting revenue	230,208	213,716
Underwriting expenses		
Net losses and loss adjustment expenses		
Direct and assumed losses and loss adjustment expenses	362,278	390,766
Ceded losses and loss adjustment expenses	(139,132)	(162,199)
Net losses and loss adjustment expenses	223,146	228,567
Policy acquisition costs	3,235	3,451
Administrative expenses	14,719	12,243
Total underwriting expenses	241,100	244,261
Loss from underwriting	(10,892)	(30,545)

	Years ended December 31, 2021	Years ended December 31, 2020
Investment income		
Net realized gain on investments	62,663	69,700
Net investment income	68,887	43,672
Total investment income	131,550	113,372
Income before policyholders' distribution and income taxes	120,658	82,827
Distributions to policyholders	(50,000)	(50,000)
Income tax (provision) benefit	(11,365)	2,921
Net income	$ 59,293	$ 35,748

See accompanying notes to the financial statements.

Energy Insurance Mutual Limited
Statements of Changes in Policyholders' Surplus

(Expressed in Thousands of U.S. Dollars)

	Policyholders' Surplus
Balance at January 1, 2020	$ 1,152,971
Net income	35,748
Balance at December 31, 2020	1,188,719
Net income	59,293
Balance at December 31, 2021	$ 1,248,012

See accompanying notes to the financial statements.

Energy Insurance Mutual Limited
Statements of Cash Flows

(Expressed in Thousands of U.S. Dollars)

	Years ended December 31, 2021	Years ended December 31, 2020
Net income	$ 59,293	$ 35,748
Cash flows from operating activities:		
Add (deduct) items not affecting cash:		
Depreciation	181	275
Amortization of bond premium or discount	1,989	3,242
Net realized investment gain	(3,987)	(2,077)
Net change in fair value on securities held	(58,676)	(67,623)
Deferred income taxes	11,252	5,140
Changes in operating assets and liabilities:		
Reinsurance recoverables on unpaid and paid losses	(67,346)	(24,359)
Prepaid reinsurance premiums	16,524	(16,320)
Premiums receivable	5,903	(4,996)
Other	18,690	(5,463)
Reserve for losses and loss adjustment expenses	222,783	147,650
Unearned and advance premiums	(11,883)	20,561
Reinsurance premiums payable and funds held for reinsurers	(16,392)	4,499
Accounts payable and accrued expenses	4,468	347
Due from subsidiaries	(34)	(33)
Net cash from operations	182,765	96,591

	Years ended December 31, 2021	Years ended December 31, 2020
Cash flows from investing activities:		
Cost of investments purchased	(613,822)	(516,204)
Proceeds from sales of investments	318,156	387,774
Proceeds from maturities of investments	149,015	71,207
Change in amount due from purchase/sale of securities	(854)	1,356
Income from alternative investments	(26,090)	(1,489)
Equity in earnings of subsidiaries	(144)	(222)
Purchases of fixed assets	(71)	(143)
Net cash from investing	(173,810)	(57,721)
Net change in cash and cash equivalents	8,955	38,870
Cash and cash equivalents, beginning of year	58,644	19,774
Cash and cash equivalents, end of year	$ 67,599	$ 58,644
Supplemental disclosure of cash flow information:		
Income taxes paid, net	$ 8,700	$ 5,450

See accompanying notes to the financial statements.

Energy Insurance Mutual Limited Notes to Financial Statements

Years ended December 31, 2021 and 2020

Note A - Organization and Significant Accounting Policies

Organization

Energy Insurance Mutual Limited (the Company or EIM) is a mutual insurance company incorporated in Barbados on June 13, 1986. On June 9, 1988, EIM was licensed by the State of Florida as an industrial insured captive insurance company. EIM operates as an eligible surplus lines insurer in all other states and the District of Columbia.

The Company is a mutual insurance company with membership available to any utility or member of the energy services industry that meets EIM's underwriting standards. The Company provides excess general liability, excess fiduciary liability, and excess directors and officers liability policies written on a claims first made basis. In addition, to a lesser extent, the Company writes property insurance for its members. All members have casualty policies in place, approximately one-third of those members have property policies as well. The Company also provides cyber liability coverage to its members.

