



INSURANCE INDUSTRY REPORT 2021

01



AKI's Vision

To be the leader in championing insurance growth and excellence globally.

02



AKI's Mission

To champion an enabling environment that promotes growth and excellence in the insurance industry.

03



AKI's Core Values

- **Agility** – responsive, proactive, efficient & effective services to members and stakeholders.
- **Innovation** – creation of excellence in all our operations.
- **Confidentially** – privacy of data, info and knowledge in our operations and members.
- **Integrity** – honesty, adhering to moral and ethical principles.
- **Professionalism** – highest level of competence, excellence, conduct & attitude.
- **Collaboration** – embracing teamwork

Our Roles

- Protecting, promoting, and advancing the common interests of members of the Association.
- Promoting agreement and co-operation among its members on matters of mutual interest and providing machinery for the examination and reconciliation of any differences.
- General advancement of insurance business and promoting knowledge and a clearer understanding of insurance among all sections of the community.
- Gathering and collating data, information and market-wide statistics from members of the Association and other jurisdictions, for the purpose of determining market trends and satisfying any other requirements set by the Board from time to time.
- Consulting and co-operating with other associations or similar bodies within and outside Kenya with regard to matters of mutual interest and if deemed necessary obtaining affiliation with such associations.
- Managing assets and funds realized from contributions by members and out of investments for the benefits of the members.



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ACRONYMS

ABBREVIATION	FULL NAMES
AFDB	African Development
CAGR	Compound Annual Growth Rate
CBR	Central Bank Rate
CICD	Continuous Integration and Continuous Development
DPA	Data Protection Act
DRC	Democratic republic of Congo
EMDE	Emerging Markets and Developing Economies
ESG	Environment, Social and Governance
ETF	Exchange Traded Fund
GDP	Gross Domestic Product
GWP	Gross Written Premium
IFRS	International Financial Reporting Standards
IMARC	International Market Analysis Research and Consulting
IMF	International Monetary Fund
KES	Kenya Shilling
KNBS	Kenya National Bureau of Statistics
NHIF	National Hospital Insurance Fund
NITA	National Industrial Training Authority
NSE	Nairobi Securities Exchange
NSSF	National Social Security Fund
PAYE	Pay As You Earn
SaaS	Software as a Service
SDG	Sustainable Development Goals
SDR	Special Drawing Rights
WIBA	Work Injury Benefits Act

CHAIRMAN'S FOREWORD



On behalf of the Board of Directors and Management of the Association of Kenya Insurers, I am pleased to present to you the Insurance Industry Report for the period 1 January to 31 December 2021. This report offers insights on issues pertaining to the insurance industry and further presents trend analysis for various industry performance metrics over the last five years.

Like other financial sectors, the global insurance industry faced the consequences of the pandemic with the biggest impact having been experienced in 2020 where many industries contracted. The industry slowly rebounded in 2021 with an estimated real growth in total premiums of 3.4 percent. This is forecasted to grow at 3.3 percent and 3.1 percent for 2022 and 2023 respectively.

The reinsurance industry has acted as the shock absorber for individuals and businesses throughout the globe shouldering most of the financial pain. This was through covering some of the losses from the ongoing pandemic and natural catastrophes. This crucial support has been a vital contributor to the quick economic recovery and resilience in general.

The pandemic presented a silver lining as we witnessed a global rise in insurance awareness especially in medical and life insurance. Health insurance specifically experienced a positive real growth of 5.5 percent and 3.2 percent in 2020 and 2021 respectively. Life protection insurance premiums grew by 4.9 percent in 2021. This growth is in contrast with the norm in the economic crises experienced before like the Great Financial Crisis of 2008.

The World real GDP recorded an accelerated growth of 5.9 percent in 2021 compared to the 3.6 percent contraction in 2020. This growth is attributed to the relaxation of measures put in place to control the spread of COVID-19, such as vaccination and further reopening of the economy and global supply chains. This has led to an improvement in global trade as well as increased activity in the industrial and services sectors of most economies. Global Inflation, measured by the consumer price index, experienced a steady growth in 2021 at 3.6 percent from 0.20 percent in 2020, and is expected to have gradual decrease in the next couple of years.

Global non-life premiums rose by 3.3 percent in real terms in 2021. It is expected to be at 3.7 percent in 2022 and slightly lower at 3.3 percent in 2023. Life insurance premium is estimated to have grown by 3.5 percent in real terms in 2021. This growth was witnessed in advanced Europe and Emerging Africa and Asia pacific excluding China. It is also forecasted that the trend will persist in 2022 and

2023 with a real growth of 2.9 percent and 2.7 percent respectively.

In Kenya, the economy recovered from the crippling effects of the COVID-19 pandemic to expand by 7.5 percent in 2021 compared to a contraction of 0.3 percent in 2020. The recovery was mainly driven by resumption of most economic activities after the lifting of the COVID-19 containment measures instituted in 2020.

The industry gross written premium grew by 16.9 percent to KES 275.0 billion in 2021 from KES 235.3 billion in 2020. This represents a penetration rate of 2.27 percent in 2021. A marginal increase from 2.20 percent in 2020.. General insurance business still formed the bigger chunk of the premium at 54.7 percent while life insurance business took the remaining 45.3 percent.

Life Insurance premium grew by 21.5 percent to KES 124.7 billion in 2021 from KES 102.6 billion in 2020. Pension administration dominated the business at 39.8 percent share of the premium. Group life slightly surpassed ordinary life in 2021 as they registered 29.0 percent and 28.3 percent market share respectively. However, this was not

the case in 2020 as ordinary life had a larger market share of 30.7 percent when compared to group life which had a market share of 25.5 percent.

Non-life insurance grew at a slower rate of 13.3 percent to KES 150.3 billion in 2021 from KES 132.7 billion in 2020. Motor insurance was the largest contributor to GWP at 32.8 percent followed by medical insurance at 31.7 per cent.

Insurers today are faced with a dynamic environment that requires them to be agile and resilient to survive. Key issues to watch out for in the coming months include the transition to IFRS 17 in January 2023. The coming into effect of the Data Protection Act and its attendant regulations. The push to integrate ESG into insurance operations and digitization across the insurance value chain.

It is my hope that as you engage this report, you will gain insights on the current issues facing insurers and appreciate some the possible solutions.

Jerim Otieno
AKI Chairman

Global Overview



1 GLOBAL ECONOMIC OVERVIEW AND OUTLOOK

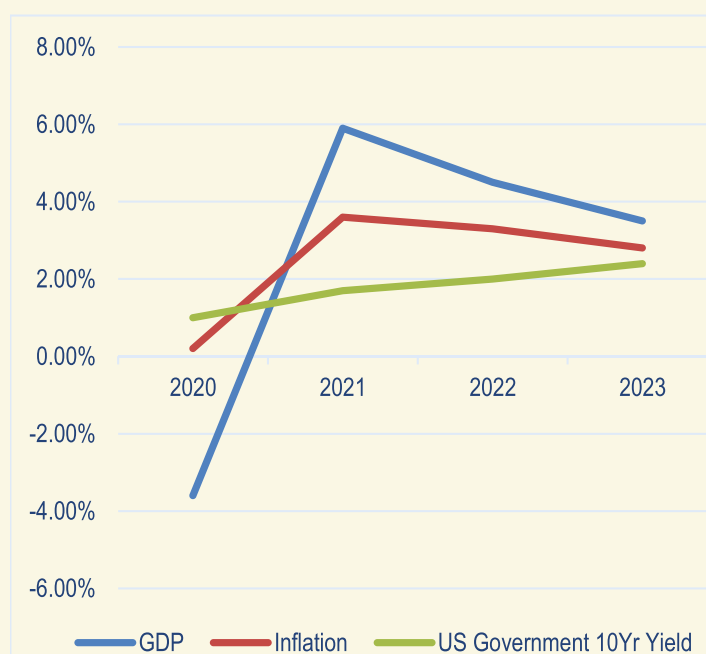


1.1 Global Macroeconomics Overview

The World real GDP recorded an accelerated growth of 5.9 % in 2021 compared to the 3.6 % contraction in 2020. This growth is attributed to the relaxation of measures put in place to control the spread of COVID-19, such as vaccination and further reopening of the economy and global supply chain. This has led to an improvement in global trade as well as increased activity in the industrial and services sectors of most economies.

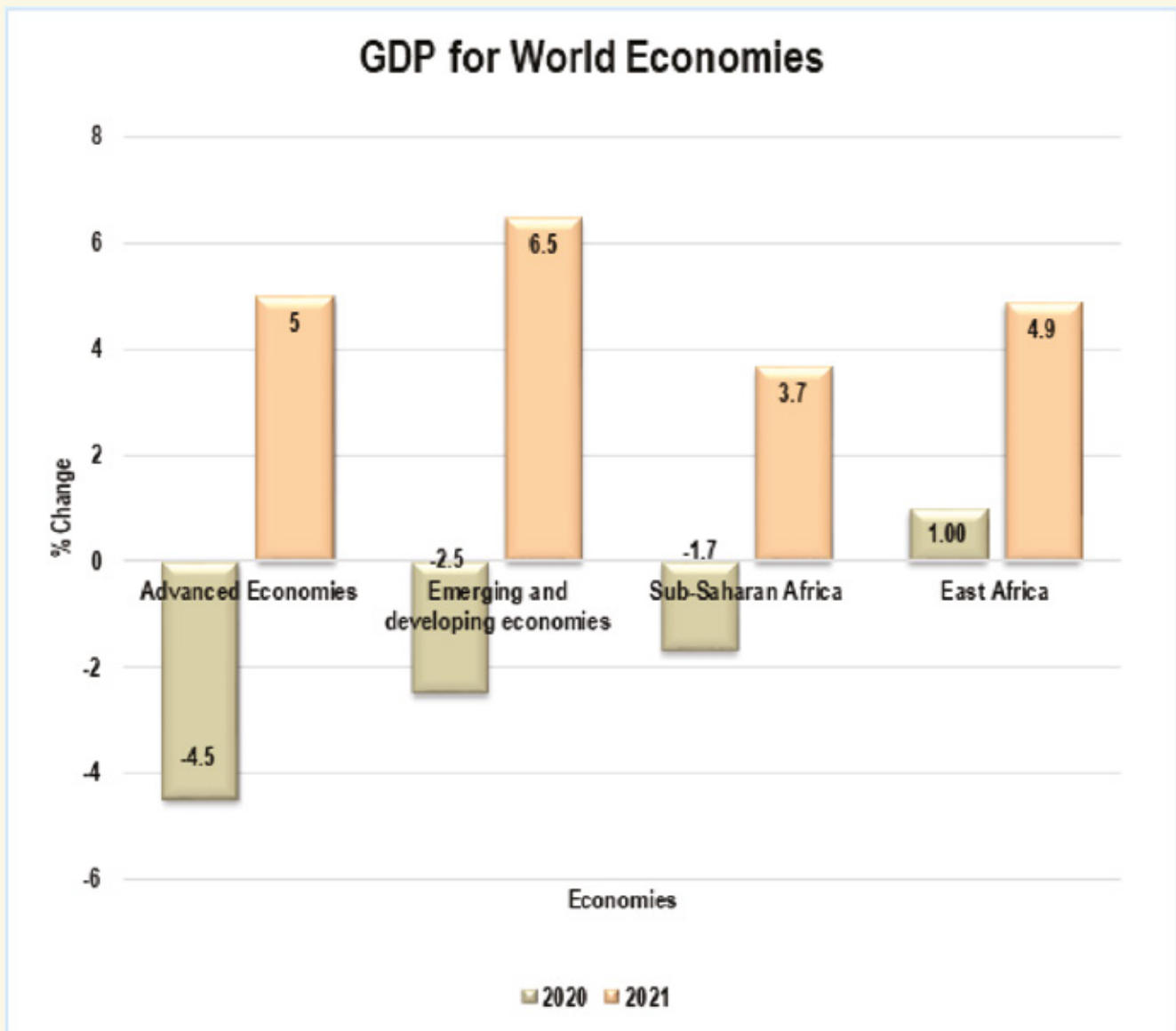
Global Inflation, measured by the consumer price index, experienced a steady growth in 2021 at 3.6% from 0.20% in 2020, and is expected to have gradual decrease in the next couple of years. Interest rates as measured by the 10-year US government bonds shows a positive trend from 2020 to 2021. It is forecasted to continue increasing in the near term.

Figure 1: Global Macroeconomics Indicators



Source: Swiss Re sigma 5/2021

Figure 2: GDP for World Economies



Source: KNBS 2021 Report

The accelerated growth was experienced across all economies as seen above. This economic rebound is attributed to the rollout of COVID-19 vaccines and reduction in mobility restrictions. In the EMDEs, the recovery was underpinned by increased domestic demand and policy support, coupled with the International Monetary Fund's (IMF) boost of general reserve assets of the countries in the regions. The Sub-Saharan Africa economy growth was buoyed by an increase in commodity prices and increased agricultural production due to favorable weather conditions.

1.1.1 Building Resilient Economies Globally

With the residual effects of the COVID-19 pandemic, the ongoing climate change crisis and the rapidly changing technological disruptions, the world needs to incorporate some measures for resilience, specifically in terms of the economic future. Some of these measures include the triple “Ds” outlined below.

The Call of Duty: The triple D’s, Digitization, Divergence and Decarbonization



Divergence

This is driven by the rising social inflation which is a consequence of the pandemic. Financial imbalances need to be reduced and resilient policies adopted to deal with future shocks. Structural reforms to address inequality and reduce permanent damage should also be implemented.



Decarbonization

Decarbonization has become a big aspect of global resilience in the wake of ESG. It's one of the biggest investment opportunities of our time where increased data transparency, disclosure of prices, and measures to fend off greenwashing are needed to build a resilient global economy. Other critical aspects are roadmap disclosures, carbon pricing and offsetting solutions



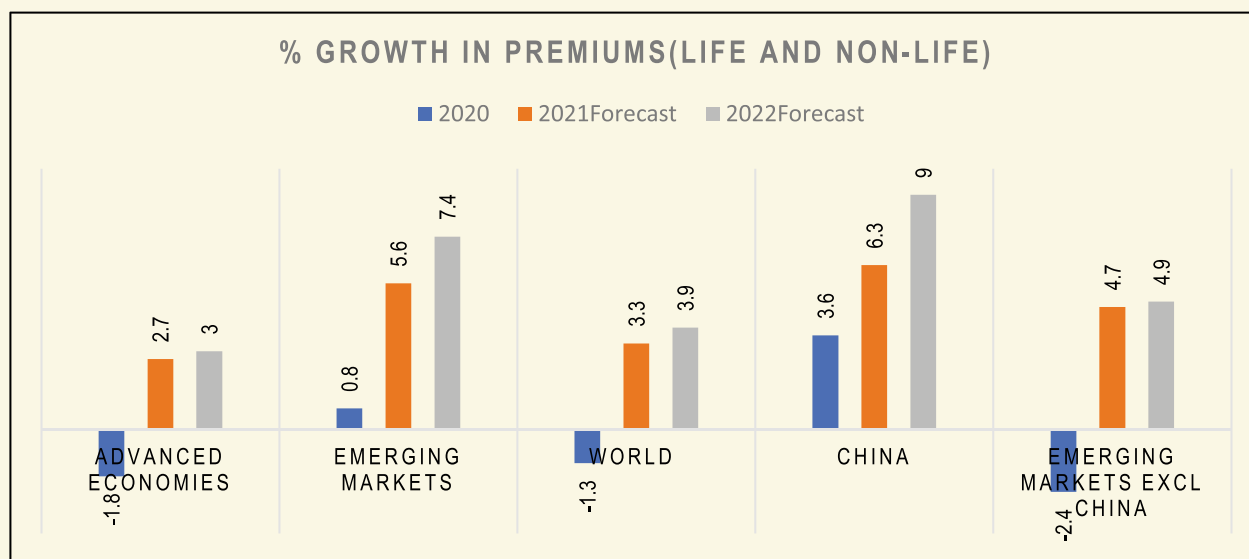
Digitization

Developing policies to foster accelerated inclusive digital transformation across the globe is critical in supporting global economic resilience. Digital transformation has redefined trade, communication, supply chain, food security and financial trends. These are not without an equal and opposite reaction such as rising inequality and increased cyber risks which are problems that need solutions.

1.2 Global Insurance Market Overview and Outlook

Like other financial sectors, the global insurance industry faced the consequences of the pandemic from 2019, the biggest impact having been experienced in 2020 where many industries contracted. The industry slowly rebounded in 2021 with an estimated above trend real growth in total premiums of 3.4%. This is forecasted to grow at 3.3% and 3.1% for 2022 and 2023 respectively.

Figure 3: Growth in Premiums (Life and Non-Life)



Source: Swiss Re World insurance outlook post COVID-19 July 2021

1.2.1 Global Non- Life Insurance Overview and Outlook

The global non-life premiums rose by 3.3% in real terms in 2021 despite headwinds from the residual impacts of the pandemic. The magnitude of the rise in inflation, particularly in advanced markets, eroded the nominal growth of 8.7% in non-life premiums.

Motor premium growth worldwide was generally weak particularly in China, where it was estimated to have a 7.1% motor premium decline caused by de-tariffication rate cuts in 2021. The segment is globally estimated to have contracted by 0.4% in real terms in 2021, however, it is expected that the motor premiums uptake will recover both in China and worldwide in 2022.

Overall, global real non-life premium growth estimate is expected to be at 3.7% in 2022 and slightly lower at 3.3%



Source: Swiss Re Sigma 5/2021

in 2023. The gap in growth trends between commercial and personal lines of business is expected to close. Casualty rates should also be stronger in 2022 against the backdrop of ongoing social inflation. Personal lines, therefore, will benefit from early signs of improving motor pricing in the US and Europe. Nevertheless, motor premium growth will continue to drag the recovery in other personal lines as this segment is highly competitive.

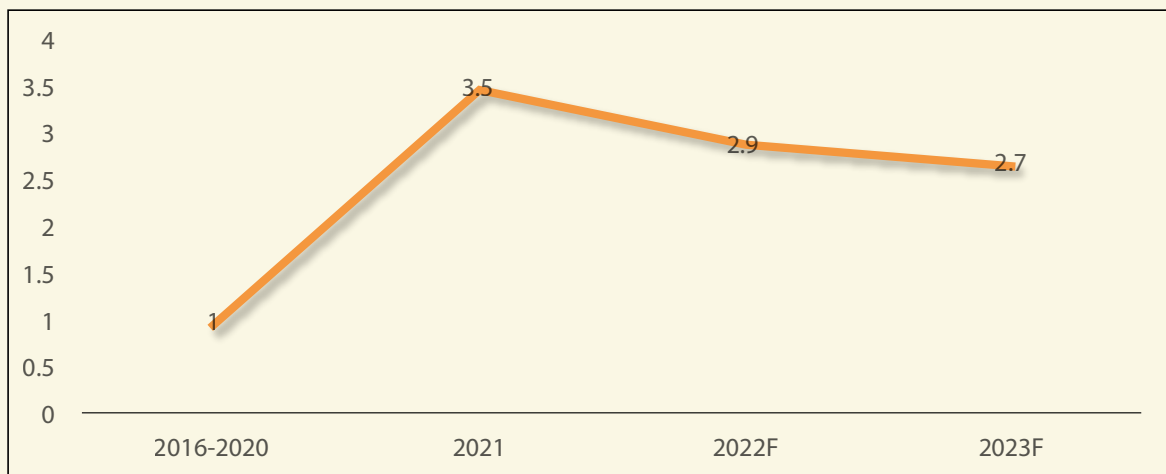
For global health and medical insurance, the anticipated growth is that of 4.2% in 2022 and 4.1% in 2023, up from 3.7% in 2021. This will be driven by growth in the US economy and stable advanced market demand. In emerging markets, where public health systems are often weak, higher risk awareness will most likely drive higher demand for health-related insurance covers. General Insurance is also expected to expend more than 100 billion US dollars in natural catastrophes.

1.2.2 Global Life Insurance Overview and Outlook

It is estimated that the premium grew by 3.5% in real terms in 2021. Above the 1% growth in 2016-2020. This growth was witnessed in advanced Europe and Emerging Africa and Asia pacific excluding China. It is also forecasted that the trend will persist in 2022 and 2023 with a real growth of 2.9% and 2.7% respectively. However, there will be a significant difference in growth between the protection and savings type of life business in the medium term. Protection type insurance will increase due to the increasing awareness brought about by the pandemic.

The expected market trends will vary from region to region due to different policies, rules, and regulations, for example the redefinition of Critical Illness in China, economic revival, more use of digitization and a strong demand for life and health related businesses.

Figure 4: Global Life Insurance Premium % Growth



Source: Swiss Re

1.2.3 Global Insurance Trends

Increased consumer risk awareness

This is due to the pandemic, thus underpinning the life and health insurance premium growth. This has been reflected on the positive premium growth in both life and health insurance premiums. Specifically, the health insurance experienced a positive real growth of 5.5 and 3.2 % in 2020 and 2021 respectively, as other sectors' growth declined. This awareness has also contributed to growth in the life protection insurance premiums with numbers up 1.5 % in 2020 and 4.9 % in 2021. The growth contrasts with the norm in the economic crises experienced before like the Great Financial Crisis of 2008.

Insurance and Re-insurance: "First

The reinsurance industry has acted as the shock absorber for individuals and businesses throughout the globe shouldering most of the financial pain. This was through covering some of the losses from the ongoing pandemic and natural catastrophes. This crucial support has been a vital contributor to the quick economic recovery and resilience in general.

Unprecedented Weather Conditions Leading the urgency for a net zero world

The ongoing climate change is expected to continue with urbanization, asset concentration in exposed areas and increased temperatures which leads to intense precipitation, being the key drivers. Insurance plays a key role in compensation for the losses and mitigating the impacts of these extreme volatile climatic changes.

Supply Chain protection from Disruption

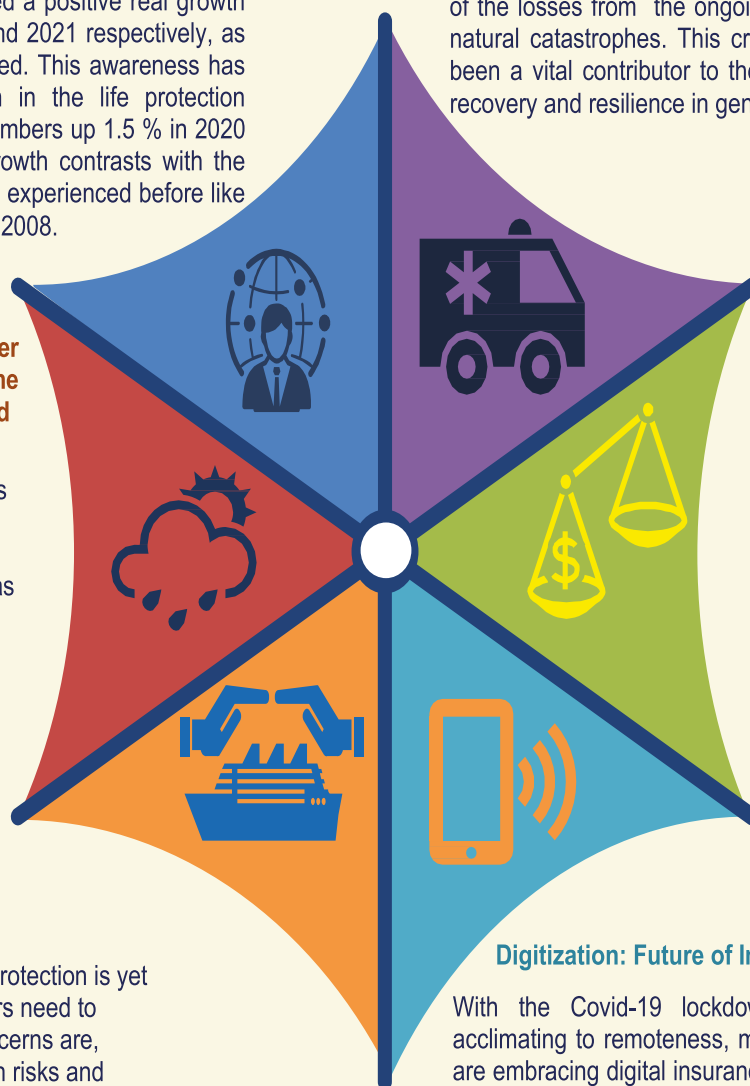
The question of supply chain protection is yet another area where the insurers need to innovate. Some of the key concerns are, understanding the supply chain risks and formulating innovative covers for non-physical damages and contingent business interruption using technological solutions.

