GERMANIA
MUTUAL INSURANCE
SINCE 1878

A helping hand when you need it most

2024 Report

2024 was indeed a challenging year for Canada with several significant natural catastrophes. The hail storm in Calgary alone caused $2.8 billion in damages, while the remnants of Hurricane Debby and excessive flooding in Toronto contributed to the overall $8.5 billion in insured losses across the County.

Thankfully these losses did not affect Germania Mutual and our clients directly, but losses like these and similar ones around the world do have an affect on the Reinsurance Premiums we will pay on a go forward basis. It will be crucial to stay vigilant and prepared as similar events could affect our policyholders and Germania directly in the future.

Inside this issue:

Annual General Meeting

The meeting will be held in-person on March 19th, 2025 at 2:00 pm

Click to learn more!

GERMANIA PRIDES ITSELF ON ITS INVOLVEMENT AND SUPPORT OF MANY WORTHWHILE CAUSES IN OUR COMMUNITY

Click here to see more photos on our website!

GERMANIA MUTUAL INSURANCE LEADERSHIP

MESSAGE FROM THE CHAIR

Doug Townsend

On behalf of the Board of Directors it is my pleasure to bring you an update on Germania Mutual Insurance 2024 year in review.

After 147 years in the insurance business Germania has seen many changes in the landscape of insurance and how it is delivered to its policyholders. Through all these changes one thing remains fundamental, not only with the board of directors but with all staff of the company; looking after our customers, YOU the policyholder, is our main concern. We have seen and we will continue to see lots of technological changes within the industry and how the end product of insurance is delivered. So although some things may look different, Germania's basic fundamentals remain the same.

In 2024 we welcomed two new directors to the board, Kevin Weppler and Bruce Aitken. Both bring a wealth of knowledge to the board. Both are actively participating in the Ontario Mutual Insurance Association's (OMIA) training courses to obtain their director certification. There is always something to learn and knowledge makes us all better directors.

One thing that I, as Chair of the Board take great pride in is Germania's commitment to the community. Did you know we sponsor many projects and fundraisers across Grey and Bruce counties and beyond based on input from our staff and our broker network? These sponsorships help hospitals, youth programs, fire departments, breakfast clubs and many many more organizations.

In closing, I would like to thank ALL the staff of Germania Mutual. You all go above and beyond to ensure our policyholders receive excellent service day in and day out. Also thank you to the board of directors for allowing me to chair this great board in 2024. Most of all to you the policyholders for trusting us to handle your insurance needs.

Respectfully yours,

Doug Townsend
Board Chair

GERMANIA MUTUAL INSURANCE LEADERSHIP

MESSAGE FROM THE CEO

Dan Hill

I would like to start my report by expressing my gratitude to my management team, employees, Board of Directors, and our corporate business partners for their invaluable assistance to Germania throughout 2024. We have worked diligently with our Broker and Agent partners to maintain positive working relationships, which we ultimately see as a true value add to our policyholders.

Germania continues to successfully operate in a hybrid work environment, allowing for work-life balance while ensuring that business continues at or above pre-COVID outputs. While much of the business world, including Government and larger insurers, continue to struggle to find their best workplace model, we are confident that our model is sustainable.

Training, education and overall employee development are at the forefront of every business decision at Germania, recognizing that our strength is our people.

In 2024, Germania's underwriting performance was again positive. We witnessed growth of 11.5%, which was ahead of budget, and driven by inflationary increases in personal lines property and auto. New claims activity was stable and slightly lower than budget expectations. The severity of claims was also lower than in 2023 and frequency remained lower than our five-year average. The lower frequency was due, at least in part, to avoiding the major catastrophe activity which has occurred across Canada, the highest in our history.

Given Catastrophe activity remains high across the country and the severity of these CAT losses are increasing substantially it seems on an annual basis, Germania's reinsurance premiums for their CAT reinsurance program have doubled over the past couple of years. This level of increase is unprecedented but should be expected given the frequency and severity of these CAT events across Canada and around the world. As a Mutual insurer, we continue to look for ways to soften or absorb premium increases, but with the majority of our expenses seeing double digit increases, it will be difficult to maintain current premium rates.

As mentioned Germania had positive insurance results year in 2024 while also witnessing a positive rebound in our investment portfolio. Returns came in at or above budget on both our fixed income and equity portfolios, and we saw a substantive rebound in unrealized gains triggered by a more stable interest rate environment than we endured in 2022/2023.