Basis of Reporting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) promulgated by the Financial Accounting Standards Board Accounting Standards Codification (ASC or the guidance). Preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in Subsidiaries

The Company is the sponsor and 100% common stockholder of Energy Insurance Services, Inc. (EIS), a sponsored cell captive insurance company domiciled in South Carolina. As a sponsored captive, EIS allows EIM members, known as Mutual Business Programs (MBPs), to insure or reinsure the risks of their sponsoring organizations, including property, general and environmental liability, asbestos, workers' compensation, and retiree medical stop loss. Through participation agreements with the MBPs, the insurance risks underwritten by the MBPs are contractually limited to the funds available in the individual cell's account, and neither EIS nor EIM has any obligation to absorb losses of the MBPs. Likewise, EIS has no right to the capital and accumulated profits of the MBPs cells. EIM does not have the power to direct the activities of the MBPs that most significantly impact their economic performance. As of December 31, 2021, EIS has assets (exclusive of assets held in MBPs) of $11.1 million, shareholder's equity of $4.5 million, and net income of $129,000. As of December 31, 2020, EIS had assets (exclusive of assets held in MBPs) of $13.9 million, shareholder's equity of $4.4 million and net income of $210,000.

The Company considers EIS a variable interest entity, which is not consolidated due to the lack of obligations, rights, and powers described above. EIM accounts for its investment in EIS using the equity method of accounting because EIM is not the primary beneficiary of EIS' operations.

During 2015, EIM formed Energy Captive Management, LLC (ECM) to provide captive management services to EIS. As of December 31, 2021, ECM has assets of $2.0 million, member's equity of $811,000, and net income of $15,000. As of December 31, 2020, ECM had assets of $1.2 million, member's equity of $796,000 and net income of $13,000.

On December 20, 2021, EIM formed Energy Risk Solutions SC, Inc (ERS). ERS is a sponsored captive insurance company domiciled in South Carolina. ERS will operate similarly to EIS, with operations expected to commence in 2022.

Fixed Maturity Securities

Investments in fixed maturity securities are classified as trading and reported at fair value, with changes in fair value reported on the income statement. Purchase premium or discount is amortized to net investment income based on the scientific method.

Equity Securities

Investments in marketable equity securities are carried at fair value. The changes in fair value on equity securities held are reported on the income statement.

Energy Insurance Mutual Limited
Notes to Financial Statements

(Continued)

Note A - Organization and Significant Accounting Policies (continued)

Alternative Investments

Alternative investments include interests in shares of investment funds (Funds), which are considered non-marketable. Alternative investments are structured such that the Company holds interest in the Funds and not the underlying holdings of such Funds. The Company's ownership does not provide for control over the related investees, and financial risk is limited to the funded and unfunded commitment for each investment. The Company has elected the fair value option with respect to the Funds, with all gains and losses associated with the Funds recorded as a component of net investment income. The use of net asset value as an estimate of the fair value for investments in certain entities that calculate the net asset value is a permitted practical expedient.

These alternative investment funds give investors the right, subject to predetermined redemption procedures, to redeem their investments at net asset value. Since the Funds are not actively traded on an exchange, the fair values are subject to judgment and uncertainty.

The financial statements of the Funds are audited annually by independent auditors, although the timing for reporting the results of such audits may not coincide with the Company's financial reporting.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The Company maintains certain cash and cash equivalent balances that are not subject to Federal Deposit Insurance Corporation. Management does not believe these balances represent a significant credit risk to the Company.

Losses and Loss Adjustment Expense Reserves

The reserve for losses and loss adjustment expenses (LAE) represents the estimated ultimate gross cost of all reported and unreported losses unpaid through December 31. Case reserves represent the estimated future payments on reported losses. Case reserves are continually reviewed and updated; however, given the uncertainty regarding the extent of the Company's ultimate liability, the actual amount may be significantly in excess or below the amount recorded. Supplemental reserves (e.g., IBNR) are recorded based upon actuarial projections. Although considerable variability is inherent in these estimates, particularly due to the nature of the insured exposures, management believes that the aggregate reserve for losses and LAE is adequate. These estimates are periodically reviewed and adjusted as experience develops or new information becomes known. Such adjustments are included in current operations.

Premiums

Direct and assumed premiums are recognized as revenue on a pro-rata basis over the policy term. The portion of premiums that will be earned in the future is deferred and reported as unearned premiums. The Company pays commissions on assumed business, which is initially capitalized and expensed over the life of the policy.

Reinsurance

In the normal course of business, the Company seeks to reduce the loss that may arise from large claims, catastrophes, or other events by reinsuring certain levels of risk in various areas of exposure with other insurance companies. Reinsurance premiums, ceding commissions, loss reimbursement, and reinsurance recoverables on unpaid claims are accounted for on a basis consistent with that used in accounting for the original policies or claims.