Social Inflation resulting from increasing inequality risks

The pandemic has disproportionately affected some lower income segments of the economy exacerbating the social gap between the income segments. The drivers for this gap are non-economic and policy reset that supports greater societal inclusion and cohesion could help address this divergence.

Digitization: Future of Insurance

With the Covid-19 lockdown experience and the acclimating to remoteness, more and more consumers are embracing digital insurance. From sales, after sales services, claims to add-ons people have grown to appreciate the technological aspect of the industry. Surveys from Swiss Re show that 85% of those who did online purchases in early 2021 would do the same in the future. However, digital penetration of non-life insurance is very low at 1-2% of premium sales, clearly suggesting potential for growth.



Source: Swiss Re Sigma 5/2021

Africa Overview



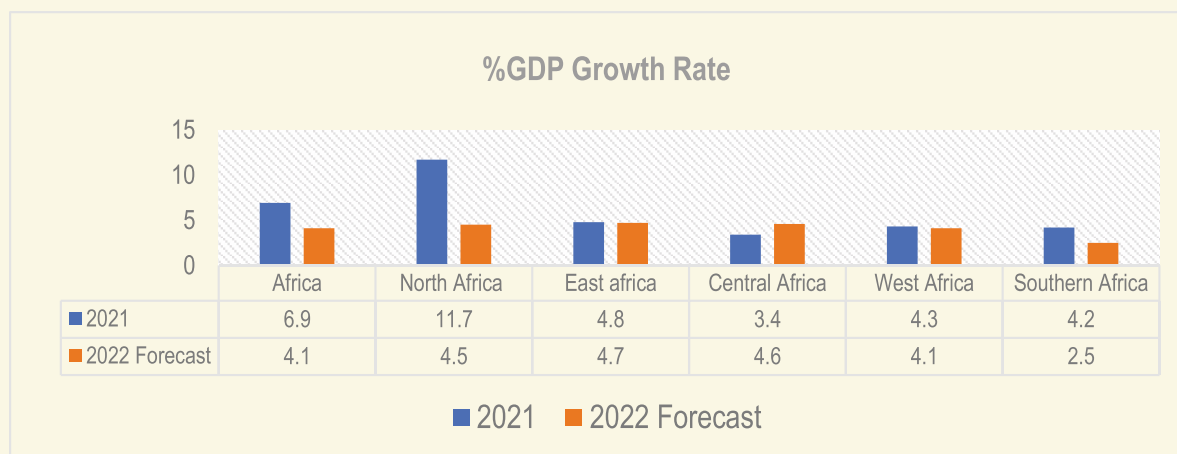
2 AFRICA ECONOMIC OVERVIEW AND OUTLOOK



2.1 Africa Macroeconomic Overview

The GDP grew by 6.9% in 2021, evidencing an economic rebound in line with the global economic recovery. This growth is attributed to the global demand, higher oil prices which benefitted the oil dependent economies, easing of COVID-19 restrictions in most countries, associated growth in domestic consumption and investment among other key factors. However, the growth is projected to take a hit in 2022, to 4.1% owing to the uncertainties of the residual effects of the pandemic and the unpredictability of the volatile economy.

Figure 5: GDP Growth Rate for Africa, 2021 and 2022 Forecast



Africa is still experiencing the aftershocks of the pandemic as lives and livelihoods continued to be deeply affected in 2021. The African Development Bank estimated that about 30 million Africans were forced to extreme poverty in 2021 and about 22 million jobs were lost. This is mostly estimated to be affecting the women and the youth and the informal sector is the hardest hit. There seems to be no reprieve for this as the trend is expected to continue with an estimated 1.8 million and 2.1 million Africans expected to be pushed into extreme poverty in 2022 and 2023 respectively.

The average government expenditure above its earnings in Africa is projected to narrow to 4.0 % of GDP in 2022, from 5.1 % in 2021. This fiscal deficit reflects the scaling-down of the pandemic interventions and relative strengthening of domestic revenues.

Average inflation was reported to be 13.0 % in 2021 and is projected to rise to 13.5% in 2022, fueled by a sharp rise in commodity prices, especially energy and food. Exchange rates also fluctuated in 2021 because of strengthening of the local currencies in some regions and steady foreign exchange inflow.

2.1.1 Building Resilient Economies in Africa

How can Africa build resilient economies in the face of an unpredictable future?



Inclusivity

Formulating policies for inclusivity in terms of growth in a bid to curb the growing rates in poverty and inequality. These can be through social programs and job opportunities specifically for underprivileged groups

Healthcare

Prioritizing investments in the healthcare system in a bid to deal with the pandemic as well as prepare for any future healthcare shocks.



Diversification

Diversification in terms of food suppliers or sources of imports for crucial goods such as energy. Africa should enhance intra Africa trade as a mitigation strategy for any future financial strife and promote self-sufficiency as a continent. Why import cereals to Africa, more so, manufactured food products when the same can be produced in the region? If the pandemic has taught us any viable lessons, is the move from dependence to independence, especially in terms of food products.



Vaccination

Speed up the COVID-19 vaccination process, this would reduce infection rates and prevent a more destructive, deadlier virus from emerging. The resources used to mitigate the virus would then be used in other areas.



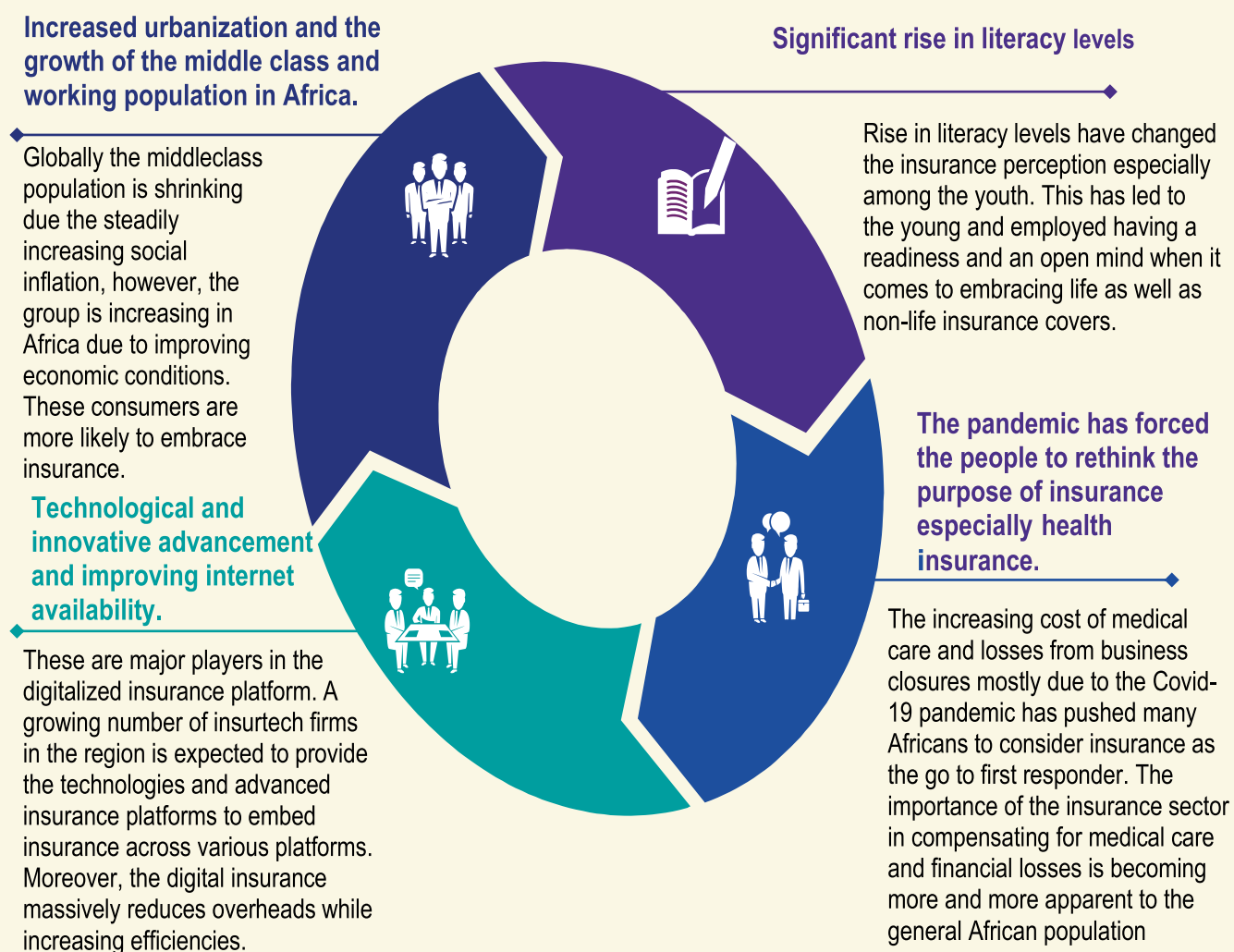
2.2 African Insurance Market Overview and Outlook



According to IMARC, the African Insurance market reached a value of 75.3 billion US dollars and the group expects the market to reach a 115.9 billion by 2027.

2.2.1 Positive Trends Influencing Insurance Outlook in Africa

Africa is mostly characterized by developing and underdeveloped economies. This economic environment is a key contributor to the low levels of insurance in the region, but at the same time also presents an opportunity for the industry to be more innovative for it to be relevant to the consumers. The untapped market presents great potential especially considering the following trends observed.



East Africa Overview



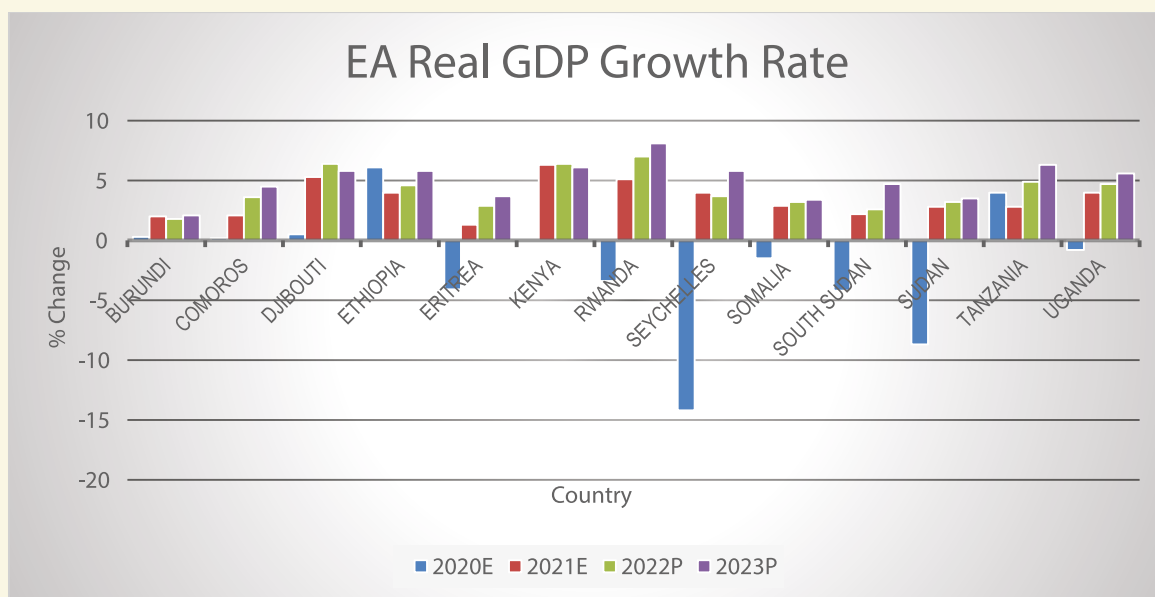
3. EAST AFRICAN ECONOMIC OVERVIEW AND OUTLOOK



3.1 East Africa Macroeconomic Overview

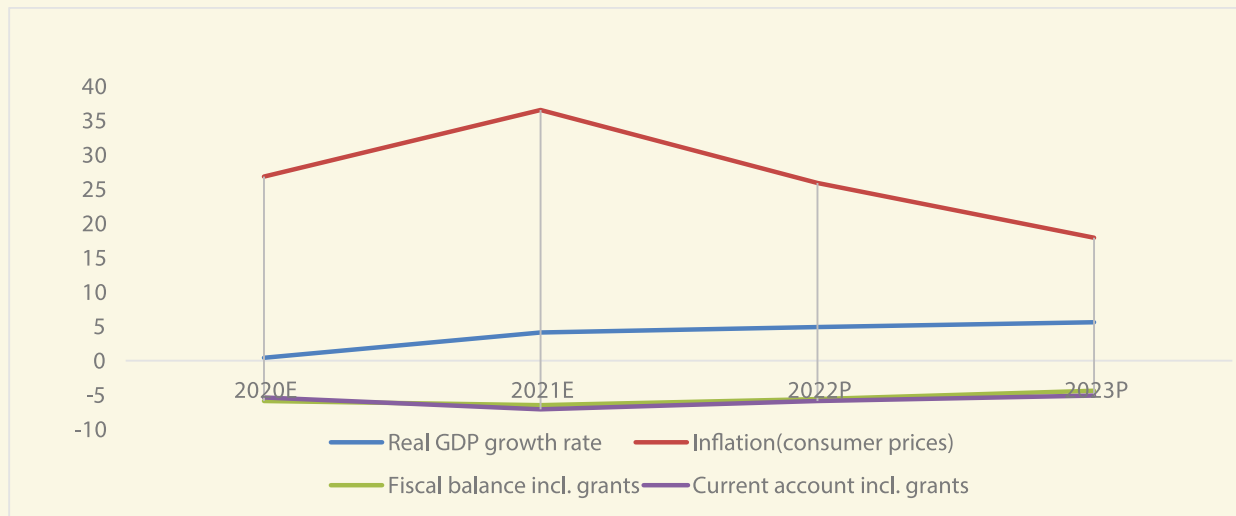
According to East Africa Economic Outlook, the growth has recovered to 3.0 % in 2021 from 0.7 % in 2020. However, some factors including political fragility in countries like South Sudan and Burundi, and low diversification in other economies were major impediments to the economic growth. The slow issuance and administration of the COVID-19 vaccine has also contributed to the sluggish growth.

Figure 6: EA Real GDP Growth Rate



Source: East Africa Economic Outlook 2021, E- estimated, P- projected

Figure 7: Key Macroeconomic Indicators in EA



Source: East Africa Economic Outlook E- estimated, P-projected

Recent Macroeconomic Developments and Trends in East Africa

Move from agriculture to Service based activities

The economic transformation experienced in the region is mainly due to the economy switching from reliance on agriculturally based activities to service and value creation-based activities. The structural transformation has been slow with some countries experiencing deindustrialization.

01

Economic Resilience due to diversification

More diversified economies in the region like Ethiopia and Kenya were not as hard hit compared to the tourism-dependent economies like Seychelles. Others like Tanzania, being a commodity reliant economy experienced some resilience because of the high commodity prices underpinned by inflation.

02

Fiscal deficits and inflation

The fiscal deficits widened in 2021 due to falling domestic revenues as lockdowns took a toll on the countries' economies. Still, these deficits were lower than in Africa's other regions. Similarly, current account deficits widened because exports fell during the pandemic. Monetary policy, on the other hand, was accommodative and supported economic recovery. Moreover, inflation remained stable due to food inflation and lower energy inflation in the first quarter of 2020

03

Rising levels of poverty and unemployment

The pandemic is also proving to have a negative influence on the strides made in eradicating poverty in the region. Unemployment rates skyrocketed due to business closures and the limited social interaction led to closures in the informal sectors. According to African Economic Outlook, the share of East Africans living in extreme poverty rose to 35 % in 2021, equivalent to 134.3 million people.

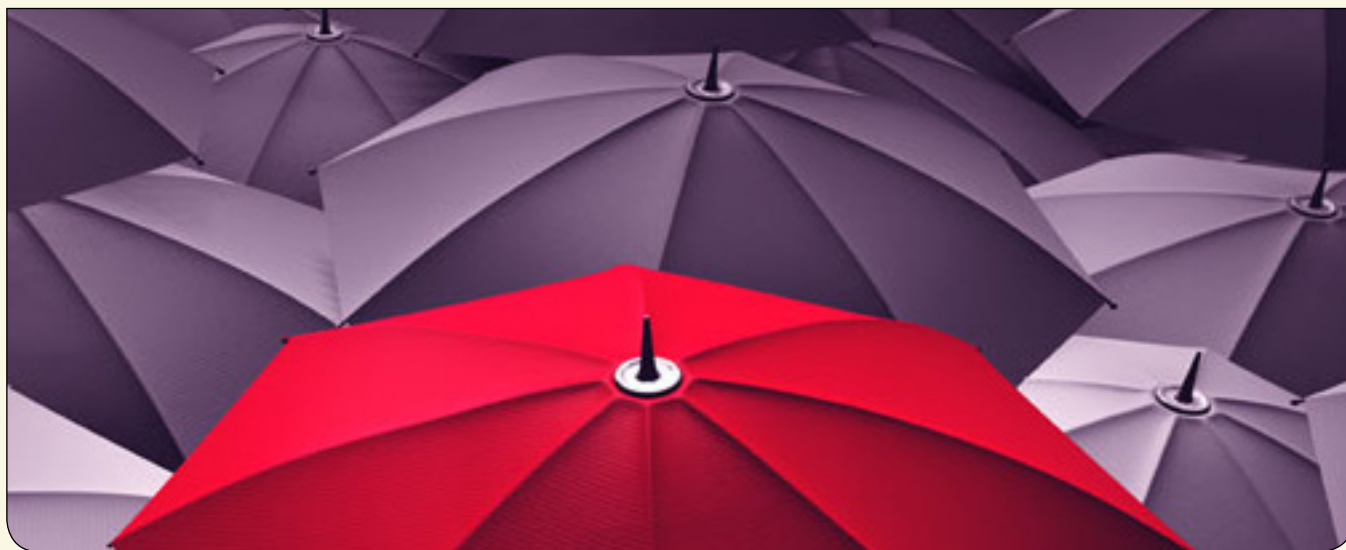
04

Implementation

Measures to mitigate the effects of the pandemic include development of the health sector to deal with the virus, policy (fiscal and monetary) stimulus packages to support economic activity, increased social spending to protect vulnerable livelihoods, rationalization of nonpriority expenditures to create fiscal space as revenues fell, and rescheduling of debt service obligations to free up resources. These policy measures helped most of the region's countries avoid recessions and adverse poverty levels. However, long-term measures like diversification of economic activities and strengthening intra country trade within the region instead of relying on imports, are needed to cement these gains.

05

3.2 East Africa Insurance Overview and Outlook



Low penetration rates, complex products, high cost of living and doing business, not forgetting the slowdown of the economy due to the devastating pandemic, are some of the current obstacles to the insurance industry in the East African Region. Insurance may seem a luxury to most people in the region due to the economic recession that is underway. It is worth noting that more than 50% of the population in the region live below the poverty line. However, the insurance industry can improve their quality of service and delivery to continue being relevant in these hard economic times. Considering the above, there are **some emerging trends** to mitigate this as mentioned below.

Changing the status quo as competitive advantage

Agility and flexibility are the new measures of economic resilience, this has been significantly accelerated by the pandemic. How fast one can adapt and change in line with the volatile economic environment will either prove to be a competitive advantage or the reason for sinking. The local insurers need to adapt especially to the ever-changing technology, and fully adapt to this digital era.

Enhancing Customer Experience

Gone are the days when the industry was primarily focused on the products being offered. Instead of imposing the products on to consumers, the industry will be looking at solving the clients' problems which are most certainly unique. Emerging technology and digitalization like big data and Artificial Intelligence could be utilized in the personalization of covers. This would help ensure that the products remain relevant to the customers.

Insurance perception change

The industry is looking to diversify their range of expertise from product pushers to advisors. Advisory roles as mentioned earlier, would equip the consumers with the necessary data to make informed decisions. Taking a life cover should not be rocket science, the insurers are therefore looking to simplify the insurance jargon to more customer friendly and open language. Additionally, peer to peer insurance and the gamification of insurance can be used as a positive strategy.



Kenya Overview



4 KENYAN ECONOMIC OVERVIEW AND OUTLOOK

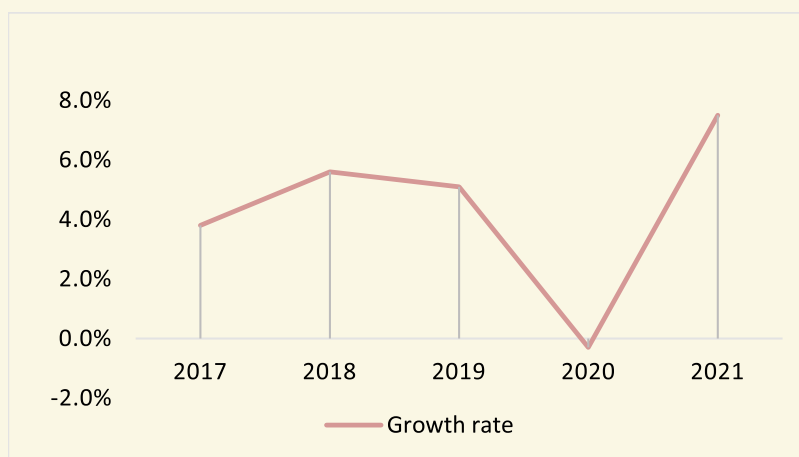


Economic Growth is projected to decelerate to 5.9% in 2022 and 5.7% in 2023, driven on the demand side by a decline in domestic and external demand caused by lower income and by an increase in food and fuel import costs and on the supply side by tepid economic activity across sectors due to cost-push factors. Inflation is projected to edge up to 7%, close to the upper end of the target band (7.5%), caused by greater energy and food inflation. The fiscal deficit will narrow to 6.5% of GDP in 2022 and to 5.5% in 2023 with the resumption of the IMF-supported fiscal-consolidation and debt management program. The current account deficit is projected to widen further to 6.1% and 5.2% of GDP over the two years, attributable to higher fuel and food import bills. Downside risks could stem from the 2022 general election, a continuity of COVID-19 infections, limited access to external resources, and natural factors. Risk mitigation could include organizing election-education events, continuing growth-friendly structural reforms to build resilience to shocks and addressing COVID-19 vaccine hesitance.