Our Biennial Strategic Planning meeting will occur in April of this year, to ensure that the Board and Management are in concert with the business and operational direction of the corporation. As part of this plan Germania will continue our focus on providing service to our physical community and our community of business partners. We truly feel that Germania is an integral part of both of these and will endeavor to be "In our Community, for our Community".

We now look forward to serving you the policyholders for years to come.

Sincerely,

Dan Hill
President/CEO

BROKERS AND AGENTS REPRESENTING GERMANIA MUTUAL

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AGENCIES

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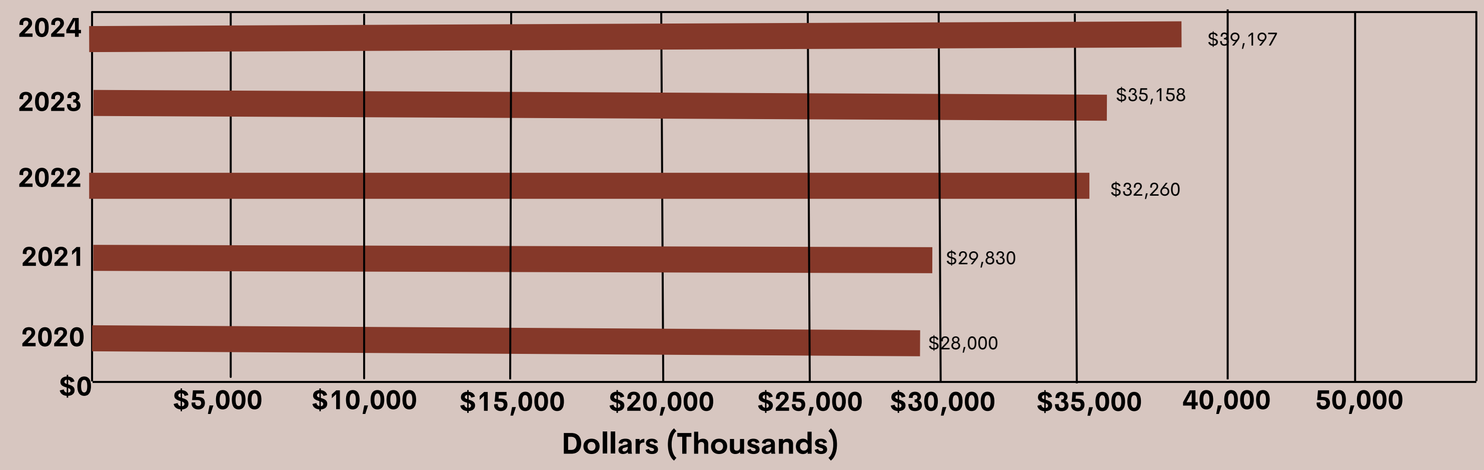
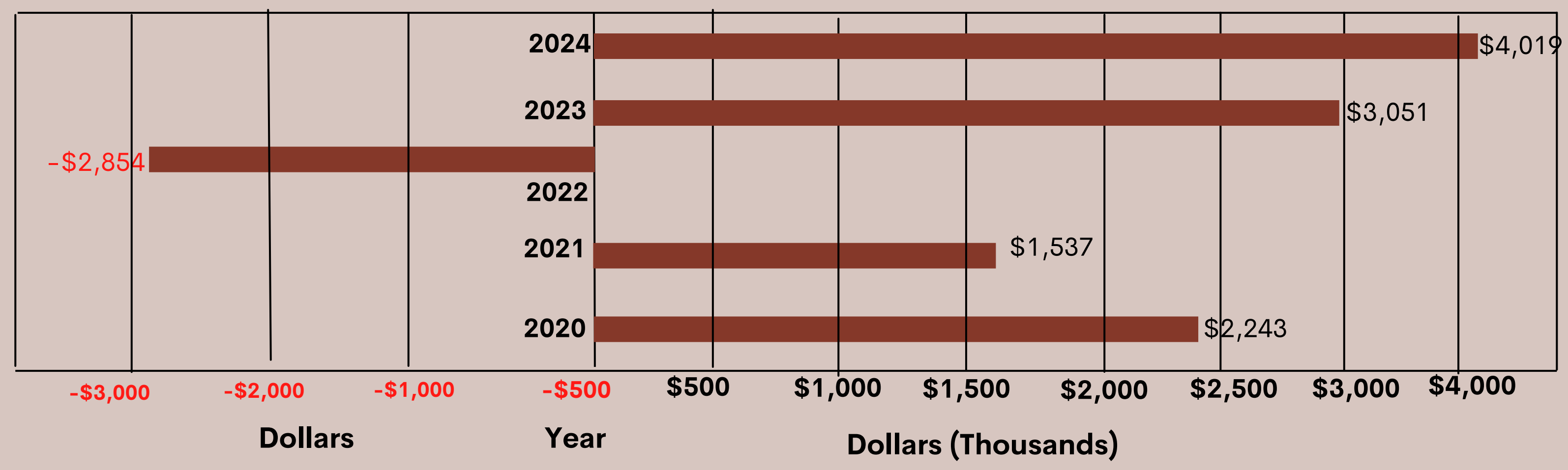
5 Year Performance Financials