Management periodically reviews the financial condition of its existing reinsurers and concludes as to whether any allowance for uncollectible reinsurance is required. At December 31, 2021 and 2020, no such allowances were deemed necessary.

Note A - Organization and Significant Accounting Policies (continued)

Deferred Policy Acquisition Costs

Commissions and other costs of acquiring insurance that are directly related to the successful acquisition of new and renewal business are deferred and amortized over the life of the policy to which they relate. These costs are deferred, net of any related ceding commissions, to the extent deemed recoverable.

Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company and its subsidiaries file a consolidated federal income tax return. Income taxes are allocated based on separate return calculations.

Policyholder Distributions

As a mutual insurer, EIM is owned by its policyholders. Policyholder distributions are released from excess surplus, and are charged to income when declared by the Board of Directors. During 2021 and 2020, the Board of Directors approved the declaration of policyholder distributions in the amount of $50 million.

COVID-19 Risks and Uncertainties

The ongoing COVID-19 coronavirus pandemic (COVID-19) continues to have a global impact creating uncertainty, volatility, and disruption across economies and financial markets. The Company's operational and financial performance will depend on certain developments, including the duration and spread of COVID-19 and its impact on the Company and its policyholders, employees, and vendors. While the overall impact of the COVID-19 outbreak cannot be reasonably estimated at this time, management does not currently believe that it will have a material adverse effect on the Company's financial position or results of operations.

Subsequent Events

The Company has evaluated subsequent events for disclosure and recognition through February 17, 2022, the date on which these financial statements were available to be issued.

Note B - Insurance Activity

Premium activity for 2021 and 2020 is summarized as follows *(in Thousands of U.S. Dollars):*

2021	Direct	Assumed	Ceded	Net
Premiums written	$ 316,742	$ 2,681	$ (88,547)	$ 230,876
Change in unearned premiums	10,952	1,454	(16,524)	(4,118)
Premiums earned	$ 327,694	$ 4,135	$ (105,071)	$ 226,758

2020	Direct	Assumed	Ceded	Net
Premiums written	$ 319,986	$ 5,477	$ (111,202)	$ 214,261
Change in unearned premiums	(20,944)	563	16,320	(4,061)
Premiums earned	$ 299,042	$ 6,040	$ (94,882)	$ 210,200

Activity in the liability for losses and LAE is summarized as follows *(in Thousands of U.S. Dollars):*

	2021	2020
Gross balance, beginning of year	$ 905,085	$ 757,436
Less: reinsurance recoverables on unpaid losses and LAE	(397,838)	(379,649)
Net balance, beginning of year	507,247	377,787
Incurred related to:		
Current year	173,107	163,074
Prior years	50,039	65,493
Total incurred	223,146	228,567
Paid related to:		
Current year	186	1,151
Prior years	125,643	97,956
Total paid	125,829	99,107
Net balance, end of year	604,564	507,247
Plus: reinsurance recoverables on unpaid losses and LAE	523,304	397,838
Gross balance, end of year	$ 1,127,868	$ 905,085

During 2021, incurred losses and LAE attributable to events of prior years increased by $50.0 million. The unfavorable development of prior year losses related primarily to prior accident years 2013, 2016, 2019, and 2020, which increased by $76 million. This was offset by favorable development of $26 million that was related to prior accident years 2017 and 2018.

Note B - Insurance Activity (Continued)

During 2020, incurred losses and LAE attributable to events of prior years increased by $65.5 million. The unfavorable development of prior year losses related primarily to prior accident years 2014, 2017, and 2019, which increased by $71 million.

The reconciliation of the net incurred and paid losses development tables to the liability for losses and LAE on the balance sheet as of December 31, 2021 is as follows *(in Thousands of U.S. Dollars):*

Net liabilities for unpaid losses and allocated LAE	$	597,564
Reinsurance recoverables on unpaid losses and allocated LAE		523,304
Unallocated LAE		7,000
Gross liability for unpaid losses and LAE	$	1,127,868

The following is information about incurred and cumulative paid losses and allocated LAE, net of reinsurance, total incurred-but-not-reported (IBNR) reserves plus expected development on reported claims, net of reinsurance and the cumulative number of reported claims as of December 31, 2021 *(in Thousands of U.S. Dollars, Except Number of Claims Data):*