Source: AFDB

4.1 Kenya Macroeconomic Overview

Figure 8: GDP Growth Rate



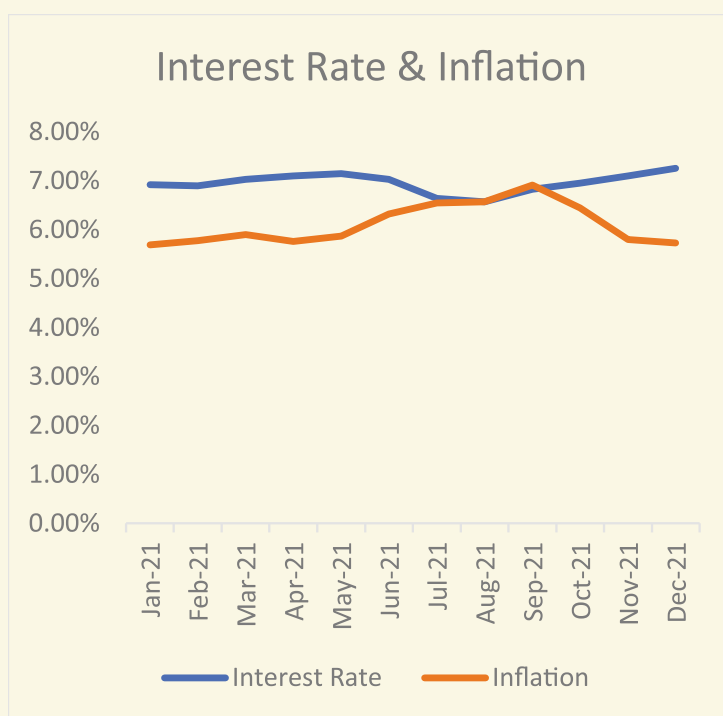
GDP Growth Rate

The economy recovered from the crippling effects of the COVID-19 pandemic to expand by 7.5 % in 2021 compared to a contraction of 0.3 % in 2020. The recovery was mainly driven by resumption of most economic activities after the lifting of the COVID-19 containment measures instituted in 2020. The nominal GDP rose from KES 10,716.0 billion in 2020 to KES 12,098.2 billion in 2021, representing an increase of 12.9 %.

1. Interest Rates

The Central Bank Rate (CBR) remained at 7.00 % throughout 2021. Broad money supply (amount of money in circulation) and overall liquidity grew by 6.1% and 9.5 %, respectively in 2021. However, increase in interest rate on loans and advances to 12.16% from 12.02% led to a reduction in average interest rates spread to 5.66 % in 2021.

The short-term borrowing by the government was oscillating between 6.64 % and 7.26 % for the 91-day T-bill in 2021 from 6.90% in December 2020, while the average commercial bank deposits rate increased to 6.50 % in December 2021.



2. Inflation Rates

During the review period, the annual inflation as measured by the Consumer Price Index (CPI) increased from 5.4 % in 2020 to 6.1 % in 2021. The increase was mainly due to increase in the prices of fuel and food items.

3. Employment Rates

Relaxation of various containment measures, such as the night curfew, lockdowns and travel restrictions coupled with the rollout of COVID-19 vaccination spurred economic recovery and growth in the year under review. There was a general decline in unemployment and inactivity levels, with total employment surpassing the pre-pandemic level. Total employment without small-scale agriculture and pastoralist activities grew by 5.3 % to 18.3 million in 2021. Wage employment recorded a growth of 6.0 % in 2021 from a decline of 6.3 % in 2020. Informal sector accounted for 83.3 % of total employment outside of small-scale agriculture and pastoralist activities.

4. Credit Rating

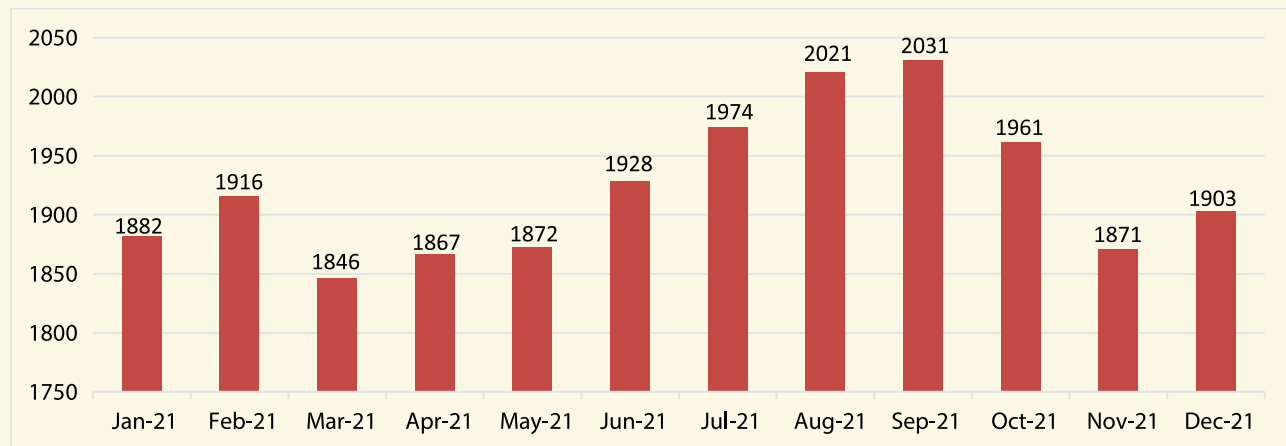
Public debt surged to 68% of GDP at end-June 2021 from 63% in 2020, driven by the primary deficit. Kenya is assessed as being at high risk of debt distress. The current account deficit widened to 5.2% of GDP in 2021 on the back of an increased trade deficit. International reserves reached \$8.8 billion as at end-November 2021 against \$8.1 billion in 2020 (5.4 months of import cover), reflecting the SDR allocation of \$737.6 million, about half of which was used to finance the fiscal deficit

Source: KNBS 2022 Economic Survey Report

5. Capital Market at a Glance

Market capitalization and bonds turnover increased by 11.0 % and 38.3 % to KES 2,592.9 billion and KES 957.0 billion in 2021, respectively. The total number of shares traded decreased by 1,213.4 million in 2021 from 5,264.5 million in 2020. The total value of shares traded reduced by 7.6 % from KES 148.7 billion in 2020 to KES 137.4 billion in 2021. Total number of deals increased from 263,907 in 2020 to 277,611 in 2021.

Figure 9: NSE 20 Share Index



Source: KNBS 2022 Economic Survey Report

Emerging Trends

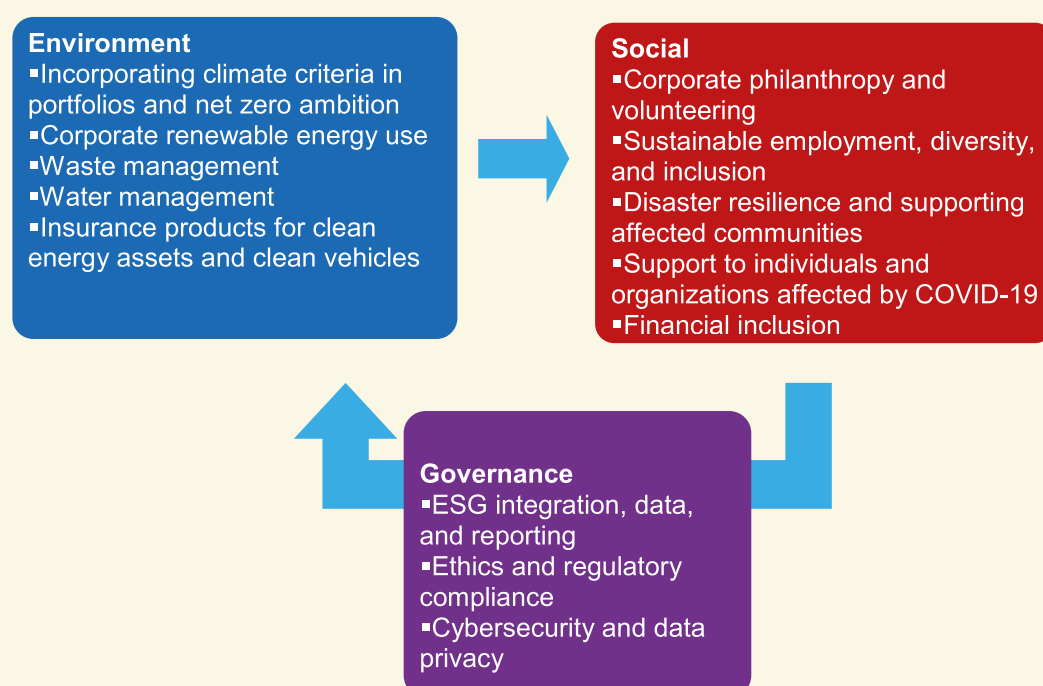


5. EMERGING TRENDS IN THE INSURANCE MARKET

5.1 Environmental, Social and Governance (ESG) and the Insurance Industry



Most investors who are socially conscious often utilize environmental, social, and governance (ESG) standards to evaluate the feasibility of possible investments. As such, this aids in figuring out how resilient a company's operations are to social and environmental threats.



5.1.1 Sustainable Insurance - Why incorporate ESG factors in the Insurance context.

Global insurance industry's role as risk manager, risk carrier and a major investor, puts it in a special position to promote economic, social, and environmental sustainability. The insurance industry can help drive society's transition from focusing on short-run profits to building a green, fair, and inclusive economy.

Most companies, especially insurers, are placing more emphasis on environmental, social, and governance (ESG) considerations to augment the transparency of risks that are not reflected by traditional financial metrics. With an increase in scrutiny by policymakers, governments, and regulators, the ESG regulations become a necessity for insurance and reinsurance companies. Additionally, shareholders partnering with the insurance sector, have become more aware about ESG and are demanding accountability from their insurance investee companies. Even when pricing for products and distributing these insurance products, insurers need to start incorporating the ESG aspects and part of risk-based approach.

Action Plans to Ensure Sustainability

Recently, major institutional investors have also articulated what they expect from insurance corporations in terms of a company's adherence to the ESG criteria, as a control of their exposure to imminent environmental risks.



1. Sustainable/ Green Products

The inclusion and integration of sustainable/green insurance products in the industry's portfolio would ensure adherence to ESG measures. These are products that provide environmental, social, and economic benefits while protecting public health and the environment from extraction of raw materials to their disposal. Premium discounts could also be offered to consumers who adopt green practices.

- **Environmentally valuable products**

- Products designed to promote sustainable transport and reduce environmental impact – these are electric and hybrid vehicles and policies that reward low annual mileage.
- Products supporting energy efficiency like utilizing clean natural/renewable energy sources like solar and wind energy.
- Products covering catastrophes and environmental damages like flood and droughts
- Anti-pollution products such as third-party liability policies for pollution coverage.
- These include green property rebuilding after a covered loss where the coverage pays for the use of environmentally friendly and energy efficient materials for repair.

- **Socially Valuable products**

- Products designed for specific groups of people like the young, elderly, persons with disability and the employed or unemployed.
- Products promoting healthy and responsible lifestyles by leveraging new tech like fitbits for health insurance.
- Products supplementing public health service to help reduce the medical treatment costs.



2. Investing Activities

Climate change is considered as the most important environment related material issue in investing.

- **Environmental priorities**

- The focus on making investment portfolio more environmentally sustainable is universal across all accounts. There is a visible presence of negative screening and exclusion of coal

- Several insurers have prioritized clean energy and transport investments. There is a general understanding that climate risks are financially material
- High level of engagement with labelled instruments such as green bonds, sustainable bonds, and transition bonds in the areas of developing standards, issuing such instruments, and including them in portfolios

- **Social priorities**

- Social measures include excluding jurisdictions with human rights violations and poor social performance from their investments, and excluding Tobacco, gambling, and weapons from portfolios on negative social impact grounds.
- Socio-economic impact of investments is also a priority with almost all accounts. Impact investment and investment into social infrastructure assets that serve disadvantaged/ vulnerable communities is also a common priority



3. Underwriting activities

Provision of underwriting services to assets and businesses that generate positive impact is a key priority.

- **Environmental priorities**

- Several companies separately mention clean energy assets that they have underwritten in recent years
- Other products include insurance for electric vehicles, e-scooters, and insurance for carbon capture and storage assets
- Introduction of discounted premium for insuring low carbon buildings and making available climate risk assessment tools to their customers

- **Social priorities**

- Disaster resilience, drought resilience and agriculture insurance are areas at the intersection of both social and environmental issues. Quick payment of claims in the event of disasters and loss is seen as a priority.
- Financial inclusion of underserved communities, racial minorities, and people with terminal health conditions have been cited as an important priority by some companies (ZIG, Munich Re, Mass Mutual, TokioMarine)
- Grants and corporate donations that target the material areas mentioned above –disaster resilience and recovery, access to healthcare for vulnerable communities, and communities and groups impacted by COVID-19



4. Operations and cross cutting activities

All accounts have priorities related to the impact of own operations and corporate functions.

- **Environmental priorities**

- Adoption of corporate renewable energy targets and reduction of emissions intense activities is almost a universal priority
- Adoption of waste reduction and water footprint targets (Munich Re, Prudential, AON, Willis, AssicurazioniGenerali, AIA, AIG)

- **Social priorities**

- Corporate philanthropy programs and grants in the areas of education, social mobility of disadvantage communities, veteran welfare, support for small businesses, supporting communities

and healthcare workers through COVID-19, and access to healthcare. Employee volunteering programs are also closely aligned to these areas.

- Sustainable employment practices including talent retention, upskilling instead of outsourcing, minimizing gender pay gap, Diversity, Equality, and Inclusion (DEI) (gender and race) are considered as material issues. Gender and racial inclusion are typically considered at two levels – board and among employees
- **Governance priorities**
 - Ethics, adherence to code of conduct and regulatory compliance is nearly a universal priority
 - Data privacy and cybersecurity are considered as important material issues central to enhancing confidence in digital society

In a nutshell, recent years have seen investors demonstrate an interest in placing their money where their social values are. As a result, exchange-traded funds (ETFs) and other financial products that conform to the ESG criteria are now being offered by most brokerage firms and fund companies necessitating the uptake of the same by insurance companies who wish to be in line with the growing ESG aspect of business. Without a doubt, the ESG criteria can protect insurance investors from the crises that arise when businesses that take risks or act unethically are finally held responsible for the results.

Source: KPMG Insights

Climate change in relation to Africa



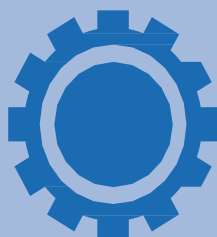
Africa is the most affected by the climate shocks. The continent loses between 5% and 15% of gross domestic product to climate change. Africa Development Bank reported that 131 extreme weather climate disasters were recorded in 2020 and 2021. These included 99 floods, 16 storms, 14 droughts and 2 wildfires. Suffice to say, climate change poses a big threat to the African economy, especially to those economies highly reliant on the agricultural sector. This would undermine the progress in achieving key SDG targets and the African Union Agenda for 2063.

Source: AFDB Africa Economic Outlook 2021

5.2 Technology Trends



In many ways, COVID – 19 has acted as a catalyst for a whole host of changes. New and disruptive changes have occurred rapidly in 2021, with necessity as the driving force. Tech inventions, the need for a sustainable, environmentally, and socially conscious economy, adaptation, and flexibility of humans to changes known and unknown, legislative changes due to shifts from the traditional ways of doing things to more efficient mechanisms, these are some of the issues spearheading the trends being experienced, as discussed below.



Applied AI and Machine Learning

Many industry players are experimenting with Artificial Intelligence and the robustness of its applications. With the prevalence of AI devices and ML algorithm applications, carriers will have the ability to fundamentally reengineer vital operations to be more predictive rather than reactive. In insurance, it is anticipated that AI will disrupt distribution through creation of personalized experiences by leveraging big data analytics. Machine learning can be utilized to automate claims processing and risk assessment services with pre-programed algorithms used to retrieve digital files from the cloud. AI and ML also enables insurers to access data faster and cutting out the human element can lead to more accurate reporting in shorter periods of time.



Distributed infrastructure

With the world transitioning to a more digitized and less physical world, cloud computing has become a key component. Hyperscale cloud providers offer cloud infrastructure, cloud platforms and Software as a Service (SaaS) combined with in-house business solutions to enable holistic cloud-based IT strategies and cloud-native solutions. As cloud matures, a rapid shift to the cloud for all core systems will help insurers to be more flexible and adaptable in launching new products and creating better customer service. Cloud will also be critical for enabling the type of computer power that is needed to fully understand and utilize the incredibly large data sets (such as tens of millions of claims data points). With ecosystems developing globally, cloud-native insurers will be best positioned to act as ecosystem orchestrators—acting as a connecting hub among customers, distributors, insurtech, healthcare providers, carriers, and reinsurers, among others.



Future of connectivity- “Internet of Things (IoT)”

Most consumers are willing to share personal information if data protection measures are in place if it means saving money on their insurance policies – and the Internet of Things (IoT) can automate much of that data sharing. Insurers can use data from IoT devices such as the various components of smart homes, automobile sensors, and wearable technologies to better determine rates, mitigate risk, and even prevent losses in the first place. Telematics has gained traction over the past few years. The wider adoption of IoT could usher in a similar reshaping of product in life, health, property, and commercial lines. Increasing the frequency and specificity of data being shared through IoT devices helps customers provide a more accurate view of their needs and insurers better understand risk, both at time of purchase and an ongoing basis. The increased prevalence of 5G and overall internet connectivity allows this data to be shared at lower latencies and helps insurers provide real-time services to clients.



Next-level process automation and emerging realities

Insurers have for a while utilized robotics to automate processes especially in back-office operations, but emerging technologies will enable carriers to fundamentally rethink product and service. For example, industrial IoT can enable real-time monitoring of equipment to allow for predictive maintenance before claims happen, as the industry looks to shift from reactive to more proactive measures. Similarly, 3D printing has the potential to transform the claims experience for all physical damage areas. Chatbots can also be used to interact with customers seamlessly, saving everyone within an organization time – and ultimately saving insurance companies money.



Trust architecture

With the ever-increasing amount and frequency of personal, private information shared with various organizations; consumers now demand the highest levels of security on the data. New technologies will allow carriers to more effectively manage risk and make use of complex customer data—a critical step in evolving to a “predict and prevent” model of insurance where data is shared more frequently between parties with insurers playing a more active role in claims prevention. As blockchain becomes more widely adopted, it will help carriers more effectively manage customer data in a safe and consistent manner and simplify current issues such as identity management and verification. Zero-trust security and similar approaches will help carriers create resilient networks that protect against cyber intrusions.

Source: Mckinsey: How top tech trends will transform Insurance September 2021

Incorporating emerging insurance trends in Kenya

The insurance sector has had its fair share of the pandemic effects. On the upside, there was an increased awareness of the benefits of having covers, due to the adverse effects of Covid-19. On the downside, these tough economic times have led to low income hence reducing the insurance penetration. The local insurance sector can look to the international market for inspiration, on ways of mitigating some of these issues.

1

Leveraging disruptive technology in policy formulation, distribution channels and everything in between

Shorter App adaptation cycles

The technology keeps evolving as frequently as every second with incorporation of artificial intelligence and machine learning as well as adaptation of cloud computing and Software as a Service, SaaS. The industry should adopt the CICD method, the continuous integration and continuous development of the relevant technology to keep abreast with the changing times. Insurance industries in the region should consider the adoption of cloud computing and SaaS, which is frequently updated from the source and does not require the need for any physical intervention from the insurance company.

Intelligent Automation and Internet of things

Telematics can be leveraged for increased accuracy in risk pricing to achieve fidelity between risk and pricing. Telematics is the integration of communication and information technology to transmit, store and receive information from telecommunications devices in real time. An example in insurance is in the adaption of telematics insurance policy where the technology is used to receive information from a moving vehicle in real time.

Use of Artificial intelligence and Machine Learning (ML) is also vital, by incorporating algorithms that leverage the internet of things, where consumers can share information through various devices for unique experiences. A good example is the 'fitbits' or smartwatches, connected to our phones or computers that tracks the fitness and health status of an individual in real time. This information could be shared with the insurance companies which could then influence how policies are priced for different individuals, creating that unique, personalized experience



Big Data

Big data analytics can be utilized in the personalization of covers. In this age of massive personal information being easily accessible, thanks to the many social media platforms and websites, data could be used for targeted sales and marketing.

Predictive analytics is also a key player here. This could be utilized in pricing and risk selection, identifying customers at risk of cancellation, identifying risk of fraud, triaging claims, identifying outlier claims and anticipating

Insurtechs

The use of insurtech must be utilized more in this forward-looking economy. Fintechs — or more specifically, insurtech companies leverage the latest insurance technologies to reduce costs for both customers and insurers, improve operational efficiency, and improve the entire customer experience. Examples of these partnerships include M-Tiba in Kenya, where the use of insurance medical cards has been replaced by digital thumb print detection.

Digitalization

The number of people in the country with access to internet connection is significant and this number keeps increasing. The insurance sector could leverage this growing access to make the information more conveniently acquired by the customers, for example using social media platforms. Digitization could also ensure the consumer can access any necessary materials whenever and however they need it. As it stands, local insurance industry should highly consider a move toward direct digitalization distribution channels being number one and agent distribution being second.

Customer Centricity

2

Through digital transformation, most of the processes can be delegated to the consumers themselves. These include renewal of insurance policies, generating transaction history from the company's website and account creation. The use of the data collected from the various channels can be used for the personalized and targeted insurance. These tailored covers are also important in the relevancy to the client. Insurance in the region can also use this platform to formulate more affordable insurance products, since most of the working population is blue collar. This will also help to curb the penetration problem.

Ecosystem Players

3

The insurance industry can further lean into the embedded product direction. An embedded product is where insurance is sold as part of another experience. Insurance can be "served up" as a side dish to any relevant purchase. Are you buying a home, or a mortgage? Or perhaps want to invest in large scale crop production? Then here is the insurance to cover that, in case of unfavorable, but insured, outcomes.

Climate Change Risk

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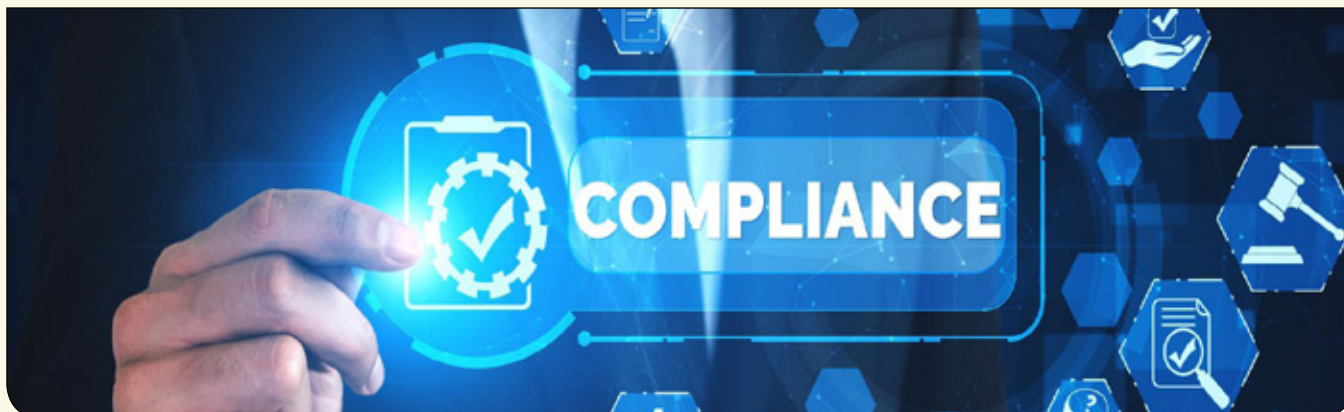
The sector should adopt climate risk modelling to enhance risk-based operations and strategies, to find ways to predict the impact and severity of these changes in the overall business. Big data type modelling should be highly considered. With the increasing climate risk due to global warming, the industry should look to more predictive, preventative measures as opposed to 'cure' as a viable solution. These will be in line with the resilience related strategies. The goal for mitigating climate change risk should be more action oriented rather than reaction orientated.

Sustainability and Insurance

5

From mega events like the climate change crisis to societal trends and changes that threaten the fabric that holds society together. The insurance should consider moving from being followers to spear headers in these issues. Some of their resilient strategies can be aimed at food protection strategies and divesting from environmentally unhealthy investments, to ensure sustainability of the environment as well as the life on that environment.