Premium Written



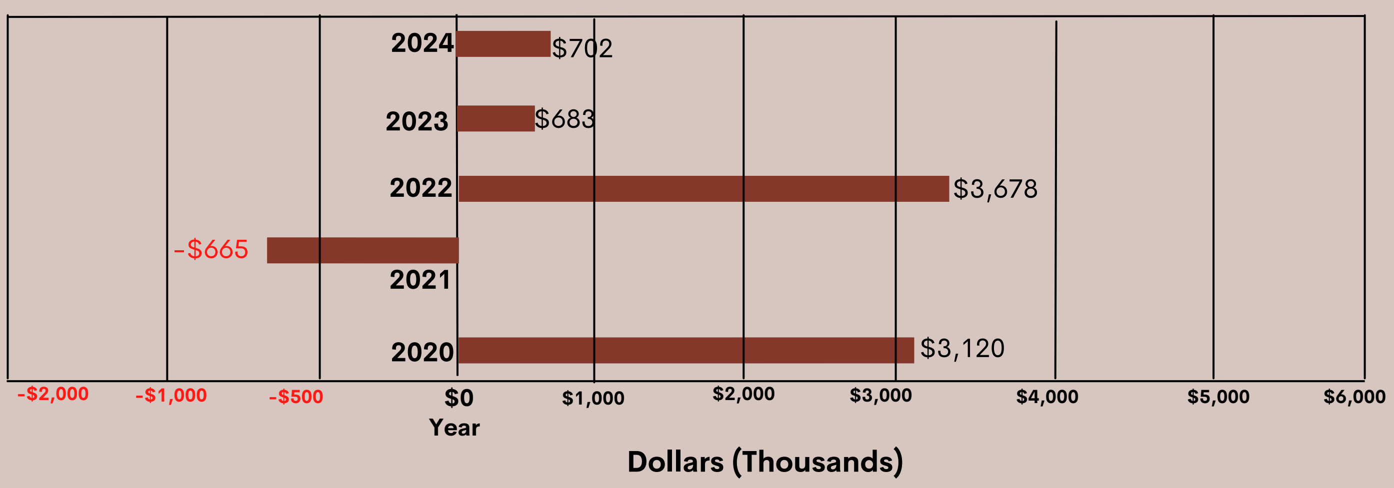
Premium received by Germania from which all claims and operating expenses are paid.

Investment Income



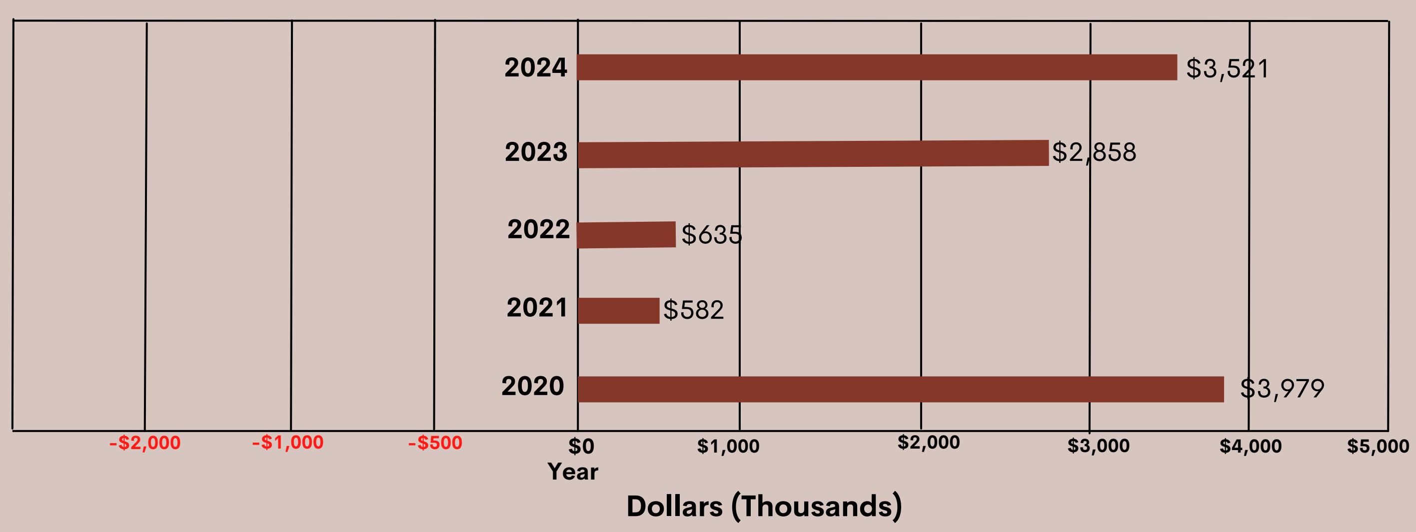
Income generated by Germania investments. In the short term, these funds can help stabilize underwriting performance. In the long term, they help build Members' Surplus to keep the Company strong and facilitate future growth.