Accident Year		Incurred		Cumulative Paid		IBNR Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims
2012	$	94,949	$	84,233	$	1,254	222
2013		131,086		107,985		1,639	218
2014		56,895		13,987		1,815	206
2015		182,582		178,803		3,654	209
2016		86,190		46,063		14,957	305
2017		173,662		137,417		5,682	260
2018		223,672		197,206		19,653	212
2019		165,064		97,168		35,550	244
2020		172,240		2,364		132,703	278
2021		170,865		186		168,809	172
Total	$	1,457,205	$	865,412	$	385,716	

Methodology for Determining Losses and LAE Reserves: With the assistance of a consulting actuary, generally accepted actuarial reserving techniques are utilized to project the estimate of ultimate losses and LAE at each reporting date.

Methodology for Determining Cumulative Number of Reported Claims: Cumulative number of reported claims include open and closed claims by accident year at the claimant level.

Energy Insurance Mutual Limited
Notes to Financial Statements

(Continued)

Note B - Insurance Activity (Continued)

The Company uses excess of loss reinsurance to protect against severe losses on the directors and officers, general partner, general liability, and fiduciary liability books of business. After certain deductibles or retentions have been satisfied, the maximum amount that could be recoverable under the 2021 and 2020 reinsurance treaties are $228,000,000 and $225,600,000 with respect to general liability and $82,650,000 and $81,780,000 with respect to directors and officers, general partner, and fiduciary liability, respectively.

Beginning in 2003, the Company entered into a reinsurance arrangement with Nuclear Electric Insurance Limited (NEIL) whereby NEIL provides excess of loss reinsurance on the directors and officers and general partner book of business. The Company is liable for the first claim that reaches $20,000,000 in excess of $30,000,000. For directors and officers claims that occur after, NEIL is liable for 80% of the $20,000,000 in excess of $30,000,000.

The property book of business is primarily reinsured by NEIL. In addition, the Company also has an arrangement with NEIL whereby its non-nuclear property book of business is fronted by EIM. The Company writes directly and assumes certain members' cyber liability risk. A portion of this business is ceded to NEIL.

The Company writes certain excess general liability policies above its main excess of loss treaty. For these particular policies, EIM will enter into a facultative agreement with the particular policyholder that has the option to co-insure with NEIL depending on the excess limits.

On January 1, 2021, the Company entered into a reinsurance agreement to protect against claims relating to wildfires. The agreement is limited to states on the West Coast of the United States excluding California.

Reinsurance ceded contracts do not relieve the Company from its obligations to policyholders. The Company remains liable to its policyholders for the portion reinsured to the extent that the reinsurer does not meet the obligations assumed under the reinsurance agreement. The reinsurance recoverable on paid and unpaid losses is substantially due from NEIL, National Indemnity Company, and various Lloyds of London syndicates, comprising 28%, 18%, and 15%, respectively, of the balance at December 31, 2021. At December 31, 2020, the reinsurance recoverable on paid and unpaid losses due from NEIL, National Indemnity Company, and various Lloyds of London Syndicates comprised of 30%, 18%, and 15%, respectively. The remaining balance is comprised of amounts due from various reinsurers, each not exceeding 12% of the total for 2021 and 2020.

Note C - Investments

Current accounting guidance establishes a three-level hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets (Level 1), the next priority to quoted prices for identical assets inactive markets or similar assets in active markets (Level 2) and the lowest priority to unobservable inputs (Level 3).

The following table presents the Company's investment securities within the fair value hierarchy, indicating the objectivity and reliability of the inputs used to value those securities at December 31, 2021 *(in Thousands of U.S. Dollars):*

	Total	Level 1	Level 2	Level 3
Fixed maturity securities, trading	$ 1,150,344	$ -	$ 1,150,344	$ -
Equity securities	561,985	561,985	-	-
Total	$ 1,712,329	$ 561,985	$ 1,150,344	$ -

There were no transfers into or out of the Level 3 during 2021.