5.3 IFRS 17



5.3.1 Challenges

The implementation of the new standard has proven to cause a myriad of challenges to insurance companies. Data is one of the key challenges faced. IFRS 17 requires data to be at a more granular level. For long term contracts, historical information is needed given that the default transition approach for the standard is full retrospective. This is to say, assume the standard was in effect when the policy was first inception.

Another key challenge is around systems and processes. The chart of accounts is changing, the way insurance liabilities are computed and reported is also changing. This means that finance/account reporting and actuarial systems need significant change which come at additional cost. Considering the looming IFRS 17 compliance dates, insurance companies are looking for ways to hasten the process.

5.3.2 IFRS 17: Opportunities

Implementation challenges aside, IFRS 17 comes with numerous benefits. Having more granular data captured and stored provides more opportunity for analytics. Companies can have data at the center of decisions such as product pricing, expense management and investments decisions.

The standard requires contracts to be grouped into various profit buckets, one of them being onerous contracts. There will be more visibility around which products are loss making and thus management can make decision on whether to reprice, reduce new business volume or even do away with the product.

By separating revenue from insurance activities and investment activities, the company can better understand their profit drivers. If the company makes small or no underwriting profits, what can be done about the situation? Product repricing, reinsurance optimization and expense management are some of the options the business can explore.

If a company was in the process of or considering business process review, then it can benefit from the synergies IFRS 17 implementation can provide. For example, if the policy administration system was to be synchronized to the finance payment system, this can be run as part of IFRS 17 implementation as opposed to a separate project on its own.

For investors and other user of financial statements, IFRS 17 has made it easier to compare financial statements from different insurance companies across the globe. The standard has harmonized how insurance companies measure and report insurance liabilities. Areas that are left to judgement will have more information provided through disclosures.

5.4 IFRS 17: Kenyan Perspective



With the looming implementation deadline, Kenyan insurers cannot stop looking at this as an obstacle course. While IFRS 17 leans more on transparent financial information and a better insight into profitability, the Kenyan insurance scene has primarily been more topline driven. With the new reporting standard where gross written premium doesn't feature in the financial statements, a shift is expected to focus more on profitability.

The reaction and progress to the implementation is mixed. Listed companies which are considered tier 1 companies, are well into their implementation journeys. Companies that have South African parent companies appear to be ahead of the pack with the implementation being driven from down South. Their parent companies have put together a lot of resources and efforts towards the implementation with some companies starting the journey as far back as 2018. These companies are now looking at their first cut of IFRS 17 financial statements.

However, their smaller counterparts are at the very beginning, for instance selection of external consultants to assist in implementation. The challenge has been on the cost of the implementation as well as the inability to get stakeholder buy in to implement the standard earlier on.

A key obstacle in implementation is limited availability of actuarial resources whose skills are needed for the implementation. The number of actuaries in the Kenyan market has been increasing over the years with one of the key drivers being IRA requirement to have an actuarial function holder and additionally sponsoring actuarial students to pursue their Masters programs that fast track their qualification. Actuaries with IFRS 17 experience are few and are heavily sought after both locally and internationally and the market has increasingly witnessed actuarial talent relocating to other markets.

The Insurance Regulatory Authority, IRA is expected to provide guidance especially around whether companies will do dual reporting. At the moment, the forms used for financial and Risk Based Capital solvency reporting have not been amended to accommodate the changes that IFRS 17 bring. Another area of guidance would be on areas of judgement where the standard has not prescribed a methodology but has left the decision to the company. Some of the areas the standard has left up for judgement are discount rate approach and risk adjustment computation.

Source: KPMG Insights

5.5 COVID-19



COVID -19 has continued to disrupt economic activities in 2021 resulting to significant loss of revenue and business opportunities. Business operation disruption, supply chain disruptions and government restrictions have contributed significantly to the losses incurred. For the insurance industry, the impact of COVID-19 manifested in various forms including increased health and travel claims, business operations interruptions, and redefined product distribution channels which in turn created both opportunities and threat. Insurance industry have responded to these opportunities and threats and continue to innovate solutions for the future.

According to OECD, policy makers in several jurisdictions are examining ways to support commercial policy holders in mitigating business losses because of Covid-19. COVID-19 has given insurers an opportunity to build trust by offering customer centric solutions in place of traditional solutions. Insurance firms have an opportunity to pick lessons learnt because of Covid-19 and relook their workforce, business strategy, communication strategy, data utilization, financial risks, and business continuity plans. These lessons will enable the insurance industry to grow its penetration rate above 3% which has been the trend in the last 5 years.

Particularly, insurance firms need to assess the impact on insurance liabilities by considering the coverage provided under the terms and conditions of issued insurance contracts together with the impact of exclusions and limitations on coverage. Due to the strain on supply chain caused by the pandemic and the persistent increase in inflation, policy holders purchasing power continue to be eroded affecting their ability to meet insurance policy obligations. Supply chain issues and high inflation has directly impacted profit or loss through increases in administration and claims costs.

The following attributes could be associated with insurers that are best positioned to tackle the challenges brought about by COVID-19 harness the opportunities created.

5.5.1 Effects of COVID-19 on the Insurance Industry

The insurance industry continued to be battered by resultant effects of the COVID-19 pandemic. This was driven by uncertainties in the market, increased claims and diminishing purchasing power of consumers.

02 - Technology disruption

The pandemic has accelerated customer adoptions of digital channels to distribute products and services. Expectations have been raised of seamless digital experiences with insurers who understand customers and deliver products and services tailored to their needs. Modernizing technology and processes to derive value from the vast volume of data and driving efficiencies in front and back-office operations are key lesson learn Covid-19

04 – Regulatory Scrutiny

Intensified regulatory scrutiny and enhanced compliance and capital requirements. IRA reviewed capital requirements for insurers to 200% of the Prescribed Capital Ratio (PCR). The due date for compliance was June 2020 but the Treasury extended the compliance period by 6 months to enable insurance firms recover from COVID-19. IFRS 17 and Solvency II regimes are now at the forefront of compliance.

06- Financial Performance

Covid 19 has brought about additional pressure on the insurance sector such as increased liabilities and exposures, reduced investments return, and slow economic recovery efforts. Asset valuations were significantly drawn down in 2020 but recovered in 2021.

The IRA is also closely monitoring the liquidity of insurers in Kenya. In a directive to all insurers, IRA has required submission of stress and scenario tests, including capital adequacy calculations and liquidity strains to determine the impact of COVID-19.

Additional disclosures on the impact of the pandemic to the business has become a must do for insurers to communicate with relevant investors.

01 – Increased claims and disputes

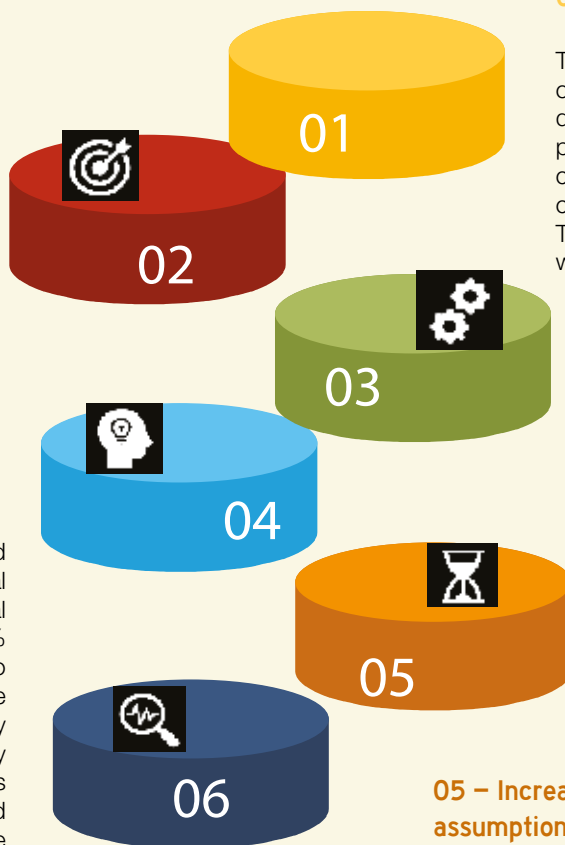
The COVID-19 has affected every sector of economy resulting to economic distress and increased claims. Claims pay out in classes like workers compensation, employer's liability and credit insurance increased in the period. This exposed insurers to claims disputes which ended up at IRA's table.

03 – Product enhancement

COVID-19 pushed insurance firms to provide customer centric solutions and be adaptive to changes in needs and environment. Many insurance firms tailored their products to cover the pandemic which was not the case before.

05 – Increased sensitivity to insurance assumptions

The accounting application applied by insurance industry to account for insurance liabilities was also affected. This was on the back of changes in assumptions in timing of premium cashflows, frequency of or severity of claims or the continued use of historic trends to estimate future claims.



Source; KPMG Insights 2021



5.6 Data Protection Act

Since the enactment of the Data Protection Act (DPA) in 2019, and the establishment of the Office of the Data Protection Commissioner in 2020. Insurance firms have been grappling with the DPA implementation. Some firms are in formative stages of complying with the requirements of the Act while others have advanced in its implementation to the level of appointing data protection officer, and data protection by design and default level. On 11th of February 2022 the DPA regulations came into force. They include the Data Protection (General) Regulations, 2021 (General Regulations), the Data Protection (Complaints Handling and Enforcement Procedures) Regulations, 2021, and the Data Protection (Registration of Data Controllers and Data Processors) Regulations, 2021. The Regulations provide for restrictions on the use of personal data for commercial purposes and the relevant exemptions under the DPA, which include data processing in relation to national security and public interest.

The ODPC has issued several guidelines including Guidance Note on Consent, Guidance Note on Data Impact Assessment, Guidance Notes on Access to Personal Data During COVID-19 pandemic, Guidance Notes for Electoral Purpose and Complaints Management Manual.

On 14th July 2022 the ODPC embarked on the registration of data controllers and processors which will continue till the end of the year.

5.6.1 Hospital Data Management

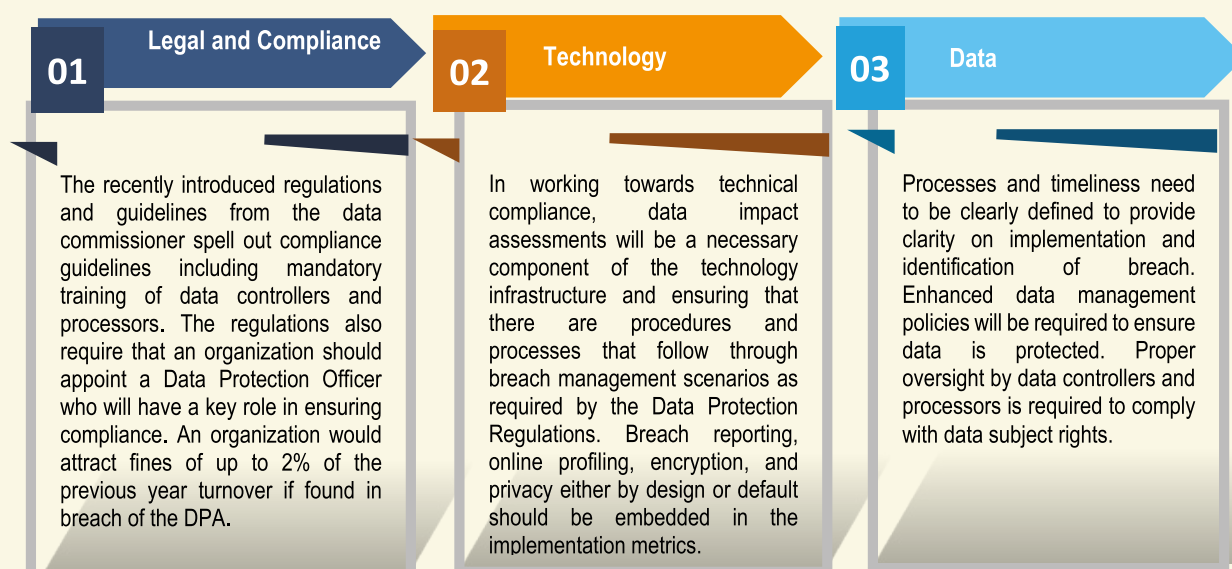
Hospitals are handlers of patients' data which is considered sensitive and confidential as provided for under DPA. Insurance firms are key partners to hospitals where processing of patients' data is done. Insurance firms provide medical covers to patients at individual and corporate level. Hospitals and insurance firms share patients' data in a symbiotic manner when providing medical cover service. This means that insurance firms who offer medical covers receive sensitive personal data which require protection as provided under the DPA. Failure to protect and secure this data may result in the implications as outlined in the act as well as other issues such as lost trust by customers, service providers, investors, increased scrutiny, reputation issues etc. On the other hand, hospitals are required to protect all patient's data received from insurance

firms as provided under the Health Information Policy. The DPA and Health Information policy have provided guidance on how data should be handled and processed. In particular, the HIS policy is generally guided by the principle of readily available and accessible data to those who need it. It is consistent with the fundamental principles of official statistics adopted by the United Nations Statistical Commission where patient data needs to be protected as provided under the DPA regulations.

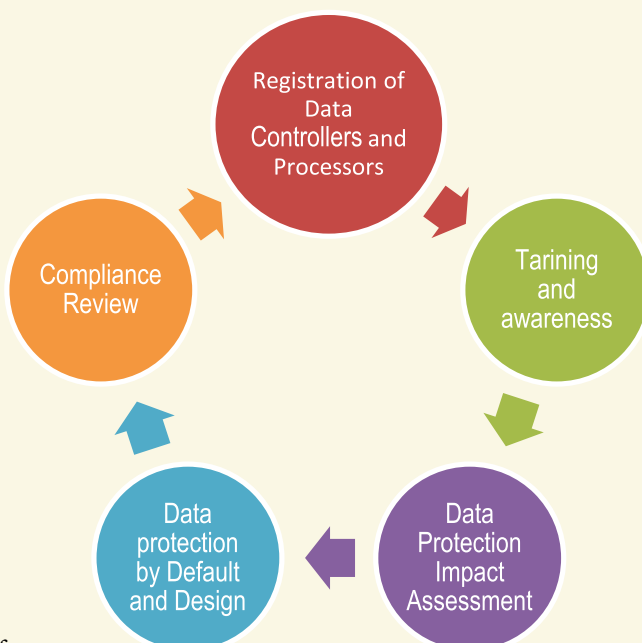
Health Information system policy was developed to guide on the collection and processing of medical data of patients. The Health Policy promotes the use of technology in healthcare but requires medical institutions and personnel to uphold the utmost confidentiality of patient data. It requires that all patient data be de-identified before processing.

Source: One trust data guidance

5.7 Key Components of Data Protection



5.7.1 Fundamental Requirements for Compliance with DPA for Insurance Firms



Source: KPMG Insights

5.7.2 Data Protection Act Implementation

Data Subject Access Request –

Although a Data Subject might challenge and seek correction or deletion of data under DPA, there is no clarity on the process or timelines to request access to the data in the first instance. Under the GDPR, there is a clear process for managing a request without creating a data breach when sharing this data and set deadlines for basic and complex requests. There are also protections for data controllers or processors to apply fees for excessive or repetitive requests, to cover their cost of processing the requests

Registration of Data Controllers and Processors

When analyzing the provisions on the registration of Data Controllers or Processors, the process and timeline for registration has not yet been confirmed, and it is unclear if companies domiciled outside Kenya need to register when processing data of Kenyan

Fines and penalties –

The enforcement also needs to be evaluated against the fines that will be levied on organizations that are found to have committed an offence. In Kenya, DPA fine is the lower of 1% of turnover or 5 million KES” as compared to GDPR which is ‘the higher of €10 Million (1,330 million KES) or 2% of global turnover’. This means that offenders may risk the fine if repeat payments are lower than the cost of implementation in absolute terms. Clarity is required from the Data Commissioner on whether the fine will be applied per data subject, or per incident of breach. If applied per data subject, the penalties from DPA will be significantly greater than GDPR.

Gaining Consent

The Act is not clear on the process for gaining consent whether it must be specifically obtained or if it can be captured as part of general terms and conditions. This leaves the data capture open to potential abuse. However, the guidance on consent clarified that consent must be “separate from other terms and conditions” and does not include data that is not necessary for the performance of that contract.

5.7.3 Key Considerations in the Insurance Sector

Marketing



Digital and electronic marketing is a tool that has been used to great effect in recent times. One of the keys to the success of digital marketing has been the level of personalization that can be achieved in a message, due to a mix of data analytics and access to personal information. The DPA requires that companies have “data protection by default”, which in effect requires that the data subjects opt into marketing material, as opposed to having to opt out of unsolicited messages. This must be considered when designing marketing campaigns for insurance products. In addition, there is a general prohibition on the use of personal data for commercial purposes such as direct marketing, unless the person has sought and obtained express consent from the data subject or is authorized to do so by law. The data subject must also be informed of such uses when the data is being collected.

Transfer of Data Outside Kenya



Insurance companies need to be mindful of any transfer of personal data to other countries as it is generally prohibited unless the data controller or data processor provides proof of appropriate safeguards with regards to security and protection of data.

Liability for Misuse of Personal Data



Insurers and brokers will likely be data controllers under the DPA and thus have an obligation to protect the personal data of subjects. Agents and third-party services such as cloud services will also have an obligation to protect the personal data they handle as data processors.



5.8 Legislative Changes and Amendments

Below is a summary of the changes in the legal and legislative environment and how these changes affect the insurance industry

5.8.1 Implementation of the Unified Payroll Return (NITA, PAYE, NHIF and NSSF)

The Kenya Revenue Authority (KRA) and the National Industrial Training Authority (NITA) have developed a Unified Payroll Return (UPR) for joint declaration of PAYE and Industrial Training Levy contributions via iTax system effective January 2021. Insurance firms are required to comply with this law.

5.8.2 The Business Laws (Amendment) (No. 2) Act

The Business Laws (Amendment) (No. 2) Act, 2021 was assented to and passed as a law on 30th March 2021; the same date on which businesses were supposed to conform to the law. It is a Parliamentary Act whose main objective is to foster a conducive environment for transacting business with ease after amendments are made to various policies followed in the past.

There are amendments that have been made in this Act which have a direct or an indirect effect on the insurance industry. Some of these adjustments include,

- a) The Stamp duty Act- With the insertion of a new paragraph, an increase in the fixed duty fee will subject insurance industries to additional costs when honoring their contracts.
- b) The National Social Security Fund (NSSF) Act- the adjustments made instruct players in the insurance industry to make timely monthly contributions for its employees on the ninth day with the exception of later payment as the Board together with the Cabinet secretary may agree.
- c) The Companies Act- changes have been made in this Act by bringing the concept of virtual and hybrid methods to annual meetings and other company meetings. This increases the scope of participation by stakeholders needed in insurance company meetings by getting rid of physical meetings which may limit the participation of those in distant locations

5.8.3 Proceeds of Crime and Anti-Money Laundering (Amendment) Act, 2021

The Proceeds of Crime and Anti-Money Laundering Act, 2021 was passed on 28th December 2021. The Act's goals are to define money laundering as a crime, introduce methods to stop it, and provide for the identification, follow-up, freezing, annexation, and confiscation of the proceeds of crime as well as other related activities.

Some of the notable amendments made to this act that affects the insurance business include;

- a) The principal Act- The act has seen the inclusion of a new section (44A) which states that any suspicion of proposed transactions involving money laundering or use of proceeds of crime and unlawful activities will be met with restrictions to commence the transaction to allow for further investigation. As such, an insurance company suspected in the aforementioned activities will be barred from undertaking the marked transaction until proven otherwise.
- b) Section 48 of the Principal Act- In this section, the extension of the list of professionals subject to reporting requirements under the Act to include legal professionals adds to the cost of operation in insurance companies. Their main duties will be to monitor suspicious, large, and unusual transactions as well as report any relations to money laundering practices in insurance firms.

5.8.4 The Finance Act, 2021

On June 29, 2021, the President officially signed the Finance Act, 2021, which was later published in the Kenyan Gazette on July 1, 2021. Several modifications made by the Act will align the Kenyan insurance industry with adjustments that are intended to broaden the tax base by taxing more transactions and raising taxes on other transactions.

The amendments that have influence insurance companies will include

- a) Section 12E in the Income Tax Act- it is evident from the changes made to the digital services tax's coverage that the government views this as a possible front of income expansion with a specified timeline following the conclusion of the month during which the digital service was offered.
- b) Section 18B in the Income Tax Act- The insertion of this new section has the concept of implementing the country-by-country reporting for Multi-national Enterprises (MNEs) and stricter limitations on thin capitalization as the Act has made a number of reforms that will bring Kenyan-based companies/entities, with subsidiaries in other countries, into line with international best practices. As such, international insurance firms with branches in the country are expected to file their reports separately as a sole entity without merging them with those of other countries.

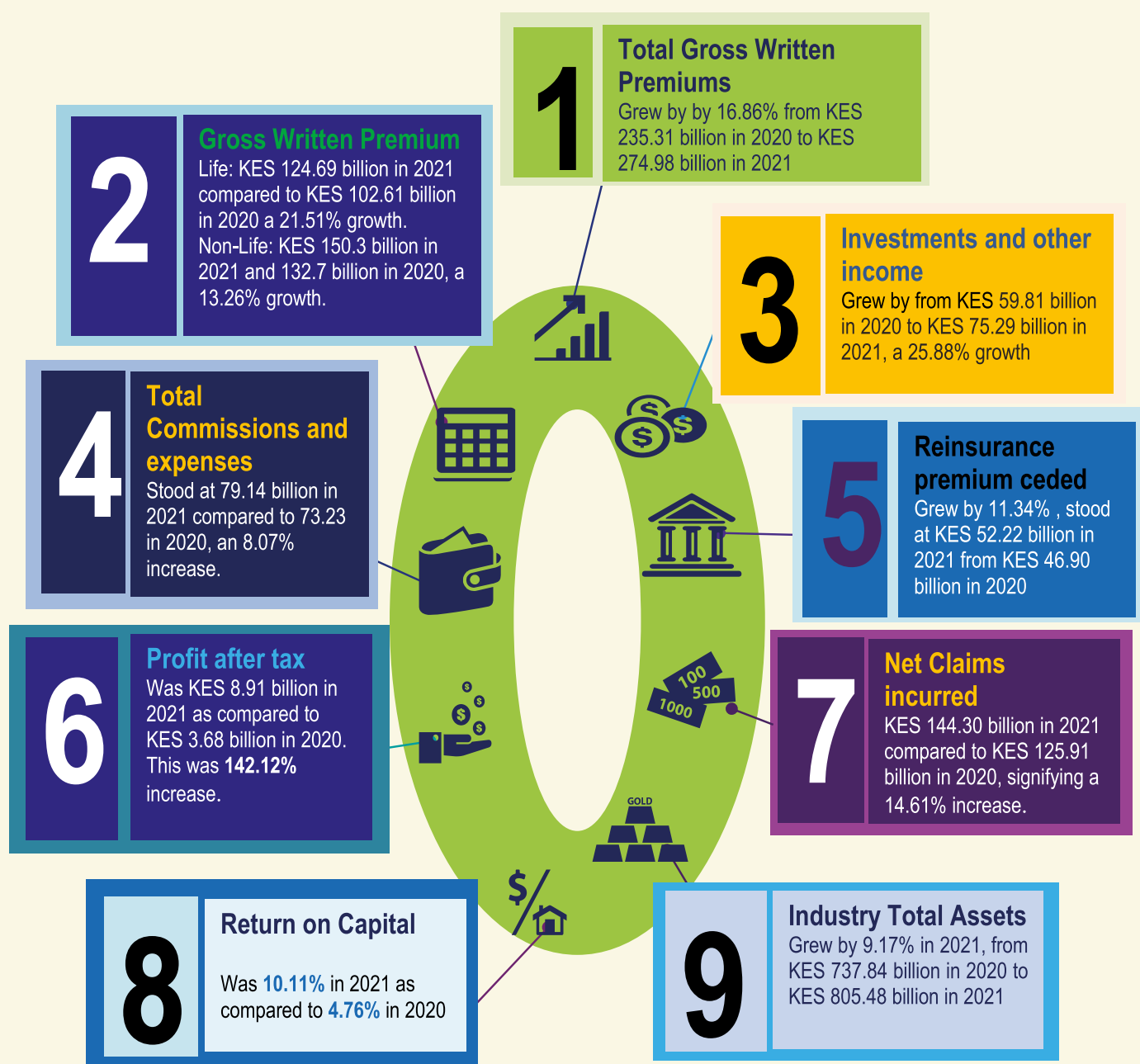
Kenyan Insurance Performance



6 KENYA'S INSURANCE INDUSTRY PERFORMANCE

In 2021, life insurance premiums increased by 21.51% from KES 102.61 billion to KES 124.69 billion. Non-Life insurance premiums also grew in the same period by 13.26% from KES 132.7 billion to KES 150.30 billion. Total insurance premiums grew by 16.86% from KES 235.31 billion in 2020 to KES 274.98 billion in 2021. This was underpinned by redesigned operating model, increased consumer awareness and economic recovery from the effects of COVID 19.