Net Income Less Investment & Other Income



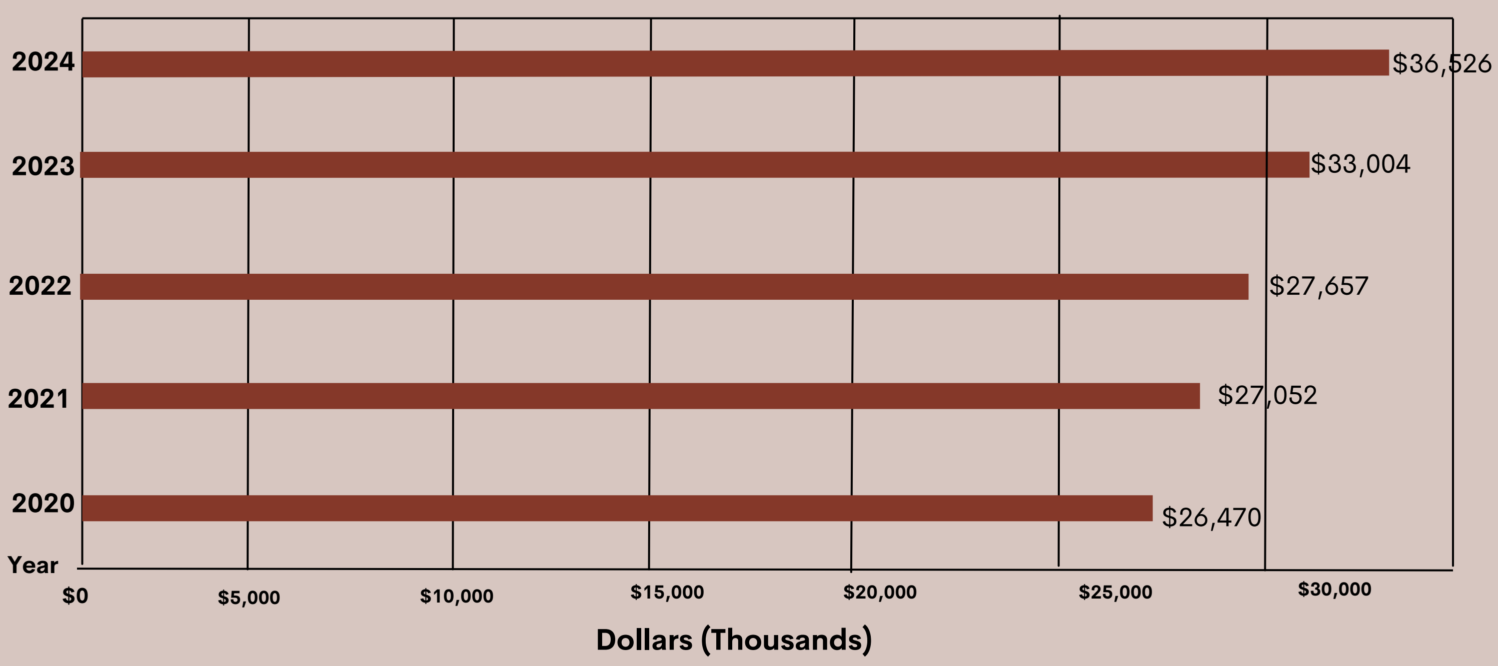
These figures show whether or not premiums received were sufficient to cover Germania claims and operating expenses in that year. A negative figure indicates that investment income was required to make up the shortfall.

Net Income



The amount added to or subtracted from Members' Surplus after all claims and expenses are paid and all investment income is included.

Members' Surplus



The financial strength of the company.

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