Energy Insurance Mutual Limited
Notes to Financial Statements

(Continued)

Note C - Investments (Continued)

The net realized gain on investments for the years ended December 31, 2021 and 2020 is composed of the following *(in Thousands of U.S. Dollars):*

	2021	2020
Net realized (loss) gain on securities sold	$ (23,279)	$ 2,077
Net holding period (loss) gain on securities held, fixed maturity securities	(19)	18,545
Net holding period gain on securities held, equity securities	85,961	49,078
Net realized gain on investments	$ 62,663	$ 69,700

The composition of net investment income for the years ended December 31, 2021 and 2020 is composed of the following *(in Thousands of U.S. Dollars):*

	2021	2020
Interest income	$ 30,578	$ 29,835
Dividend income	14,686	12,510
Income from subsidiaries	144	222
Income from alternative investments	28,539	5,537
Other	(24)	(15)
Gross investment income	73,923	48,089
Investment management fees	(5,008)	(4,376)
Interest expense	(28)	(41)
Net Investment Income	$ 68,887	$ 43,672

At December 31, 2021 and 2020, EIM holds investments with a total fair value of $26 million and $25 million, respectively, in issuers who are also policyholders.

Alternative investments include the following investment categories as of December 31 *(in Thousands of U.S. Dollars):*

	2021	2020	Redemption Frequency	Redemption Notice Period
Catastrophe reinsurance	$ 27,599	$ 27,342	Quarterly	90 days
High-yield bank loan	117,351	106,699	Monthly	30 days
Core real estate	134,529	112,535	Quarterly	45 days
Industrial real estate	11,586	6,265	Quarterly	60 days
Trade finance	10,004	-	Quarterly	45 days
Total	$ 301,069	$ 252,841		

The catastrophe reinsurance class includes funds with investments primarily in portfolios of traditional reinsurance and other insurance-based investment instruments that have returns tied to property and casualty catastrophe risk. In addition, this class may hold cash, treasury bills, and money market funds. The investors in this class have limited redemption rights that may be suspended from time to time.

The high yield bank loan class includes funds that invest in a diversified portfolio consisting primarily of direct or indirect interests in non-investment grade, floating rate bank loans.

The real estate class includes three funds that invest primarily in industrial, retail, office, and multifamily housing.

The trade finance class consists of short-term loans that support the physical flow of goods while using those same goods within the transaction as primary security.

The fair values of all alternative investment fund classes have been estimated using the net asset value per share. As of December 31, 2021, there is $15 million in unfunded commitments related to these investments.

Energy Insurance Mutual Limited
Notes to Financial Statements

(Continued)

Note D - Federal Income Taxes

The components of the (provision) benefit for federal income taxes for the years ended December 31, 2021 and 2020 are as follows *(in Thousands of U.S. Dollars):*

	2021	2020
Current income tax (provision) benefit	$ (113)	$ 8,061
Deferred income tax provision	(11,252)	(5,140)
Total income tax (provision) benefit	$ (11,365)	$ 2,921

The provision for federal income tax differs from the amount derived by applying the statutory federal tax rates to pretax income for financial reporting purposes due primarily to tax exempt income and gains and losses from investments.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act was enacted and signed into law. Amongst other provisions, the CARES Act allows companies to carry back certain net operating loss to taxes paid in each of the five preceding taxable years. As a result, the Company recognized a $6.9 million tax benefit in 2020 resulting from the rate differential of carrying back its 2019 net operating loss to years taxed at a 35% rate.

Deferred federal income taxes arise from temporary differences between the valuation of assets and liabilities as determined for financial reporting purposes and federal income tax purposes. In 2021 and 2020, the Company measured its deferred tax items at its effective tax rate of 21%.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31 are as follows *(in Thousands of U.S. Dollars):*

	2021	2020
Deferred tax assets:		
Unpaid losses and LAE	$ 8,633	$ 7,124
Unearned premiums	5,545	5,350
Accrued expenses and other	4,892	3,479
NOL carryforward	1,474	-
Total deferred tax assets	20,544	15,953
Deferred tax liabilities:		
Fair value adjustments on securities, net	(79,141)	(68,381)
Fair value adjustments on alternatives, net	(10,003)	(4,901)
Bond amortization	(1,164)	(955)
Other	(303)	(531)
Total deferred tax liabilities	(90,611)	(74,768)
Net deferred tax liability	$ (70,067)	$ (58,815)

Energy Insurance Mutual Limited
Notes to Financial Statements

(Continued)

Note D - Federal Income Taxes (Continued)

The Company is required to establish a valuation allowance for any portion of the deferred tax asset that management believes will not be realized. The Company has historically been a taxpayer, and in the opinion of management, will continue to be in the future. Management believes that it is more likely than not that the Company will realize the benefit of the deferred tax assets; therefore, no valuation allowance has been established.

During 2003, the Company applied for and was granted an exemption from Barbados income tax by the Minister of Finance under the Duties, Taxes, and Other Payment (Exemption) Act. Federal income taxes incurred by the Company are determined in accordance with the provisions of the Internal Revenue Code.