6.1 Kenya Insurance Industry at a Glance





In 2021, the number of licensed insurance companies remained at 56 while reinsurance firms also remained at five. Reinsurance brokers increased to 19 in 2021 from 18 in 2020. The number of agents increased to 11,801 in 2021 from 11,138 in 2020. Insurance brokers decreased to 193 in 2021 from 204 in 2020. In 2021, The number of medical insurance providers increased to 38. The increase in the number of medical insurance providers is highly attributed to increased awareness and demand for health care covers in the country because of the pandemic. Employers have also been enhancing medical covers for their employees as part of employee benefits and wellness during this period.

Table 1: Kenya's Licensed Insurance Industry Players

Categories of industry players	2017	2018	2019	2020	2021
Insurance Companies	52	54	54	56	56
Reinsurers	3	5	5	5	5
Reinsurance brokers	4	14	16	18	19
Agents	9,320	8,955	9,262	11,138	11,801
Brokers	221	216	213	204	193
Insurance investigators	142	145	131	150	142
Medical Insurance Providers (MIPs)	31	33	31	34	38
Insurance Surveyors	32	36	30	33	32
Risk Managers	9	11	9	10	9
Loss Adjusters	32	31	28	31	34
Motor Assessors	126	123	123	128	146

In 2021, the Ugandan market had the highest number of insurance companies whose parent companies are in Kenya at 11 players followed by Tanzania at 10 and Rwanda at five. Malawi had four while Mauritius and South Sudan had three players each. Burundi, Mozambique, Zambia, and Botswana had two each while DRC Congo had one. The ease of doing business in these countries, demand for insurance products, rising middle class and political stability were key contributors for the level of presence or lack thereof.

Figure 10: Kenyan Insurers with Presence in Other Countries, 2021

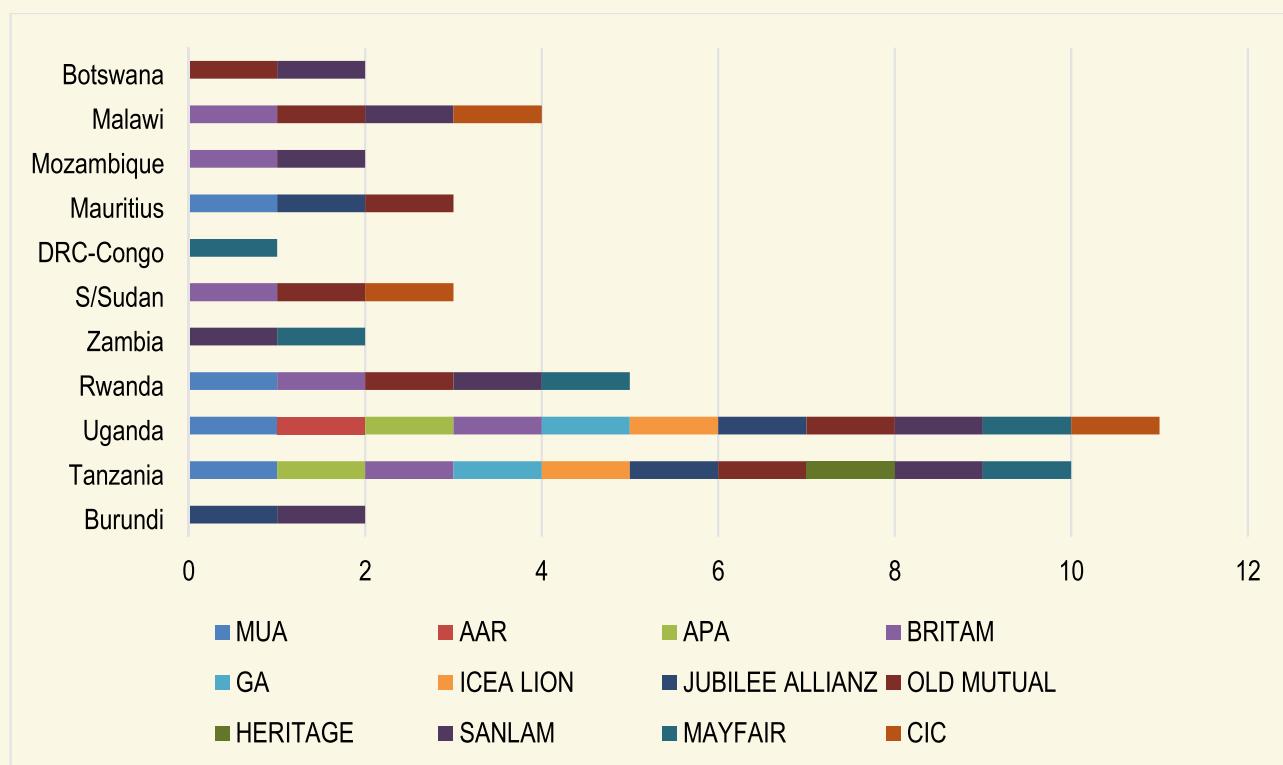


Table 2: Insurance Penetration Rates Relative to Gross Domestic Product, KES in Billions

	2017	2018	2019	2020	2021
Gross Domestic Product (GDP) at Market Prices***	8,483.40	9,340.31	10,237.73	10,716.03	12,098.20
Life Insurance Premium*	83.45	87.27	97.85	102.61	124.69
Life Insurance Penetration	0.98%	0.93%	0.96%	0.96%	1.03%
Non - Life Insurance Premium****	126.05	128.85	133.45	132.70	150.29
Non - Life Insurance Penetration	1.49%	1.38%	1.30%	1.24%	1.24%
Total Premium*	209.50	216.12	231.30	235.31	274.98
Insurance Penetration**	2.47%	2.31%	2.26%	2.20%	2.27%

*Includes deposit administration and unit linked contributions

**Insurance Penetration = $\frac{\text{Gross Premium} * 100}{\text{GDP}}$

***Source: Economic Survey 2022

**** Excludes 2020 and 2021 financial results from one insurance company as their figures were not available when this report was being prepared.

NB: The penetration figures have changed due to rebasing of the GDP in 2019.

6.2 Statement of Comprehensive Income

Gross earned premium increased by 10.84% in 2021 which was an improvement from the 0.49% increase recorded in 2020. Reinsurance premiums ceded increased by 11.34% in the same period while net premiums earned increased by 10.68%. Net income increased by 15.12% from KES 204.6 billion to KES 235.57 billion in 2021. Net incurred claims and total commissions and expenses also increased by 14.61% and 8.07% respectively in 2021. Profit before tax significantly increased by 120.95% signifying an economic recovery of the insurance sector.

Table 3: Summary of Industry Statement of Comprehensive Income, 2017-2021 in KES Billions

	2017	2018	2019	2020*	2021	2020-2021 growth rate	2017 -2021 CAGR
Gross Earned Premium	178.48	178.80	187.57	191.72	212.50	10.84%	4.46%
Reinsurance ceded	43.22	43.99	46.54	46.90	52.22	11.34%	4.85%
Net Earned Premium	135.27	134.81	141.03	144.82	160.28	10.68%	4.33%
Investment & Other Income	55.28	50.23	70.12	59.81	75.29	25.88%	8.03%
Net Income	190.54	185.04	211.14	204.63	235.57	15.12%	5.45%
Net Incurred Claims	110.00	111.01	116.86	125.91	144.30	14.61%	7.02%
Total Commissions & Expenses	68.53	69.63	76.17	73.23	79.14	8.07%	3.66%
Profit/(Loss) before Taxation	12.01	4.40	18.12	5.49	12.13	120.95%	0.24%
Provision for Taxation	2.66	1.40	5.41	1.81	3.22	78.39%	4.88%
Profit/(Loss) after Taxation	9.35	3.00	12.71	3.68	8.91	142.12%	-1.20%

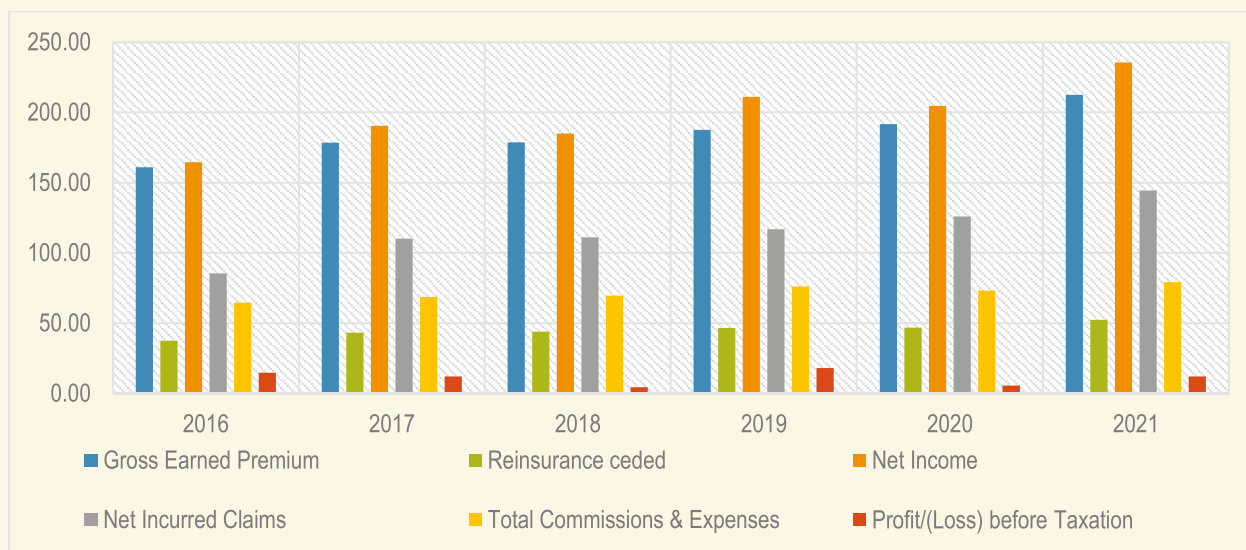
*Restated

**Excludes financial results of Monarch Insurance Company as their figures were not available when this report was being prepared. However, the impact of excluding their figures is minimal.

Figure 11: Growth Rate of the Industry Statement of Comprehensive Income



Figure 12: Industry Statement of Comprehensive Income Trend Analysis, KES in Billions



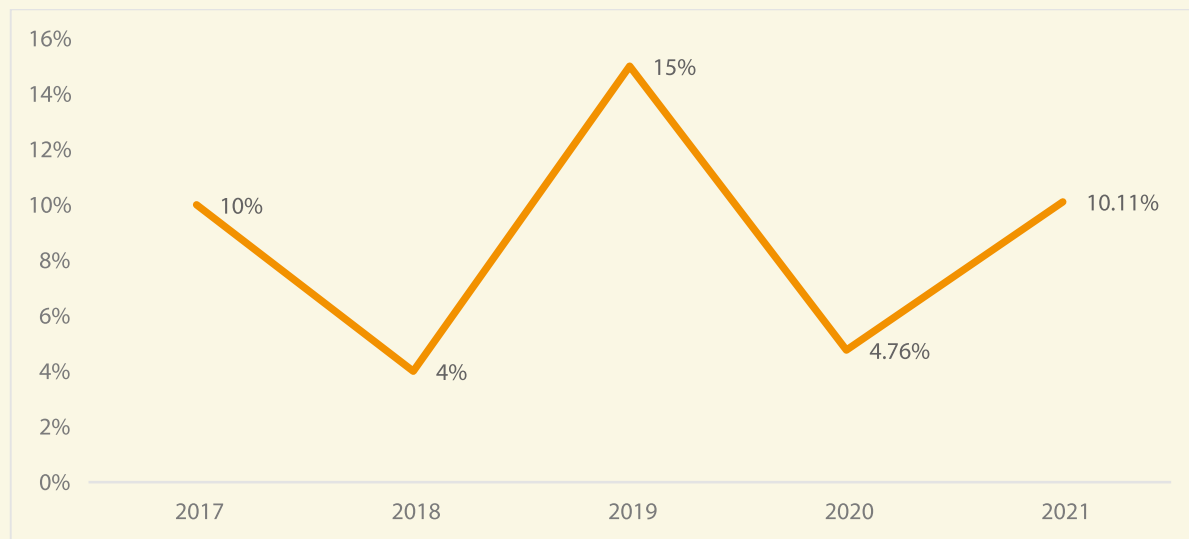
6.3 Statement of Financial Position

In 2021, shareholders capital, life fund and reserves increased by 3.85% from KES 115.48 billion to KES 119.93 billion. The 5-year compounded annual growth rate from 2017 to 2021 also indicates a 0.91% growth in shareholders capital, life fund and reserves. Total assets and liabilities grew from KES 737.84 billion and KES 622.36 billion in 2020 to KES 805.48 billion and KES 685.55 billion in 2021 respectively.

Table 4: Summary of Statement of Financial Position, 2017-2021 in KES Billions

	2017	2018	2019	2020*	2021	2020-2021 Growth rate	2017-2021 CAGR
Share Holders Capital, Life Fund & Reserve	115.65	119.28	121.92	115.48	119.93	3.85%	0.91%
Total Assets	571.96	630.72	685.58	737.84	805.48	9.17%	8.94%
Total Liabilities	456.30	511.45	563.61	622.36	685.55	10.15%	10.71%
Net Assets	115.65	119.28	121.92	115.48	119.93	3.85%	0.91%
Profit/(Loss) before Tax	12.05	4.40	18.12	5.50	12.13	120.55%	0.16%
Return on Capital Employed	10%	4%	15%	4.76%	10.11%	112.39%	0.28%

Figure 13: Return on Capital Employed for 5-year Period, 2017-2021



Return on capital in 2021 was 10.11% as compared to 4.76% in 2020 which can be attributed to a net increase in profit before tax. The compounded return on capital employed was 0.28%, for the five-year period signifying a marginal increase in return to shareholders.

6.4 Non-Life Insurance



In Kenya, non-life insurance is classified into 14 distinct insurance classes. These are Aviation, Engineering, Fire Domestic and Industrial, Public Liability, Marine, Motor Private and Commercial, Personal Accident, Theft, Work Injury Benefits (WIBA), Medical, Micro Insurance and Miscellaneous insurance. Miscellaneous insurance includes Agriculture, Golfers, Travel, Bonds, Plate Glass insurances among others.

The total GWP for non-life insurance business in 2021 was KES 150.3 billion which is an increase of 13.26%, compared to the KES 132.70 billion underwritten in 2020. Motor insurance was the largest contributor to GWP at 32.81% followed by medical insurance at 31.71%. Motor tends to have a higher uptake because the third-party risks element is compulsory, as required under CAP 405, laws of Kenya. On the other hand, Covid -19 pandemic presented a silver lining leading to a rise in insurance awareness and uptake in medical insurance. Other insurance classes including fire, aviation, engineering, public liability, marine, personal accident, theft, WIBA and miscellaneous contributed 35.48% of the total GWP.

Table 5: Premium Distribution Per Class of Business, 2021 KES '000

Class of Business	2021	% Contribution
Fire	15,545,222,717	10.34%
Motor Private	24,862,574,133	17%
Motor Commercial	24,462,554,846	16%
Medical	47,642,138,463	32%
Others	37,783,637,616	25.14%
Total	150,296,127,775	100%

6.4.1 Non-Life Insurance: Key Financial Ratios

Retention Ratio

Retention ratio is the net written premium divided by gross written premium. It is a measure of what percentage of the premium is retained by the insurance company after ceding a portion of the business to the reinsurers. The motor classes had the highest retention ratios with motor commercial at 91.79% and motor private at 92.07%. Aviation and engineering had the lowest retention ratios of 2.78% and 20.67% respectively.

Table 6: Non-life Insurance Retention Per Class of Business, 2020 - 2021 in KES

Class of Business	Gross Written Premium	Re-insurance Ceded	Net Earned Premium	Retention Ratio 2020	Retention Ratio 2021
Aviation	2,595,194,672	2,817,786,899	72,112,454	11.22%	2.78%
Engineering	4,601,443,719	3,551,774,953	951,105,626	16.98%	20.67%
Fire Domestic	1,765,247,192	575,785,656	1,199,504,470	69.48%	67.95%
Fire Industrial	13,779,975,525	10,375,117,436	2,974,560,266	21.17%	21.59%
Public Liability	3,456,118,279	1,932,538,707	1,510,532,841	46.37%	43.71%
Marine	4,093,920,201	2,043,674,162	2,031,286,999	48.92%	49.62%
Motor Private	24,862,574,133	1,932,091,141	22,891,649,010	93.77%	92.07%
Motor Commercial	24,462,554,846	1,327,091,497	22,454,666,675	95.01%	91.79%
Personal Accident	2,505,762,508	939,727,479	1,579,940,392	62.87%	63.05%
Medical	47,642,138,463	10,033,462,333	34,639,511,541	70.81%	72.71%
Theft	4,119,531,323	1,885,342,184	2,295,528,544	61.26%	55.72%
WIBA	12,145,156,938	4,596,086,081	7,104,297,101	83.74%	58.49%
Miscellaneous	4,266,509,976	2,287,447,795	1,887,964,040	49.05%	44.25%
Total 2021	150,296,126,775	44,297,921,322	101,592,661,960	70.34%	67.59%

Expense Ratio

Expense ratio is a measure of profitability calculated by dividing the total expenses by the net earned premium of the insurance company. In 2021, non-life insurance total expense ratio was 37.27% which is a decline from 38.70% recorded in 2020. Personal accident recorded the highest expense ratio at 54.43% followed by public liability and fire domestic at 53.47% and 53.37% respectively. Medical had the lowest expense ratio.

Table 7: Non-life Insurance Expense Ratio Per Class of Business, 2021 in KES '000

Class of Business	Total Expenses	Net Earned Premium	Expense ratio 2020	Expense ratio 2021
Aviation	30,567,054.02	72,112,453.99	1025.90%	42.39%
Engineering	417,167,064.78	951,105,625.99	36.89%	43.86%
Fire Domestic	640,193,032.91	1,199,504,470.10	54.37%	53.37%
Fire Industrial	1,542,158,086.47	2,974,560,266.06	51.02%	51.84%
Public Liability	807,629,878.08	1,510,532,841.14	54.75%	53.47%
Marine	926,341,220.20	2,031,286,999.30	47.54%	45.60%
Motor Private	9,515,869,620.08	22,891,649,010.23	43.76%	41.57%
Motor Commercial	9,098,088,549.32	22,454,666,674.85	41.20%	40.52%
Personal Accident	859,986,919.93	1,579,940,392.46	56.98%	54.43%
Medical	9,005,457,765.82	34,639,511,541.48	25.69%	26.00%
Theft	1,074,311,985.64	2,295,528,543.82	49.27%	46.80%
WIBA	3,215,087,640.63	7,104,297,101.46	47.23%	45.26%
Miscellaneous	733,299,593.34	1,887,964,040.24	54.34%	38.84%
Total	37,866,158,410.22	101,592,661,960.12	38.70%	37.27%

Loss Ratio

Technical loss ratio is the net claims incurred expressed as a fraction of the net earned premium. The overall loss ratio recorded in 2021 was 67.63%. compared to 63.83% in 2020. Motor private had the highest loss ratio of 84.41% followed by medical at 74.90% then motor commercial at 72.95%. Aviation had the lowest loss ratio of 9.59% in 2021 which is a remarkable improvement contrary to 2020 where aviation had the highest loss ratio of 290.67 %. It is important to note the erratic nature of the business.

Table 8: Non-life Insurance Loss Ratio Per Class of Business, 2021 in KES '000

Class of Business	Net Earned Premium	Net Claims Incurred	Technical Loss Ratios, 2020	Technical Loss Ratios, 2021
Aviation	72,112,454	6,916,153	290.67%	9.59%
Engineering	951,105,626	585,771,024	83.75%	61.59%
Fire Domestic	1,199,504,470	418,320,978	32.68%	34.87%
Fire Industrial	2,974,560,266	938,665,582	43.42%	31.56%
Public Liability	1,510,532,841	647,942,981	30.89%	42.89%
Marine	2,031,286,999	767,177,710	34.14%	37.77%
Motor Private	22,891,649,010	19,323,428,773	73.35%	84.41%
Motor Commercial	22,454,666,675	16,380,217,867	71.01%	72.95%
Personal Accident	1,579,940,392	518,599,382	25.02%	32.82%
Medical	34,639,511,541	25,943,940,519	68.75%	74.90%
Theft	2,295,528,544	790,858,278	31.43%	34.45%
WIBA	7,104,297,101	1,777,305,410	36.05%	25.02%
Miscellaneous	1,887,964,040	612,732,292	49.63%	32.45%
Total	101,592,661,960	68,711,863,952	63.83%	67.63%

The overall loss ratio was 67.63% compared to 63.83 % in 2020. This means that though there was an overall growth in terms of gross written premium, we performed poorly in terms of the overall loss ratio.

Combined Ratio

Table 9: Non-life Insurance Combined Ratio Per Class of Business, 2021

Class of Business	Loss Ratio, 2020	Expense Ratio, 2020	Combined Ratio 2020	Loss Ratio, 2021	Expense Ratio, 2021	Combined Ratio 2021
Aviation	290.67%	1025.90%	1316.57%	9.59%	42.39%	51.98%
Engineering	83.75%	36.89%	120.64%	61.59%	43.86%	105.45%
Fire Domestic	32.68%	54.37%	87.05%	34.87%	53.37%	88.25%
Fire Commercial	43.42%	51.02%	94.44%	31.56%	51.84%	83.40%
Public Liability	30.89%	54.75%	85.64%	42.89%	53.47%	96.36%
Marine	34.14%	47.54%	81.68%	37.77%	45.60%	83.37%
Motor Private	73.35%	43.76%	117.11%	84.41%	41.57%	125.98%
Motor Commercial	71.01%	41.20%	112.21%	72.95%	40.52%	113.47%
Personal Accident	25.02%	56.98%	82.01%	32.82%	54.43%	87.26%
Medical	68.75%	25.69%	94.44%	74.90%	26.00%	100.89%
Theft	31.43%	49.27%	80.70%	34.45%	46.80%	81.25%
WIBA	36.05%	47.23%	83.28%	25.02%	45.26%	70.27%
Miscellaneous	49.63%	54.34%	103.98%	32.45%	38.84%	71.30%
Total	63.83%	38.70%	102.53%	67.63%	37.27%	104.91%

Funding Ratio

The industry funding ratio is a ratio of the insurance industry's assets to its liabilities. A funding ratio of above 1.0 indicates that the industry's assets can cover all liabilities that the industry is obligated to. In 2021, (we have not introduced the surplus ratio) funding ratio was 1.35. This means that the industry assets can cover all liabilities that the industry is obligated to, with an excess of 0.35% (the amount over and above the industry liabilities).