At December 31, 2021 and 2020, the Company determined there are no material unrecognized tax benefits, and no adjustments to liabilities or operations were required.

Note E - Related Party Transactions

During 2021 and 2020, EIM provided reinsurance to certain EIS cells. For the years ended December 31, 2021 and 2020, premiums earned included $262,000 and $451,000 of premium assumed from EIS, respectively. During 2021 and 2020, EIM ceded premiums earned of $568,000 and $1.5 million to EIS, respectively. One of the policies ceded to EIS incurred a loss recoverable to EIM in the amount of $5.4 million as of December 31, 2021. EIS reimburses ECM for certain expenses incurred related to the administration of EIS, plus a service fee.

Note F - Commitments and Contingencies

The Company is named as defendant in various legal actions arising in the normal course of business from claims made under insurance policies and contracts. These actions are considered by the Company in estimating the loss and LAE reserves. The Company's management believes that the resolution of these actions will not have a material adverse effect on the Company's financial position or results of operations.

Note G - Trust Funds and Deposits

The Company has established a trust fund within a federally insured depository. This trust fund serves as security for policyholders and third-party claimants to satisfy requirements for being listed as an alien surplus lines insurer by the National Association of Insurance Commissioners. The Company is required to maintain a minimum amount of the lesser of $150,000,000 or $5,400,000 plus 30% of liabilities arising from business on or after January 1, 1998. At December 31, 2021 and 2020, the balance in the trust fund was in excess of $150,000,000. These funds have been included in the accompanying balance sheets within the fixed maturity securities.

Note H - Line of Credit

The Company has a $75,000,000 line of credit used solely to fund claim payments that are subject to reinsurance recovery. During 2021 and 2020, there were no draws or payments made under the line of credit.

Note I - Retiree Medical Benefits

The Company provides employees with a Post-retirement Medical, Dental, and Vision Plan (the Plan). The Plan is available to retirees (upon fulfilling eligibility requirements), their spouses, and dependents as a continuation of the healthcare plan available to active employees. Current and/or retired employees hired after December 31, 2011, are required to contribute 50% of the medical plan COBRA rate, upon fulfilling the eligibility requirements under the Plan. Employees hired after June 1, 2017 are not eligible under the Plan. The Plan is unfunded.

Energy Insurance Mutual Limited
Notes to Financial Statements

(Continued)

Note I - Retiree Medical Benefits (Continued)

The assumed discount rate used to determine the benefit obligation is 2.65% for 2021. The assumed healthcare cost trend rate is 5.8% for 2021, trending to 4.5% by 2037. The Company recognized a liability representing the actuarially determined accumulated post-retirement benefit obligation in the amount of $12,665,000 and $9,679,000 as of December 31, 2021 and 2020, respectively, which is included as a component of accrued expenses on the balance sheet.

Note J - Margin of Solvency

In order to meet the requirements of the Laws of Barbados, the Company must have contributed reserves of $22 million. The policyholders' surplus provided an excess margin of solvency of $1.2 billion at December 31, 2021.

Energy Insurance Mutual Limited
Required Supplementary Information (unaudited)

The following is information about incurred and paid claims development, net of reinsurance, for years ended December 31 *(in Thousands of U.S. Dollars).*

Incurred Losses and Allocated Loss Adjustment Expenses, Net of Reinsurance

Accident Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
2012	$ 118,098	$ 98,195	$ 114,696	$ 101,068	$ 89,380	$ 87,776	$ 86,057	$ 97,646	$ 96,842	$ 94,949
2013		107,503	80,064	133,300	125,652	118,521	125,340	121,508	119,378	131,086
2014			104,082	74,447	66,923	57,845	54,037	44,411	57,989	56,895
2015				152,607	172,589	158,105	169,930	182,232	181,740	182,582
2016					101,671	87,042	69,607	59,243	58,295	86,190
2017						146,429	112,609	144,520	187,525	173,662
2018							153,984	232,998	234,396	223,672
2019								120,841	138,087	165,064
2020									158,615	172,240
2021										170,865
Total										$ 1,457,205

Energy Insurance Mutual Limited
Required Supplementary Information (unaudited)

(Continued)

Accident Year	Cumulative Paid Losses and Allocated Loss Adjustment Expenses, Net of Reinsurance									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
2012	$ 1,210	$ 6,132	$ 9,324	$ 38,781	$ 40,039	$ 72,804	$ 77,104	$ 79,786	$ 81,951	$ 84,233
2013		1,527	3,036	55,626	94,806	100,665	106,280	106,890	107,221	107,985
2014			1,450	1,986	2,398	13,411	13,474	13,483	14,156	13,987
2015				695	141,523	142,183	142,445	143,574	177,661	178,803
2016					483	6,555	12,580	45,963	46,042	46,063
2017						93	2,270	55,505	117,197	137,417
2018							187	194,978	191,809	197,206
2019								1	2,434	97,168
2020									1,151	2,364
2021										186
Total										$ 865,412

Reconciliation of incurred to liabilities for losses and loss adjustment expenses, net of reinsurance:

Incurred losses and allocated loss adjustment expenses, net of reinsurance	$ 1,457,205
Less cumulative paid losses and allocated loss adjustment expenses, net of reinsurance	(865,412)
All outstanding liabilities before 2012, net of reinsurance	5,771
Liabilities for losses and loss adjustment expenses, net of reinsurance	$ 597,564

The following is the average historical claims duration as of December 31, 2021:

Years	Average Annual Percentage Payout of Incurred Claims by Age									
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
	0.7 %	20.2 %	17.3 %	22.4 %	3.0 %	11.5 %	1.7 %	0.9 %	1.5 %	2.4 %

EIM DIRECTORS

As of December 31, 2021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Carter M. Reid,
Vice Chair


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Trevor A. Carmichael


Marian M. Durkin


Benjamin G.S. Fowke, III


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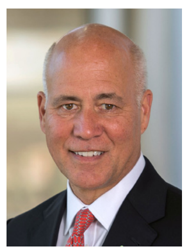
David E. Meador


M. Bridget Reidy


Rudolph L. Wynter

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Entergy Corporation, New Orleans, Louisiana

Carter M. Reid, Executive Vice President, Chief of Staff
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and President, Dominion Energy Services
Dominion Energy, Inc., Richmond, Virginia

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Energy Insurance Mutual Limited, Tampa, Florida

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Barbados Counsel, Barbados, West Indies

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Rudolph L. Wynter, President, National Grid New York
National Grid, plc, Brooklyn, New York

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As of December 31, 2021

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Kodwo P. Ghartey-Tagoe
Martin J. Lyons, Jr.
Rudolph L. Wynter

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Marianna Michael
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Frank Stanbrough
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Ronald D. Rispoli


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D. Timothy Underwood

Michael G. McFarland, Director, Enterprise Risk Management
Great River Energy, Maple Grove, Minnesota

Stephanie S. Rogers, Director, Risk & Insurance
Plains All American Pipeline, L.P., Houston, Texas

Edsel L. Carlson, Risk Manager
TECO Energy, Inc., an Emera company, Tampa, Florida

Arnold Garcia, Manager, Insurance
Duke Energy Corporation, Charlotte, North Carolina

Marianna Michael, Director, Insurance
Liberty Algonquin Business Services, Oakville, Ontario, Canada

Gordon Payne, Director of Risk Management
Fortis, Inc., St. John's, Canada

Ronald D. Rispoli, Director, Risk & Insurance/Risk Engineering
Entergy Services, Inc., Russellville, Arkansas

Frank Stanbrough, Vice President/Risk Management and Compliance Officer
Southwest Gas Holdings, Inc., Las Vegas, Nevada

Denise E. Straka, Vice President - Insurance
Calpine Corporation, Dublin, California

D. Timothy Underwood, Director, Insurance Risk Management
CMS Energy, Jackson, Michigan

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As of December 31, 2021

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(Chair)
Executive Vice President
and General Counsel
Entergy Corporation

Carter M. Reid
(Vica Chair)
Executive Vice President,
Chief of Staff and Corporate
Secretary and President,
Dominion Energy Services
Dominion Energy, Inc.