Table 10: Non-life Insurance Industry Funding/Surplus Ratio Per Class of Business, 2021 in KES '000

Total Assets	Total Liabilities	Funding ratio	Surplus ratio
267,163,854	198,221,420	1.35	0.35

Product Mix Ratio

Product mix ratio is the gross written premium per class divided by the overall gross written premium for the year, expressed as a percentage. In 2021, medical insurance was the highest with a product mix ratio of 31.70% followed by motor private at 16.54% while fire domestic recorded the least at 1.17%.

Table 11: Change in Product Mix Per Class, 2021 KES

Class of Business	Prior Year - 2020	PY % of Total	Current Year - 2021	CY % of Total	CY% - PY %
Aviation	2,528,511,170	1.91%	2,595,194,672	1.73%	-0.18%
Engineering	3,471,933,390	2.62%	4,601,443,719	3.06%	0.45%
Fire Domestic	1,802,964,257	1.36%	1,765,247,192	1.17%	-0.18%
Fire Commercial	11,431,929,656	8.61%	13,779,975,525	9.17%	0.55%
Public Liability	3,230,408,053	2.43%	3,456,118,279	2.30%	-0.13%
Marine	3,505,273,414	2.64%	4,093,920,201	2.72%	0.08%
Motor Private	23,489,124,742	17.70%	24,862,574,133	16.54%	-1.16%
Motor Commercial	21,247,898,309	16.01%	24,462,554,846	16.28%	0.26%
Personal Accident	2,408,748,434	1.82%	2,505,762,508	1.67%	-0.15%
Medical	44,359,685,077	33.43%	47,642,138,463	31.70%	-1.73%
Theft	3,988,685,736	3.01%	4,119,531,323	2.74%	-0.26%
WIBA	7,166,486,388	5.40%	12,145,156,938	8.08%	2.68%
Miscellaneous	4,067,707,180	3.07%	4,266,509,976	2.84%	-0.23%
Total	132,699,355,806		150,296,126,775		

Non-Life Insurance: Premium Growth and Market Share

The table below shows a comparison of the market share and growth percentages per insurer between 2020 to 2021. In 2021, 36 insurance companies wrote non-life insurance. Six (6) insurers each had a market share exceeding 5% and totalling to 43.57% while 5 out of the 36 companies recorded negative growth in 2021.

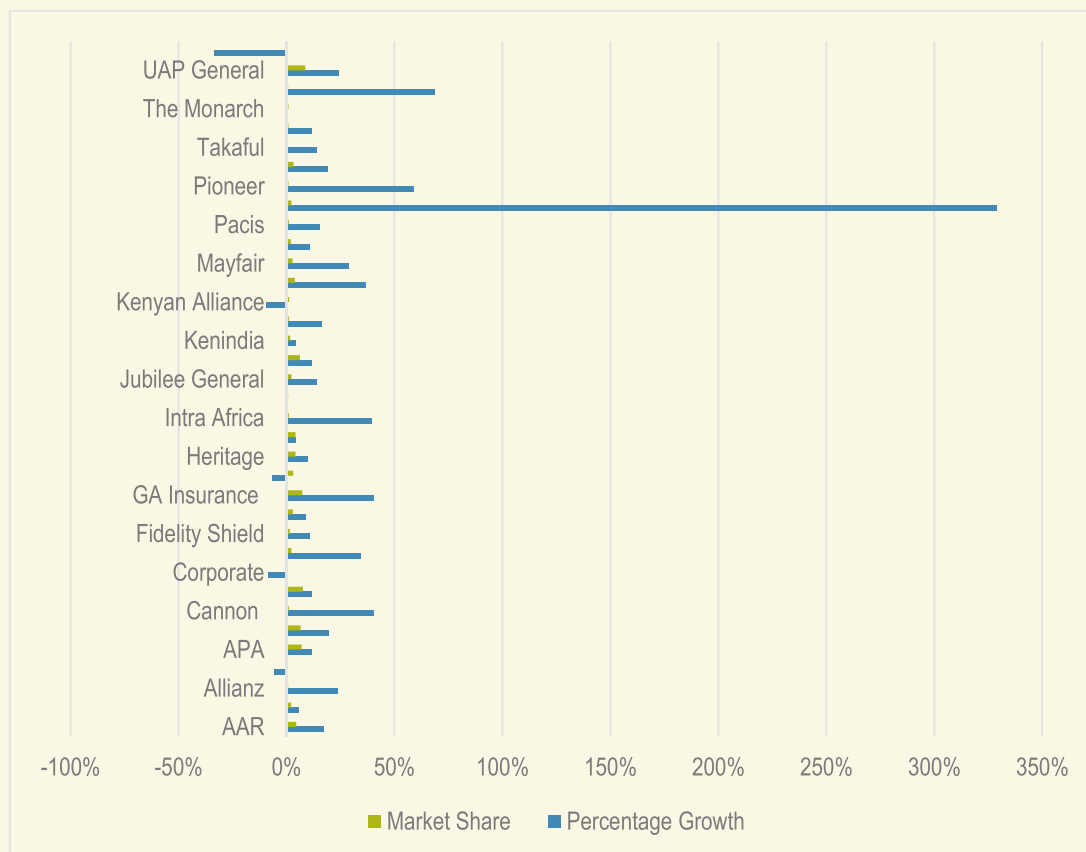
Table 12: Non-Life Insurance Premium Growth and Market Share Per Company, 2020-2021 in KES '000

Company	2020			2021		
	Gross Premium	Percentage Growth	Market Share	Gross Premium	Percentage Growth	Market Share
AAR	5,683,964	-3.04%	4.28%	6,686,857.13	18%	4.45%
AIG	3,045,832	-15.82%	2.30%	3,224,826.00	6%	2.15%
Allianz	929,347	2.04%	0.70%	1,150,690.00	24%	0.77%
Amaco	1,069,452	-27.45%	0.81%	1,008,356.25	-6%	0.67%
APA	9,508,915	1.84%	7.17%	10,626,654.00	12%	7.07%
Britam	8,253,939	0.55%	6.22%	9,881,854.00	20%	6.57%
Cannon	1,130,828	27.71%	0.85%	1,588,788.77	40%	1.06%
CIC General	10,196,748	-4.29%	7.68%	11,422,038.00	12%	7.60%
Corporate	932,833	50.62%	0.70%	667,263.00	-28%	0.44%
Directline	2,628,800	-21.60%	1.98%	3,542,306.00	35%	2.36%
Fidelity Shield	2,060,190	-14.49%	1.55%	2,281,328.00	11%	1.52%
First Assurance	4,144,460	12.86%	3.12%	4,513,425.00	9%	3.00%
GA Insurance	7,840,649	18.69%	5.91%	11,021,966.00	41%	7.33%
Geminia	5,148,977	-0.66%	3.88%	4,800,246.00	-7%	3.19%
Heritage	5,765,208	2.32%	4.34%	6,331,466.77	10%	4.21%
ICEA LION General	6,057,394	3.44%	4.56%	6,331,150.00	5%	4.21%
Intra Africa	1,105,383	-9.15%	0.83%	1,544,171.68	40%	1.03%
Invesco	-	-100.00%	0.00%	1,173,066.30	0%	0.78%
Jubilee General	3,061,778	-29.47%	2.31%	3,489,031.00	14%	2.32%
Jubilee Health	8,336,808	4.81%	6.28%	9,342,284.00	12%	6.22%
Kenindia	2,470,756	0.09%	1.86%	2,580,576.00	4%	1.72%
Kenya Orient General	1,444,259	10.84%	1.09%	1,684,628.81	17%	1.12%
Kenyan Alliance	2,136,680	30.72%	1.61%	1,937,872.42	-9%	1.29%
Madison	4,228,697	0.41%	3.19%	5,784,652.00	37%	3.85%
Mayfair	3,300,417	9.38%	2.49%	4,262,081.00	29%	2.84%
Occidental	2,812,085	0.07%	2.12%	3,124,815.25	11%	2.08%
Pacis	1,445,893	-2.37%	1.09%	1,667,830.00	15%	1.11%

Company	2020			2021		
	Gross Premium	Percentage Growth	Market Share	Gross Premium	Percentage Growth	Market Share
MUA	828,146	0.00%	0.62%	3,554,172.89	329%	2.36%
Pioneer	883,816	2.71%	0.67%	1,403,558.27	59%	0.93%
Resolution	4,287,042	-19.98%	3.23%	-	-100%	0.00%
Saham	2,035,612	-28.80%	1.53%	-	-100%	0.00%
Sanlam General	4,066,095	80.39%	3.06%	4,853,903.00	19%	3.23%
Takaful	796,594	-37.39%	0.60%	910,128.00	14%	0.61%
Tausi	1,180,207	-1.95%	0.89%	1,322,352.65	12%	0.88%
The Monarch	1,496,361	14.31%	1.13%	1,496,361.00	0%	1.00%
Trident	705,287	7.89%	0.53%	1,190,452.10	69%	0.79%
UAP General	10,605,343	13.16%	7.99%	13,183,224.00	24%	8.77%
Xplico	1,074,558	-25.42%	0.81%	711,751.49	-34%	0.47%
Total	132,699,353		100.00%	150,296,126.78		100.00%

In 2021, UAP Insurance had the highest market share of 8.77% followed by CIC General at 7.60% and GA insurance at 7.33%. Xplico and Corporate had the lowest market share at 0.47% and 0.44% respectively. MUA had the largest growth at 329.17% owing to the acquisition of Saham Assurance company limited. It was closely followed by Trident and Pioneer at 68.79% and 58.81% respectively. Xplico and Corporate recorded the lowest growth rate at negative 33.76% and negative 28.47% respectively.

Figure 14: Non-life GWP Market Share and Percentage Growth



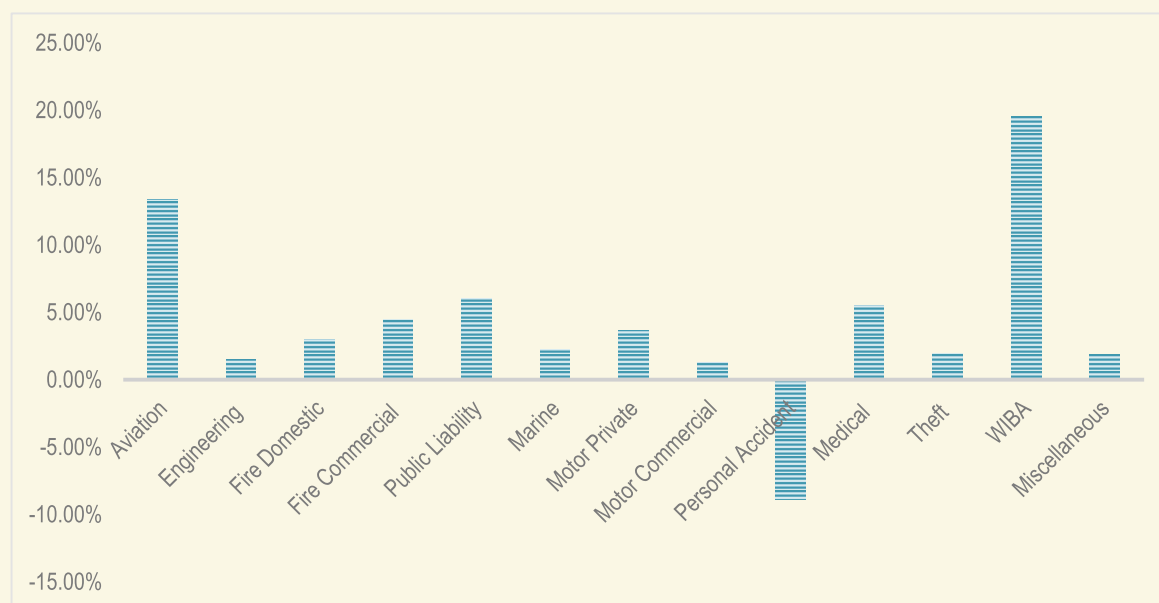
Non-Life Insurance Premium Growth Per Class

All classes recorded an increase in GWP in 2021, save for fire domestic which had a decline of 2.09%. WIBA had the highest growth 69.47%, followed by fire Commercial at 20.54%. All the classes of insurance experienced CAGR in 2021 except for personal accident which had a decline of 8.91%. This reflects an overall growth of the insurance sector in the country.

Table 13: Premium Growth Per Class for Non-Life Business, 2021

Class of Business	2020	2021	Growth, %	CAGR 2017 - 2021 Growth, %
Aviation	2,528,511	2,595,195	2.64%	13.41%
Engineering	3,471,933	4,601,444	32.53%	1.52%
Fire Domestic	1,802,964	1,765,247	(2.09%)	2.97%
Fire Commercial	11,431,930	13,779,976	20.54%	4.49%
Public Liability	3,230,408	3,456,118	6.99%	6.00%
Marine	3,505,273	4,093,920	16.79%	2.23%
Motor Private	23,489,125	24,862,574	5.85%	3.67%
Motor Commercial	21,247,898	24,462,555	15.13%	1.30%
Personal Accident	2,408,748	2,505,763	4.03%	-8.91%
Medical	44,359,685	47,642,138	7.40%	5.53%
Theft	3,988,686	4,119,531	3.28%	1.94%
WIBA	7,166,486	12,145,157	69.47%	19.57%
Miscellaneous	4,067,707	4,266,510	4.89%	1.84%
Overall	132,699,356	150,296,127	13.26%	4.50%

Figure 15: Gross Premium CAGR Percentage Growth for the Last 5 Years, (2017-2021)



Gross Premium Per Company Per Class

Table 14: Gross Premium Per Company Per Class, 2021 in KES' 000

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total 2021
AAR	-	459	1,310	8,641	13,708	1,286	-	-	31,176	6,562,594	7,719	47,684	12,280	6,686,857
AIG	9,126	51,857	94,130	519,893	859,960	23,349	777,767	142,119	161,844	-	362,048	222,733	-	3,224,826
Allianz	15,544	13,669	31,861	138,224	92,431	75,102	251,532	165,935	2,159	232,832	21,627	89,771	20,003	1,150,690
Amoco	-	13,808	918	77,172	4,032	1,695	364,669	405,227	18,528	-	7,205	23,185	91,917	1,008,356
APA	215,866	243,702	87,837	984,085	177,351	239,697	1,525,862	1,312,527	347,377	3,840,078	210,477	908,782	533,013	10,626,654
Britam	-	491,757	113,269	878,517	199,759	405,901	1,255,507	967,006	603,159	2,439,000	255,158	1,129,116	1,143,705	9,881,854
Cannon	-	114,342	17,019	57,758	24,256	29,623	815,174	339,188	29,500	-	33,487	85,327	43,115	1,588,789
CIC General	-	393,719	107,585	811,811	99,012	69,613	1,945,952	1,716,569	196,391	4,229,668	688,726	983,287	179,705	11,422,038
Corporate	-	32,314	6,416	84,951	7,265	63,210	232,317	134,673	26,148	-	15,373	53,662	10,934	667,263
Directline	-	-	118	982	-	31	298,207	3,241,987	364	-	98	238	282	3,542,306
Fidelity Shield	-	48,381	22,436	166,521	34,983	451,723	595,807	408,809	11,199	-	60,291	459,425	21,752	2,281,328
First Ass.	-	169,474	32,822	369,651	47,554	67,370	865,360	715,910	78,501	1,884,598	144,011	78,152	60,022	4,513,425
GA Ins.	512,282	512,926	138,626	1,807,495	145,083	469,623	1,292,016	1,337,171	83,852	2,628,256	421,185	1,401,998	271,453	11,021,966
Gemina	49,913	160,937	66,848	572,233	68,119	210,113	1,296,570	1,472,993	66,697	-	200,947	475,356	159,520	4,800,246
Heritage	273,222	102,721	152,248	729,715	241,950	140,064	999,455	575,369	257,887	2,030,668	106,649	455,883	265,636	6,331,467
ICEA Lion Gen	1,089,149	178,777	135,239	1,175,894	240,766	223,711	1,527,146	582,005	141,477	285,262	214,071	433,845	103,808	6,331,150
Intra Africa	-	119,713	44,293	166,385	17,185	120,586	391,131	221,452	8,262	-	58,231	317,303	79,632	1,544,172
Invesco	-	-	286	61	23	270	231,584	939,964	261	-	43	553	22	1,173,066
Jubilee General	40,645	86,004	41,288	637,078	280,468	149,310	766,819	370,964	35,589	-	32,222	943,281	105,363	3,489,031
Jubilee Health	-	-	-	-	-	-	-	-	-	9,342,284	-	-	-	9,342,284
Kenindia	-	122,281	45,751	546,497	49,191	241,954	398,225	558,003	23,378	142,149	155,643	280,417	17,087	2,580,576
Kenya Orient	-	121,266	24,372	116,947	23,488	4,972	615,562	464,905	10,674	-	77,394	77,717	147,430	1,684,629
Kenyan Alliance	-	55,578	29,395	78,368	20,867	24,511	368,250	396,495	37,693	769,622	50,750	95,847	10,498	1,937,872
Madison	-	110,566	12,802	156,069	149,930	113,664	494,866	1,421,433	27,947	2,782,723	80,486	267,750	166,416	5,784,652
Mayfair	95,305	522,855	94,701	1,188,968	90,482	269,445	584,990	493,838	44,351	-	169,126	443,993	264,027	4,262,081
Occidental	11,497	156,700	63,612	411,577	19,895	219,016	949,891	823,146	47,353	-	121,255	253,705	47,168	3,124,815
Pacis	-	26,903	13,691	118,359	27,138	3,296	425,000	294,687	35,219	548,069	46,370	126,581	2,517	1,667,830
MUA	280,747	56,564	27,631	161,613	67,365	72,618	851,549	378,871	44,206	901,393	50,482	527,590	133,542	3,554,173
Pioneer	1,899	19,446	10,013	58,149	41,786	33,833	634,984	241,086	6,505	-	16,802	249,244	89,811	1,403,558
Sanlam	-	133,928	70,077	512,179	201,596	52,945	923,164	1,540,968	8,213	736,067	147,268	474,864	52,634	4,853,903
Takaful	-	30,332	11,795	83,475	25,512	-	267,405	351,301	4,146	72,668	34,540	27,108	1,848	910,128
Tausi	-	87,928	63,634	330,083	24,375	167,096	187,114	141,138	11,956	15,049	102,051	168,564	23,365	1,322,353
The Monarch	-	50,247	2,987	35,452	33,611	12,056	669,547	520,984	18,019	-	6,471	55,710	91,277	1,496,361
Trident	-	2,446	634	5,230	2,547	3,737	650,879	293,006	7,077	219,699	1,628	2,135	1,434	1,190,452
UAP	-	369,496	199,597	790,017	123,055	132,485	1,123,434	1,069,130	78,433	7,979,460	219,648	983,787	114,682	13,183,224
Xplico	-	347	8	24	1,377	15	284,840	423,696	222	-	49	563	612	711,751
Total	2,595,195	4,601,444	1,765,247	13,779,976	3,456,118	4,093,920	24,862,574	24,462,555	2,505,763	47,642,138	4,119,531	12,145,157	4,266,510	150,296,127

Non-Life Insurance: Performance Per Class of Business

The table below shows performance of non-life business in 2021. The underwriting loss for 2021 was KES 4.99 billion as compared to KES 2.33 billion in 2020 representing a 105% increase. Underwriters may need to interrogate their business models, underwriting models and procedures to understand the underlying factors leading to such significant losses. The highest underwriting loss was reported by motor private at KES 5.90 billion followed by motor commercial at KES 2.99 billion. The highest underwriting profit was recorded by WIBA at KES 2.1 billion followed by Fire Industrial at KES 493 million.

Table 15: Performance Per Class for Non-Life Business, 2021 in KES '000

Class of Business	Gross Written Premium	Re-insurance Ceded	Net Earned Premium	Net Claims Incurred	Total Expenses	Underwriting Profit/Loss	Combined Ratio
Aviation	2,595,194,672	2,817,786,899	72,112,454	6,916,153	30,567,054	34,630,247	51.98%
Engineering	4,601,443,719	3,551,774,953	951,105,626	585,771,024	417,167,065	(51,204,464)	105.45%
Fire Domestic	1,765,247,192	575,785,656	1,199,504,470	418,320,978	640,193,033	144,351,460	88.25%
Fire Industrial	13,779,975,525	10,375,117,436	2,974,560,266	938,665,582	1,542,158,086	493,012,597	83.40%
Public Liability	3,456,118,279	1,932,538,707	1,510,532,841	647,942,981	807,629,878	60,508,983	96.36%
Marine	4,093,920,201	2,043,674,162	2,031,286,999	767,177,710	926,341,220	338,114,068	83.37%
Motor Private	24,862,574,133	1,932,091,141	22,891,649,010	19,323,428,773	9,515,869,620	(5,895,331,383)	125.98%
Motor Commercial	24,462,554,846	1,327,091,497	22,454,666,675	16,380,217,867	9,098,088,549	(2,988,228,743)	113.47%
Personal Accident	2,505,762,508	939,727,479	1,579,940,392	518,599,382	859,986,920	201,455,091	87.26%
Medical	47,642,138,463	10,033,462,333	34,639,511,541	25,943,940,519	9,005,457,766	(303,109,744)	100.89%
Theft	4,119,531,323	1,885,342,184	2,295,528,544	790,858,278	1,074,311,986	420,306,280	81.25%
WIBA	12,145,156,938	4,596,086,081	7,104,297,101	1,777,305,410	3,215,087,641	2,097,466,051	70.27%
Miscellaneous	4,266,509,976	2,287,447,795	1,887,964,040	612,732,292	733,299,593	465,470,156	71.30%
Total 2021	150,296,126,775	44,297,921,322	101,592,661,960	68,711,863,952	37,866,158,410	(4,985,921,400)	104.91%

Table 16: Non-Life Reinsurance Ceded Per Company Per Class, 2021 in KES '000

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total 2021
AAR	-	360	994	7,998	-	447	-	-	-	1,832,316	-	-	5,216	1,847,331
AIG	9,126	51,355	70,831	408,268	660,724	22,912	590,189	108,446	139,555	-	272,469	166,525	-	2,500,400
Allianz	15,463	7,552	27,988	73,611	82,533	25,980	13,843	8,876	106	209,549	19,464	4,781	19,986	509,712
Amoco	-	6,259	563	67,345	104	888	6,053	4,214	7,211	-	1,252	897	57,291	152,077
APA	237,135	152,443	22,139	671,717	90,448	78,584	63,639	23,317	167,068	1,504,723	32,978	281,741	397,197	3,723,129
Briam	-	455,330	32,392	463,176	82,774	304,452	48,559	57,235	54,752	9,785	58,467	602,298	25,230	2,194,450
Cannon	-	94,196	2,214	26,282	10,837	14,910	1,503	484	19,176	-	7,281	1,694	32,725	211,301
CIC General	-	358,860	27,688	613,636	34,179	14,699	69,667	63,377	84,502	132,210	467,489	399,312	179,500	2,445,119
Corporate	-	18,792	2,269	29,027	-	3,519	(266)	6,334	-	-	-	-	4,490	64,164
Directline	-	-	-	-	-	-	5,852	63,626	-	-	-	-	-	69,478
Fidelity Shield	-	55,319	22,889	160,284	33,176	443,521	542,517	406,964	17,514	-	59,133	397,111	17,703	2,156,131
First Ass.	-	155,523	13,180	281,453	10,247	14,982	34,151	31,648	19,669	1,036,411	124,081	3,083	57,084	1,781,510
GA Ins.	509,646	423,899	47,456	1,576,909	72,535	276,878	72,761	50,861	20,321	1,709,656	42,688	709,588	206,665	5,719,863
Geminia	49,664	110,466	14,900	436,990	6,364	65,613	4,831	7,220	41,921	-	57,303	57,127	134,249	986,648
Heritage	271,589	49,473	23,261	573,704	71,548	32,110	54,685	35,181	93,227	1,090,569	6,401	118,342	151,295	2,571,385
ICEA Lion Gen	1,305,702	121,361	46,328	900,166	188,169	88,370	53,402	11,596	69,232	200,991	25,950	37,185	79,766	3,128,218
Intra Africa	-	28,841	13,246	67,204	1,651	18,166	4,127	1,651	825	-	9,985	-	44,024	189,718
Invesco	-	-	57	35	15	45	7	4	3	-	17	436	12	630
Jubilee General	39,985	68,173	4,514	484,227	197,602	94,860	5,211	70,412	9,148	-	53	784,231	69,438	1,827,854
Jubilee Health	-	-	-	-	-	-	-	-	-	163,374	-	-	-	163,374
Kenindia	-	79,257	7,499	431,925	35,315	6,856	5,040	18,904	15,174	99,642	92,095	7,910	(2,486)	797,131
Kenya Orient	-	93,986	4,041	78,788	1,281	2,247	2,652	4,641	3,105	-	52,384	9,143	94,794	347,062
Kenyan Alliance	-	29,133	16,706	46,348	304	11,624	72,376	15,818	35,915	448,772	26,373	81,069	7,335	791,774
Madison	-	69,934	4,400	96,246	28,433	108,753	6,218	13,350	8,109	6,545	68,184	125,148	73,967	609,287
Mayfair	95,225	415,202	42,701	1,018,525	34,313	89,691	4,847	41,153	18,962	-	123,905	23,536	209,093	2,117,153
Occidental	10,347	135,361	20,419	346,760	12,673	113,474	15,796	13,536	32,809	-	65,412	49,335	34,530	850,452
Pacis	-	2,761	3,738	64,194	1,022	1,117	8,496	3,055	7,299	203,412	4,058	7,671	1,047	307,869
MUA	272,063	57,342	2,482	138,503	44,325	55,319	21,727	19,133	36,123	646,095	19,398	51,182	81,471	1,445,163
Pioneer	1,841	11,234	4,671	44,760	7,134	17,553	25,709	9,292	875	-	1,758	41,984	76,169	242,980
Sanlam	-	102,035	19,296	397,948	169,118	17,023	52,884	103,146	6,566	556,126	147,227	99,297	51,287	1,721,933
Takaful	-	6,667	2,593	18,349	5,608	-	58,780	77,221	911	15,974	7,592	5,959	406	200,060
Tausi	-	71,540	24,162	275,032	4,821	59,472	3,813	2,497	1,387	-	10,318	7,924	13,542	474,507
The Monarch	-	37,230	903	28,723	4,326	5,601	5,499	4,191	8	-	86	1,545	35,025	123,136
Trident	-	1,963	62	4,553	-	-	-	-	-	8,660	-	-	-	15,238
UAP	-	279,914	49,225	542,430	40,907	54,006	66,786	33,709	28,244	158,653	81,542	520,010	129,375	1,984,801
Xplico	-	13	0	1	52	1	10,757	16,001	8	-	2	21	23	26,880
Total	2,817,787	3,551,775	575,786	10,375,117	1,932,539	2,043,674	1,932,091	1,327,091	939,727	10,033,462	1,885,342	4,596,086	2,287,448	44,297,921

Table 17: Non-Life Net Earned Premiums Per Company Per Class, 2021 in KES '000

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total 2021
AAR	-	168	629	1,267	12,132	1,378	-	-	23,510	4,255,807	4,748	49,667	7,969	4,357,274
AIG	(45)	502	23,415	117,527	172,231	838	183,606	39,545	12,245	-	88,117	108,371	-	746,352
Allianz	79	6,438	4,754	54,825	7,555	49,222	204,682	149,351	2,192	16,053	2,150	80,826	54	578,181
Amaco	-	8,126	203	(7,770)	3,401	480	368,268	367,726	32,400	-	5,754	25,662	39,393	843,643
APA	2,282	56,652	65,008	252,375	71,139	143,475	1,419,989	1,287,871	130,471	2,252,689	177,393	551,616	143,460	6,554,420
Britam	-	40,564	78,573	245,575	102,902	99,894	1,343,993	963,527	610,880	2,235,562	186,824	332,063	1,081,253	7,321,610
Cannon	-	17,201	14,502	25,831	14,414	19,060	700,039	309,756	11,784	-	31,309	97,134	9,997	1,251,027
CIC General	-	36,448	78,542	159,138	61,686	54,903	1,892,933	1,714,809	115,261	4,021,067	221,527	448,750	(111)	8,804,953
Corporate	-	5,134	2,427	34,011	(376)	80,575	376,643	228,517	20,363	-	22,488	62,821	4,552	837,156
Directline	-	-	23	190	-	6	280,834	3,053,115	70	-	19	46	54	3,334,357
Fidelity Shield	-	9,176	11,602	20,733	27,086	19,728	516,057	382,885	13,255	-	29,819	346,955	3,544	1,380,839
First Ass.	-	16,775	19,202	86,691	39,485	54,305	772,256	603,092	61,582	814,830	45,890	78,734	4,583	2,597,424
GA Ins.	(899)	79,370	95,863	285,870	70,708	180,780	1,096,641	1,089,641	55,785	764,751	364,678	630,226	69,372	4,782,426
Geminia	(27)	46,234	52,188	124,296	63,797	145,003	1,354,801	1,357,753	22,337	-	144,350	500,545	26,027	3,837,306
Heritage	1,719	44,184	142,457	137,269	167,342	106,952	885,730	511,529	153,069	928,917	98,806	320,231	99,580	3,597,786
ICEA Lion Gen	58,585	59,711	88,431	206,596	46,140	131,197	1,314,525	552,379	71,781	89,238	200,195	407,476	17,103	3,243,357
Intra Africa	-	73,907	29,301	90,231	13,082	92,701	360,650	178,341	10,696	-	43,149	309,590	28,691	1,230,338
Invesco	-	-	215	59	10	277	223,132	931,984	458	-	45	(41)	10	1,156,147
Jubilee General	659	22,520	38,714	164,395	87,971	60,853	895,111	276,347	24,695	-	26,520	134,236	36,231	1,768,252
Jubilee Health	-	-	-	-	-	-	-	-	-	8,514,018	-	-	-	8,514,018
Kenindia	-	42,582	35,355	88,200	13,121	208,559	338,161	495,009	8,021	39,121	63,701	289,316	15,433	1,636,580
Kenya Orient	-	20,469	17,875	34,428	25,195	4,994	502,444	382,346	5,652	-	28,667	66,218	80,792	1,169,081
Kenyan Alliance	-	31,305	20,265	44,886	17,162	14,823	418,465	396,649	15,051	274,272	23,994	36,019	100	1,292,990
Madison	-	31,995	7,881	54,318	142,398	6,502	488,952	1,218,533	16,419	2,478,408	18,916	124,643	91,542	4,680,507
Mayfair	96	96,334	47,688	125,807	49,020	172,555	559,285	445,724	26,292	-	42,645	411,782	49,090	2,026,318
Occidental	904	23,404	38,743	61,314	6,370	105,815	941,062	805,469	14,665	-	55,541	226,362	10,894	2,290,541
Pacis	-	26,486	9,526	51,321	27,926	1,902	404,543	283,094	25,471	313,303	39,398	108,966	(578)	1,291,358
MUA	8,738	19,758	25,160	36,693	39,244	19,073	875,237	365,712	7,985	198,115	34,522	336,929	6,798	1,973,962
Pioneer	21	11,686	6,360	17,031	34,045	15,426	529,105	195,462	(2,050)	-	13,700	165,572	9,511	995,870
Sanlam	-	29,559	51,673	90,678	42,056	28,649	892,920	1,281,390	4,166	195,553	7,521	326,491	167	2,950,823
Takaful	-	15,970	9,546	65,097	18,208	10,447	173,944	240,565	2,588	85,994	28,620	20,803	(5,277)	666,504
Tausi	-	15,177	38,030	55,315	22,382	105,133	174,012	135,435	10,601	14,973	91,996	161,721	9,824	834,598
The Monarch	-	10,042	3,166	6,300	31,267	8,866	639,909	543,977	19,631	-	7,964	44,663	43,308	1,359,114
Trident	-	508	581	1,009	695	3,077	496,264	257,241	6,981	191,933	1,913	1,876	1,544	963,620
UAP	-	52,525	141,583	243,034	80,017	83,791	1,005,703	1,008,081	45,403	6,954,907	142,622	297,350	1,750	10,056,766
Xplico	-	196	5	21	721	49	262,115	401,811	231	-	29	679	1,305	667,162
Total	72,112	951,106	1,199,504	2,974,560	1,510,533	2,031,287	22,891,649	22,454,667	1,579,940	34,639,512	2,295,529	7,104,297	1,887,964	101,592,662

Table 18: Non-Life Net Claims Incurred Per Company Per Class, 2021 in KES '000

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total 2021
AAR	-	87	559	56	1,814	(122)	-	-	20,725	3,066,991	1,433	4,678	4,798	3,101,019
AIG	(2,673)	8,135	3,285	(2,398)	36,842	4,517	167,673	(4,862)	19,761	-	(4,391)	(51,246)	-	174,643
Allianz	87	6,996	7,182	29,135	396	49,335	178,552	58,062	35	16,588	655	20,601	-	367,624
Amaco	-	(24,253)	4,777	(27,474)	2,134	(2,605)	105,638	386,371	(16,925)	-	(7,766)	10,464	35,644	466,005
APA	3,474	54,419	9,589	151,662	9,971	65,645	1,480,146	1,074,438	59,972	1,815,602	40,557	37,871	(83,597)	4,719,749
Britam	-	51,546	38,862	70,469	52,597	12,046	1,162,607	1,048,312	76,913	1,564,736	(2,432)	180,777	704,350	4,960,783
Cannon	-	(9,168)	3,237	169	14,254	(7,125)	580,912	168,477	(525)	-	9,102	17,986	(2,195)	775,124
CIC General	-	35,563	(1,894)	33,380	47,710	29,538	1,334,669	1,178,715	24,537	2,996,376	61,035	77,560	(7,372)	5,809,807
Corporate	-	7,394	(42)	446	13,036	(4,091)	342,685	206,623	894	-	2,716	11,482	230	581,372
Directline	-	-	-	-	-	-	177,167	1,926,084	-	-	-	-	-	2,103,251
Fidelity Shield	-	2,650	4,001	14,349	21,478	12,320	487,584	215,955	6,509	-	18,913	117,445	140	901,343
First Ass.	-	58,945	8,996	31,044	13,101	18,538	713,549	400,281	(2,606)	518,841	10,982	(2,163)	(4,642)	1,764,865
GA Ins.	(2,222)	65,206	65,620	61,338	16,255	63,467	1,057,001	758,184	(1,227)	566,922	194,748	262,124	2,697	3,110,113
Geminia	(1,112)	47,810	12,851	60,430	31,217	50,801	1,338,065	1,051,821	10,170	-	115,973	97,038	4,304	2,819,368
Heritage	(882)	26,287	7,126	73,554	52,373	12,648	667,462	327,271	54,820	610,170	24,084	27,879	28,803	1,911,595
ICEA Lion Gen	6,924	34,687	24,514	17,089	(1,294)	71,524	936,527	333,564	32,755	58,051	96,243	(46,246)	2,246	1,566,584
Intra Africa	-	42,869	24,805	17,835	(3,590)	62,012	274,456	165,536	(1,816)	-	22,266	102,649	(1,702)	705,318
Invesco	-	-	(51)	(33)	(2)	(39)	148,247	771,100	(91)	-	9	(71)	(0)	919,070
Jubilee General	8	22,211	62,337	115,710	132,777	30,862	855,759	355,552	115,660	-	28,114	317,993	(31,354)	2,005,629
Jubilee Health	-	-	-	-	-	-	-	-	-	6,318,867	-	-	-	6,318,867
Kenindia	-	27,078	3,568	(16,221)	(7,268)	103,009	314,001	620,564	(232)	24,113	54,966	100,837	(52,919)	1,171,496
Kenya Orient	-	1,611	4,568	13,636	7,416	94	430,945	334,733	82,530	-	19,568	3,967	(841)	898,228
Kenyan Alliance	-	(12,019)	23,220	(842)	2,683	9,859	268,832	116,230	12,950	286,102	187	(35,144)	10,281	682,339
Madison	-	8,229	1,900	11,051	17,180	6,339	401,526	728,467	(90)	2,147,101	11,666	53,198	20,103	3,406,670
Mayfair	2	58,800	7,306	18,832	12,378	106,904	395,395	331,897	10,139	-	8,781	228,688	30,256	1,209,378
Occidental	-	11,627	49,226	109,028	(2,583)	81,991	845,889	494,728	1,582	-	24,353	44,740	11,598	1,672,180
Pacis	-	1,396	951	24,613	16,045	100	424,322	32,023	4,531	214,447	1,447	31,678	2	751,555
MUA	2,560	6,527	17,357	6,784	85,403	5,962	869,216	261,792	5,240	212,812	30,963	33,060	2,208	1,538,883
Pioneer	750	3,034	777	458	1,426	908	465,857	138,165	879	-	691	81,287	996	695,228
Sanlam	-	7,528	12,335	51,536	13,752	939	967,477	1,235,247	26,036	150,665	21,989	30,278	1,770	2,519,552
Takaful	-	1,846	344	(23)	4,310	679	167,377	171,492	605	28,685	(11,248)	(9,615)	12,547	366,997
Tausi	-	11,034	3,456	8,406	1,797	44,377	99,326	81,029	973	5,923	20,376	7,906	533	285,136
The Monarch	-	217	7,300	(121)	1,626	52	441,426	278,852	(567)	-	2,230	8,897	4,483	744,397
Trident	-	3,456	(50)	(1,212)	17,736	(75,313)	325,191	129,070	(17,566)	110,645	(25,411)	(34,687)	(81,137)	350,722
UAP	-	23,774	10,309	65,978	35,385	13,755	803,251	714,222	(7,971)	5,242,255	18,060	45,735	503	6,965,256
Xplico	-	250	-	-	(411)	(1,750)	95,698	290,223	-	(11,950)	-	(341)	-	371,720
Total	6,916	585,771	418,321	938,666	647,943	767,178	19,323,429	16,380,218	518,599	25,943,941	790,858	1,777,305	612,732	68,711,864

Table 19: Non-Life Total Expenses Incurred Per Company Per Class, 2021 in KES '000

Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total 2021
AAR	-	(19)	138	51	4,066	201	-	-	9,659	1,383,028	2,176	15,791	928	1,416,020
AIG	3,535	(27,564)	18,688	112,516	84,859	(6,358)	86,124	23,743	(10,917)	-	46,382	131,787	-	462,795
Allianz	1,996	5,109	15,366	63,854	24,838	33,366	96,124	65,321	1,051	47,610	4,575	42,947	1,797	403,955
Amaco	-	8,504	479	27,160	2,850	963	230,982	253,673	9,462	-	4,337	14,428	51,976	604,816
APA	3,663	14,994	24,689	119,153	32,104	34,148	346,372	308,932	(3,852)	555,758	46,526	222,690	56,087	1,761,264
Briam	-	46,165	46,261	100,994	58,335	51,121	734,009	537,461	391,688	676,746	107,089	158,152	387,473	3,295,494
Cannon	-	23,654	14,255	20,296	11,568	13,010	226,686	108,879	12,229	-	15,370	48,638	15,992	510,576
CIC General	-	5,415	39,717	146,925	29,191	33,709	681,625	662,746	79,830	1,258,883	162,895	140,233	(9,258)	3,231,911
Corporate	-	13,934	2,736	43,163	4,006	31,073	112,529	60,142	17,339	-	6,709	31,020	2,561	325,211
Directline	-	-	7	60	-	2	102,248	1,111,602	22	-	6	15	17	1,213,979
Fidelity Shield	-	3,556	4,397	1,160	9,776	13,478	211,224	101,352	5,049	-	7,806	118,829	(8,603)	468,025
First Ass.	-	499	(9,462)	77,915	17,612	24,065	325,416	269,902	27,912	138,609	48,088	36,979	(58,235)	899,301
GA Ins.	35,661	15,354	26,720	3,691	22,536	66,056	233,231	240,970	21,212	73,014	91,457	156,270	(32,031)	954,141
Geminia	8,421	21,122	19,584	24,825	23,879	52,322	393,754	431,804	(9,089)	-	40,100	179,187	49,544	1,235,452
Heritage	6,983	38,949	93,317	90,366	98,437	65,731	358,472	187,206	86,794	277,047	61,915	131,271	80,082	1,576,570
ICEA Lion Gen	1,451	19,659	41,027	7,543	19,346	88,275	581,615	269,851	33,787	32,015	95,415	180,264	(7,513)	1,362,735
Intra Africa	-	30,515	9,876	31,340	6,445	38,244	123,717	68,535	3,448	-	16,927	142,339	1,471	472,856
Invesco	-	-	207	61	14	214	155,454	634,742	250	-	31	391	11	791,374
Jubilee General	(3,789)	4,038	32,519	84,156	75,091	27,045	497,018	199,683	25,365	-	30,778	112,622	22,641	1,107,165
Jubilee Health	-	-	-	-	-	-	-	-	-	1,715,247	-	-	-	1,715,247
Kenindia	-	27,206	17,464	113,378	9,628	97,946	127,050	183,539	4,867	29,620	22,706	123,801	9,045	766,252
Kenya Orient	-	9,205	11,565	19,602	16,253	3,233	249,255	190,948	3,302	-	11,239	40,069	37,244	591,916
Kenyan Alliance	-	24,649	22,460	39,081	16,023	13,493	236,386	251,145	20,610	121,889	22,409	40,159	3,794	812,098
Madison	-	10,675	4,158	23,606	48,355	(23,725)	275,085	538,637	8,861	629,716	(4,010)	83,315	47,593	1,642,266
Mayfair	(525)	28,845	16,439	93,582	14,846	55,466	152,368	97,906	6,897	-	12,363	158,505	2,238	638,930
Occidental	(538)	3,087	17,394	6,811	2,049	37,277	333,537	285,888	3,304	-	13,221	102,042	(2,516)	801,555
Pacis	-	12,609	6,053	51,921	14,934	1,207	193,246	131,137	18,753	94,411	24,230	74,899	1,024	624,424
MUA	(26,708)	9,093	15,357	(6,968)	22,406	2,529	459,921	193,312	3,213	39,353	18,731	222,848	2,489	955,576
Pioneer	417	3,243	3,089	8,392	15,871	7,738	192,219	73,044	(3,334)	-	6,402	83,043	7,200	397,323
Sanlam	-	11,409	32,830	54,802	25,141	16,537	426,383	404,885	1,207	129,029	(5,464)	154,770	1,794	1,253,323
Takaful	-	15,265	5,538	40,720	12,647	7,470	118,637	169,064	2,148	28,661	15,748	15,177	1,045	432,119
Tausi	-	3,716	22,786	(2,435)	12,567	58,808	96,341	73,304	6,845	7,966	57,986	102,967	3,136	443,988
The Monarch	-	(1,267)	1,359	(1,205)	20,477	2,960	290,453	229,909	7,673	-	3,678	25,674	16,046	595,757
Trident	-	485	201	2,050	997	1,103	236,678	105,349	1,984	87,112	521	759	374	437,614
UAP	-	34,834	82,973	143,574	49,712	77,626	472,191	396,186	72,294	1,679,743	85,942	122,836	47,512	3,265,423
Xplico	-	229	5	17	771	10	159,519	237,290	124	-	28	371	343	398,707
Total	30,567	417,167	640,193	1,542,158	807,630	926,341	9,515,870	9,098,089	859,987	9,005,458	1,074,312	3,215,088	733,300	37,866,158

Table 20: Non-Life Underwriting Profit and Loss Per Company Per Class, 2021 in KES '000

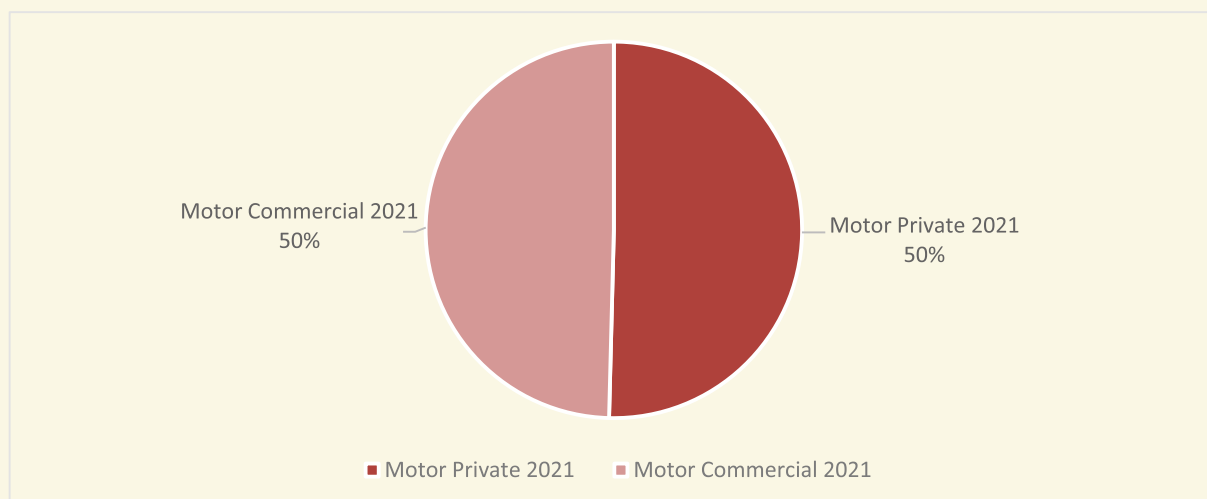
Company Name	Aviation	Engineering	Fire Domestic	Fire Industrial	Public Liability	Marine	Motor Private	Motor Commercial	Personal Accident	Medical	Theft	WIBA	Miscellaneous	Total 2021
AAR	-	101	(68)	1,159	6,252	1,299	-	-	(6,875)	(194,212)	1,139	29,198	2,242	(159,765)
AIG	(907)	19,931	1,442	7,409	50,530	2,679	(70,191)	20,664	3,401	-	46,126	27,830	-	108,914
Allianz	(2,004)	(5,666)	(17,794)	(38,165)	(17,680)	(33,479)	(69,993)	25,968	1,106	(48,144)	(3,080)	17,278	(1,743)	(193,956)
Amaco	-	23,875	(5,053)	(7,456)	(1,583)	2,121	(31,647)	(272,318)	39,863	-	9,183	769	(48,227)	(227,176)
APA	(4,855)	(12,761)	30,730	(18,440)	29,064	43,682	(406,529)	(95,499)	74,351	(118,671)	90,310	291,055	170,970	73,408
Briam	-	(57,147)	(6,550)	74,112	(8,030)	36,727	(552,623)	(622,246)	142,279	(5,920)	82,167	(6,866)	(10,570)	(934,667)
Cannon	-	2,714	(2,990)	5,366	(11,407)	13,176	(107,558)	32,400	80	-	6,837	30,510	(3,800)	(34,673)
CIC General	-	(4,530)	40,719	(21,167)	(15,215)	(8,344)	(123,361)	(126,652)	10,894	(234,192)	(2,403)	230,957	16,519	(236,765)
Corporate	-	(16,195)	(268)	(9,597)	(17,418)	53,593	(78,570)	(38,247)	2,130	-	13,063	20,320	1,761	(69,428)
Directline	-	-	16	129	-	4	1,419	15,429	48	-	13	31	37	17,127
Fidelity Shield	-	2,971	3,203	5,224	(4,168)	(6,070)	(182,752)	65,578	1,697	-	3,101	110,681	12,007	11,471
First Ass.	-	(42,670)	19,668	(22,268)	8,772	11,702	(266,709)	(67,091)	36,276	157,381	(13,180)	43,918	67,460	(66,743)
GA Ins.	(34,338)	(1,190)	3,523	220,841	31,917	51,256	(193,950)	90,486	35,800	124,816	78,473	211,831	98,707	718,172
Geminia	(7,336)	(22,697)	19,753	39,041	8,701	41,880	(377,018)	(125,872)	21,257	-	(11,723)	224,320	(27,821)	(217,514)
Heritage	(4,383)	(21,053)	42,014	(26,651)	16,532	28,573	(140,204)	(2,947)	11,456	41,701	12,808	161,082	(9,305)	109,622
ICEA Lion Gen	50,210	5,365	22,890	181,964	28,088	(28,602)	(203,617)	(51,036)	5,239	(828)	8,537	273,458	22,370	314,038
Intra Africa	-	524	(5,379)	41,057	10,226	(7,554)	(37,523)	(55,729)	9,064	-	3,955	64,602	28,922	52,164
Invesco	-	-	58	31	(1)	102	(80,570)	(473,859)	299	-	4	(361)	(1)	(554,297)
Jubilee General	4,441	(3,728)	(56,142)	(35,471)	(119,897)	2,947	(457,666)	(278,888)	(116,329)	-	(32,372)	(296,379)	44,944	(1,344,542)
Jubilee Health	-	-	-	-	-	-	-	-	-	479,904	-	-	-	479,904
Kenindia	-	(11,702)	14,323	(8,958)	10,761	7,604	(102,891)	(309,094)	3,386	(14,612)	(13,971)	64,678	59,307	(301,166)
Kenya Orient	-	9,653	1,741	1,190	1,527	1,667	(177,757)	(143,335)	(80,180)	-	(2,140)	22,183	44,390	(321,062)
Kenyan Alliance	-	18,675	(25,414)	6,647	(1,544)	(8,529)	(86,753)	29,273	(18,510)	(133,719)	1,397	31,003	(13,974)	(201,447)
Madison	-	13,091	1,823	19,661	76,863	23,888	(187,659)	(48,571)	7,648	(298,409)	11,260	(11,870)	23,546	(388,429)
Mayfair	619	8,689	23,943	13,393	21,796	10,185	11,522	15,921	9,256	-	21,501	24,589	16,596	178,010
Occidental	1,441	8,690	(27,877)	(54,526)	6,904	(13,453)	(238,365)	24,852	9,780	-	17,967	79,581	1,812	(183,194)
Paris	-	12,481	2,522	(25,213)	(3,053)	595	(213,025)	119,934	2,187	4,445	13,721	2,389	(1,604)	(84,621)
MUA	32,887	4,139	(7,554)	36,876	(68,565)	10,582	(452,901)	(89,392)	(467)	(54,050)	(15,172)	81,020	2,101	(520,498)
Pioneer	(1,145)	5,410	2,494	8,181	16,748	6,780	(128,972)	(15,746)	404	-	6,607	1,242	1,315	(96,681)
Sanlam	-	10,622	6,508	(15,660)	3,163	11,173	(500,940)	(358,742)	(23,077)	(84,141)	(9,004)	141,443	(3,397)	(822,052)
Takaful	-	(515)	7,027	23,677	6,801	2,644	(59,753)	(64,580)	(66)	35,422	14,067	803	(95,032)	(132,612)
Tausi	-	427	11,787	49,343	8,018	1,947	(21,656)	(18,898)	2,784	1,084	13,634	50,848	6,155	105,474
The Monarch	-	11,092	(5,473)	7,626	9,164	5,854	(91,970)	35,216	12,525	-	2,056	10,092	22,779	18,960
Trident	-	(3,433)	429	170	(18,038)	77,286	(65,604)	22,822	22,563	(5,824)	26,803	35,805	82,307	175,285
UAP	-	(6,083)	48,301	33,482	(5,080)	(7,590)	(269,739)	(102,327)	(18,920)	32,909	38,620	128,779	(46,266)	(173,913)
Xplico	-	(283)	(0)	5	361	1,789	6,899	(125,702)	106	11,950	1	648	962	(103,265)
Total	34,630	(51,204)	144,351	493,013	60,509	338,114	(5,895,331)	(2,988,229)	201,455	(303,110)	420,306	2,097,466	465,470	(4,985,921)