G. Thomas Bolton, III
President
Chief Executive Officer

Jeffrey M. Tkacz
Vice President
Chief Financial Officer

Jill C. Dominguez
Vice President
Chief Underwriting Officer

Ann M. Joslin
Vice President
Claims

Kevin R. Wolff
Vice President
General Counsel and Secretary

Trevor A. Carmichael
Assistant Secretary
Barrister at Law,
Barbados Counsel
Chancery Chambers

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Vice President
Chief Financial Officer

Randall L. Martin
Vice President
Chief Operating Officer

Kevin R. Wolff
Vice President
General Counsel and Secretary

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(Vice Chair)

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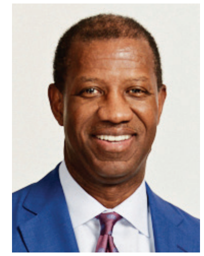
Vice President
Chief Operating Officer

Tobias P. Burke
Vice President
Chief Accounting Officer

Jeffrey M. Tkacz
Vice President
Chief Financial Officer

Kevin R. Wolff
Vice President
General Counsel and Secretary


Marcus V. Brown


Carter M. Reid


G. Thomas Bolton, III


Jeffrey M. Tkacz


Jill C. Dominguez


Ann M. Joslin


Kevin R. Wolff


Trevor A. Carmichael


Randall L. Martin


Tobias P. Burke

EIM MEMBERS

As of December 31, 2021

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Algonquin Power & Utilities Corp.
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Alliant Energy Corporation
AltaLink, L.P.
Ameren Corporation
American Electric Power Service Corporation
American Water Works Company, Inc.
Apache Corporation
Associated Electric Cooperative, Inc.
Atmos Energy Corporation
Avangrid, Inc.
Avista Corporation
Basin Electric Power Cooperative
Berkshire Hathaway Energy Company f/k/a MidAmerican Energy Holdings Company
Black Hills Corporation
British Columbia Hydro and Power Authority
Buckeye Partners, LP
California Independent System Operator Corporation
Calpine Corp.
CenterPoint Energy, Inc.
Central Arizona Water Conservation District
Chesapeake Energy Corporation
Chesapeake Utilities Corporation
Chugach Electric Association, Inc.
Citizens Energy Group
City of Richmond, Department of Public Utilities
City Public Service of San Antonio, Texas
City Utilities of Springfield, Missouri
Clearway Energy, Inc.
Cleco Corporate Holdings LLC
CMS Energy Corporation
Colonial Enterprises, Inc.
Colorado Springs Utilities
Consolidated Edison Company of New York, Inc.
Cooperative Energy
Crestwood Equity Partners, LP
Dairyland Power Cooperative
Deseret Generation & Transmission Cooperative
Devon Energy Corporation
District of Columbia Water and Sewer Authority
Dominion Energy, Inc.
Doyon Utilities, LLC
DQE Holdings LLC
DT Midstream, Inc.
DTE Energy Company
Duke Energy Corporation
East Kentucky Power Cooperative, Inc.
Edison International
El Paso Electric Company
Electric Reliability Council of Texas, Inc.
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Energy Transfer LP
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MGE Energy, Inc.
Midcontinent Independent System Operator, Inc.
Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services
Modesto Irrigation District
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National Grid plc
National Grid USA
New Jersey Resources Corporation
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ONEOK, Inc. & ONEOK Partners, LP
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Plains All American Pipeline, L.P.
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Portland General Electric Company
PowerSouth Energy Cooperative
PPL Corporation
Public Service Enterprise Group Incorporated
Public Utility District No. 1 of Chelan County
Public Utility District No. 1 of Snohomish County
Public Utility District No. 2 of Grant County, WA
Public Utility District No. 1 of Douglas County
Public Utility Risk Management Services
Puget Holdings LLC
RGC Resources, Inc.
Sacramento Municipal Utility District
Salt River Project Agricultural Improvement and Power District
SEMCO Holding Corporation
Seminole Electric Cooperative, Inc.
Sempra Energy
South Carolina Public Service Authority (Santee Cooper)
Southern Company
Southern Star Central Corp.
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Southwest Power Pool, Inc.
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STP Nuclear Operating Company
Suburban Propane Partners, L.P.
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Tallgrass Energy, LP
Taneska, Inc.
Targa Resources Corp.
TC Energy Corporation
Tennessee Valley Authority
Trans Bay Cable LLC
Trans Mountain Corporation
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Vistra Corp.
WEC Energy Group, Inc.
WGL Holdings, Inc.
Williams Companies, Inc. (The)
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1986
2006
of Remarkable Service
Energy Insurance Mutual 2006 Annual Report
Our Focus
Our Members
Energy Insurance Mutual 2007 Annual Report
Energy Insurance Mutual
2008 Annual Report
Energy Insurance Mutual 2009 Annual Report
The Future's So Bright
25
EIM 2011 Annual Report Celebrating 25 Years of Growth and Service
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Tobias Burke • tburke@eimltd.com

2021 ANNUAL REPORT

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