Motor Insurance



Motor insurance comprises motor private and motor commercial. In 2021, the gross written premium for motor private was KES 24.86 billion while that of motor commercial was KES 24.46 billion. In total, motor insurance gross written premium grew by 10.26% from KES 44.74 billion in 2020 to KES 49.33 billion in 2021. Motor private contributed 50.41% while motor commercial contributed 49.49% of the motor gross written premium. The contribution of motor insurance premium to the total gross written premium was 32.82%. Motor private recorded 5.85% growth from KES 23.48 billion in 2020 to KES 24.86 billion in 2021 while motor commercial premium increased from KES 21.25 billion in 2020 to KES 24.46 billion in 2021 reflecting a 15.13% growth on the backdrop of increased motor vehicle imports at 14%.

Figure 16: Motor Insurance Class Contribution



Motor Commercial Performance Summary

Table 21: Motor Commercial Performance Summary, 2021 in '000' KES

	Motor Commercial 2020	Motor Commercial 2021	Motor Commercial Growth %
Gross Written Premium	21,247,898	24,462,555	15.13%
Re-insurance Ceded	1,060,225	1,327,091	25.17%
Net Earned Premium	20,594,715	22,454,667	9.03%
Net Claims Incurred	14,624,795	16,380,218	12.00%
Total Expenses	8,484,981	9,098,089	7.23%
Underwriting Profit/Loss	(2,515,056)	(2,988,229)	18.81%

Table 22: Motor Commercial Performance Summary Per Company, 2021

Company Name	Gross Written Premium	Re-insurance Ceded	Net Earned Premium	Net Claims Incurred	Total Expenses	Underwriting Profit/Loss
AAR	-	-	-	-	-	-
AIG	142,119,000	108,446,000	39,545,000	(4,862,000)	23,743,000	20,664,000
Allianz	165,935,000	8,876,000	149,351,000	58,062,000	65,321,000	25,968,000
Amaco	405,227,274	4,213,773	367,726,095	386,371,035	253,673,285	(272,318,224)
APA	1,312,527,000	23,317,000	1,287,871,000	1,074,438,000	308,932,000	(95,499,000)
Britam	967,006,000	57,235,000	963,527,000	1,048,312,000	537,461,000	(622,246,000)
Cannon	339,187,863	483,576	309,756,190	168,477,257	108,878,725	32,400,207
CIC General	1,716,569,000	63,377,000	1,714,809,000	1,178,715,000	662,746,000	(126,652,000)
Corporate	134,673,000	6,334,000	228,517,000	206,623,000	60,142,000	(38,247,000)
Directline	3,241,986,778	63,625,946	3,053,114,734	1,926,083,979	1,111,601,510	15,429,246
Fidelity Shield	408,809,000	406,964,000	382,885,000	215,955,000	101,352,000	65,578,000
First Assurance	715,910,000	31,648,000	603,092,000	400,281,000	269,902,000	(67,091,000)
GA Insurance	1,337,171,000	50,861,000	1,089,641,000	758,184,000	240,970,000	90,486,000
Geminia	1,472,993,000	7,220,000	1,357,753,000	1,051,821,000	431,804,000	(125,872,000)
Heritage	575,369,349	35,181,071	511,529,393	327,270,777	187,205,774	(2,947,158)
ICEA LION General	582,005,000	11,596,000	552,379,000	333,564,000	269,851,000	(51,036,000)
Intra Africa	221,451,725	1,650,600	178,341,158	165,535,571	68,535,038	(55,729,451)
Invesco	939,963,748	3,660	931,983,655	771,099,998	634,742,444	(473,858,788)
Jubilee General	370,964,000	70,412,000	276,347,000	355,552,000	199,683,000	(278,888,000)
Kenindia	558,003,000	18,904,000	495,009,000	620,564,000	183,539,000	(309,094,000)
Kenya Orient General	464,905,467	4,641,000	382,346,066	334,733,022	190,947,917	(143,334,873)
Kenyan Alliance	396,494,749	15,818,272	396,648,662	116,229,943	251,145,332	29,273,387
Madison	1,421,433,000	13,350,000	1,218,533,000	728,467,000	538,637,000	(48,571,000)
Mayfair	493,838,000	41,153,000	445,724,000	331,897,000	97,906,000	15,921,000
Occidental	823,146,294	13,535,773	805,468,850	494,728,476	285,887,975	24,852,399
Pacis	294,687,000	3,055,000	283,094,000	32,023,000	131,137,000	119,934,000
MUA	378,871,338	19,132,590	365,711,820	261,791,726	193,312,210	(89,392,116)
Pioneer	241,086,140	9,292,164	195,462,323	138,164,843	73,043,941	(15,746,461)
Sanlam General	1,540,968,000	103,146,000	1,281,390,000	1,235,247,000	404,885,000	(358,742,000)
Takaful	351,301,000	77,221,000	240,565,000	171,492,000	169,064,000	(64,580,000)
Tausi	141,137,812	2,496,640	135,435,053	81,028,646	73,304,497	(18,898,090)
The Monarch	520,984,000	4,191,000	543,977,000	278,852,000	229,909,000	35,216,000
Trident	293,005,777	-	257,241,440	129,070,446	105,349,412	22,821,582
UAP General	1,069,130,000	33,709,000	1,008,081,000	714,222,000	396,186,000	(102,327,000)
Xplico	423,695,532	16,001,432	401,811,236	290,223,149	237,290,489	(125,702,402)
Total	24,462,554,846	1,327,091,497	22,454,666,675	16,380,217,867	9,098,088,549	(2,988,228,743)

Motor Private Performance Summary

Table 23: Motor Private Performance Summary, 2021 in KES '000

Class of business	2017	2018	2019	2020	2021	Growth 2020-2021	CAGR – 2017 to 2021
Fire Domestic	1,570,518	1,595,921	1,672,957	1,802,964	1,765,247.19	(2.09%)	2.97%
Fire industrial	11,560,334	11,308,968	11,393,455	11,431,930	13,779,976	20.54%	4.49%
Combined	13,130,852	12,904,889	13,066,412	13,234,894	15,545,223	17.46%	4.31%

Table 24: Motor Private Performance Summary Per Company, 2021

Company Name	Gross Written Premium	Re-insurance Ceded	Net Earned Premium	Net Claims Incurred	Total Expenses	Underwriting Profit/Loss
AIIG	777,767,000	590,189,000	183,606,000	167,673,000	86,124,000	(70,191,000)
Allianz	251,532,000	13,843,000	204,682,000	178,552,000	96,124,000	(69,993,000)
Amaco	364,668,792	6,052,516	368,267,841	105,638,389	230,982,165	31,647,287
APA	1,525,862,000	63,639,000	1,419,989,000	1,480,146,000	346,372,000	(406,529,000)
Britam	1,255,507,000	48,559,000	1,343,993,000	1,162,607,000	734,009,000	(552,623,000)
Cannon	815,173,748	1,502,616	700,039,212	580,911,930	226,685,531	(107,558,249)
CIC General	1,945,952,000	69,667,000	1,892,933,000	1,334,669,000	681,625,000	(123,361,000)
Corporate	232,317,000	(266,000)	376,643,000	342,685,000	112,529,000	(78,570,000)
Directline	298,207,204	5,852,496	280,834,214	177,166,706	102,248,282	1,419,226
Fidelity Shield	595,807,000	542,517,000	516,057,000	487,584,000	211,224,000	(182,752,000)
First Assurance	865,360,000	34,151,000	772,256,000	713,549,000	325,416,000	(266,709,000)
GA Insurance	1,292,016,000	72,761,000	1,096,281,000	1,057,001,000	233,231,000	(193,950,000)
Geminia	1,296,570,000	4,831,000	1,354,801,000	1,338,065,000	393,754,000	(377,018,000)
Heritage	999,454,694	54,684,929	885,729,636	667,461,983	358,471,853	(140,204,200)
ICEA LION General	1,527,146,000	53,402,000	1,314,525,000	936,527,000	581,615,000	(203,617,000)
Intra Africa	391,130,549	4,126,500	360,649,708	274,455,676	123,717,294	(37,523,262)
Invesco	231,583,583	7,310	223,131,631	148,247,444	155,453,773	(80,569,586)
Jubilee General	766,819,000	5,211,000	895,111,000	855,759,000	497,018,000	(457,666,000)
Kenindia	398,225,000	5,040,000	338,161,000	314,001,000	127,050,000	(102,891,000)
Kenya Orient General	615,562,461	2,652,000	502,443,734	430,945,245	249,255,303	(177,756,814)
Kenyan Alliance	368,249,949	72,376,449	418,465,423	268,831,941	236,386,498	(86,753,016)
Madison	494,866,000	6,218,000	488,952,000	401,526,000	275,085,000	(187,659,000)
Mayfair	584,990,000	4,847,000	559,285,000	395,395,000	152,368,000	11,522,000
Occidental	949,891,280	15,796,176	941,061,803	845,889,498	333,537,065	(238,364,760)
Pacis	425,000,000	8,496,000	404,543,000	424,322,000	193,246,000	(213,025,000)
MUA	851,549,400	21,726,582	875,236,519	868,216,088	459,921,118	(452,900,687)
Pioneer	634,983,591	25,708,864	529,104,651	465,857,379	192,219,012	(128,971,740)
Sanlam General	923,164,000	52,864,000	892,920,000	967,477,000	426,383,000	(500,940,000)
Takaful	267,405,000	58,780,000	173,944,000	167,377,000	118,637,000	(59,753,000)
Tausi	187,113,721	3,813,341	174,011,515	99,326,079	96,341,388	(21,655,952)
The Monarch	669,547,000	5,499,000	639,909,000	441,426,000	290,453,000	(91,970,000)
Trident	650,879,263	-	496,263,904	325,190,578	236,677,717	(65,604,391)
UAP General	1,123,434,000	66,786,000	1,005,703,000	803,251,000	472,191,000	(269,739,000)
Xplico	284,839,898	10,757,362	262,115,218	95,697,838	159,518,621	6,898,759
Total	24,862,574,133	1,932,091,141	22,891,649,010	19,323,428,773	9,515,869,620	(5,895,331,383)

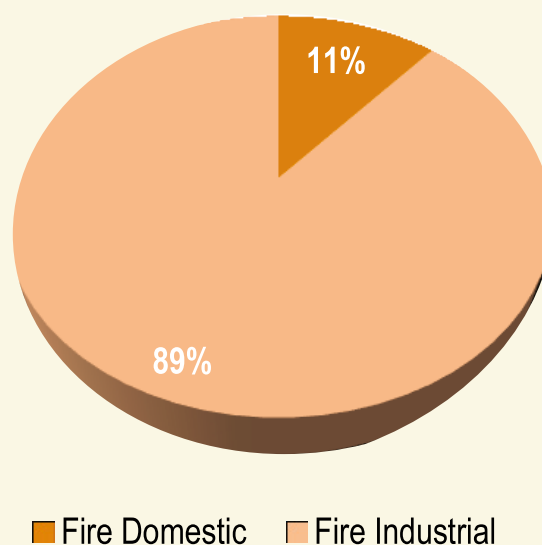
FIRE INSURANCE PERFORMANCE



Table 25: Fire Gross Written Premium Performance Summary, 2020-2021 in '000' KES

Class of business	2017	2018	2019	2020	2021	Growth 2020-2021	CAGR – 2017 to 2021
Fire Domestic	1,570,518	1,595,921	1,672,957	1,802,964	1,765,247.19	(2.09%)	2.97%
Fire industrial	11,560,334	11,308,968	11,393,455	11,431,930	13,779,976	20.54%	4.49%
Combined	13,130,852	12,904,889	13,066,412	13,234,894	15,545,223	17.46%	4.31%

Figure 17: Fire Insurance GWP Distribution, 2021



Fire insurance includes both fire domestic and fire industrial insurance classes. GWP increased by 17.46% from KES 13.23 billion in 2020 to KES 15.55 billion in 2021. In 2021, reinsurance ceded increased by 14.52% while net premium increased by 7.39%. In the same period, there was a decline in net claims incurred of 12.66% and an increase in total expense of 7.78%. In total, underwriting profit rose from KES 308 million to KES 637 million reflecting a 106.6% increase.

Table 26: Fire Insurance Performance Growth Analysis, 2020 - 2021 in '000' KES

	Total 2020	Total 2021	Growth
Gross Written Premium	13,234,894.00	15,545,222.72	17.46%
Re-insurance Ceded	9,562,448.00	10,950,903.09	14.52%
Net Earned Premium	3,886,953.00	4,174,064.74	7.39%
Net Claims Incurred	1,553,655.00	1,356,986.56	-12.66%
Total Expenses	2,024,839.00	2,182,351.12	7.78%
Underwriting Profit and Loss	308,460.00	637,364.06	106.63%

Figure 18: Gross written Premium Growth Rate 2017 – 2021

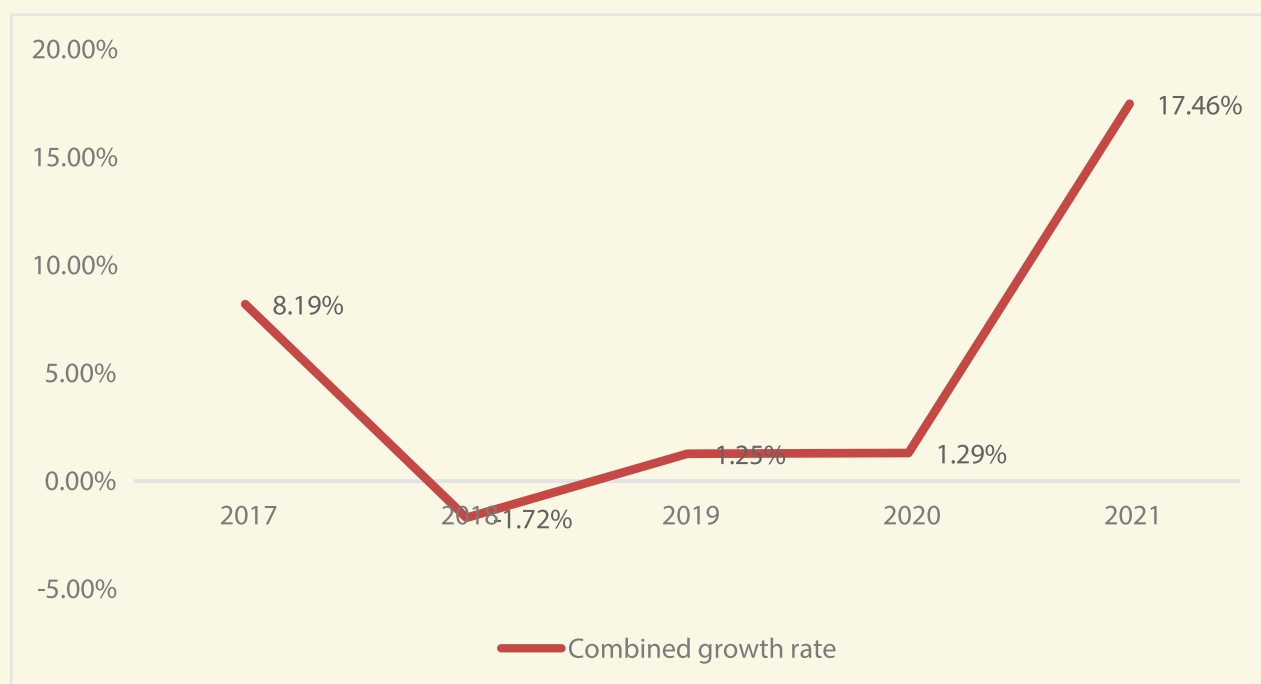


Table 27: Performance Summary for Fire Domestic Insurance, 2021 in KES

Company Name	Gross Written Premium	Re-insurance Ceded	Net Earned Premium	Net Claims Incurred	Total Expenses	Underwriting Profit and Loss
AAR	1,309,910	993,981	628,934	559,080	138,071	(68,217)
AIG	94,130,000	70,831,000	23,415,000	3,285,000	18,688,000	1,442,000
Allianz	31,861,000	27,968,000	4,754,000	7,182,000	15,366,000	(17,794,000)
Amaco	918,157	562,561	203,283	4,777,211	479,264	(5,053,192)
APA	87,837,000	22,139,000	65,008,000	9,589,000	24,689,000	30,730,000
Britam	113,269,000	32,392,000	78,573,000	38,862,000	46,261,000	(6,550,000)
Cannon	17,019,151	2,214,334	14,501,562	3,236,642	14,255,176	(2,990,256)
CIC General	107,585,000	27,688,000	78,542,000	(1,894,000)	39,717,000	40,719,000
Corporate	6,416,000	2,269,000	2,427,000	(42,000)	2,736,000	(268,000)
Directline	117,980	-	22,786	-	7,224	15,562
Fidelity Shield	22,436,000	22,889,000	11,602,000	4,001,000	4,397,000	3,203,000
First Ass.	32,822,000	13,180,000	19,202,000	8,996,000	(9,462,000)	19,668,000
GA Ins.	138,626,000	47,456,000	95,863,000	65,620,000	26,720,000	3,523,000
Geminia	66,848,000	14,900,000	52,188,000	12,851,000	19,584,000	19,753,000
Heritage	152,247,607	23,260,583	142,457,217	7,125,962	93,316,816	42,014,439
ICEA Lion Gen	135,239,000	46,328,000	88,431,000	24,514,000	41,027,000	22,890,000
Intra Africa	44,292,757	13,245,640	29,300,785	24,804,595	9,875,604	(5,379,413)
Invesco	285,536	56,875	214,628	(50,613)	206,747	58,493
Jubilee General	41,288,000	4,514,000	38,714,000	62,337,000	32,519,000	(56,142,000)
Kenindia	45,751,000	7,499,000	35,355,000	3,568,000	17,464,000	14,323,000
Kenya Orient	24,371,825	4,041,215	17,874,515	4,567,876	11,565,452	1,741,187
Kenyan Alliance	29,394,573	16,706,082	20,264,978	23,219,600	22,459,822	(25,414,444)
Madison	12,802,000	4,400,000	7,881,000	1,900,000	4,158,000	1,823,000
Mayfair	94,701,000	42,701,000	47,688,000	7,306,000	16,439,000	23,943,000
Occidental	63,611,738	20,419,044	38,742,775	49,226,068	17,394,046	(27,877,339)
Pacis	13,691,000	3,738,000	9,526,000	951,000	6,053,000	2,522,000
MUA	27,631,415	2,481,993	25,159,556	17,357,329	15,356,581	(7,554,354)
Pioneer	10,013,349	4,670,714	6,360,054	776,766	3,088,877	2,494,411
Sanlam	70,077,000	19,296,000	51,673,000	12,335,000	32,830,000	6,508,000
Takaful	11,795,000	2,593,000	9,546,000	344,000	5,538,000	7,027,000
Tausi	63,633,726	24,161,849	38,030,226	3,456,415	22,786,498	11,787,313
The Monarch	2,987,000	903,000	3,186,000	7,300,000	1,359,000	(5,473,000)
Trident	633,893	61,500	580,937	(49,954)	201,477	429,414
UAP	199,597,000	49,225,000	141,583,000	10,309,000	82,973,000	48,301,000
Xplico	7,574	286	5,234	-	5,378	(144)
Total	1,765,247,192	575,785,656	1,199,504,470	418,320,978	640,193,033	144,351,460

In 2021, the GWP under this class amounted to KES 1.76 billion, compared to KES 1.80 billion in 2020. 10 companies contributed 67.60% while the remaining 25 shared the remaining 32.4%. 13 companies made losses in 2021 in this class of insurance. The overall result was a profit of KES 144.35 million.

Table 28: Performance Summary for Fire Industrial Insurance, 2021 in KES

Company Name	Gross Written Premium	Re-insurance Ceded	Net Earned Premium	Net Claims Incurred	Total Expenses	Underwriting Profit and Loss
AAR	8,641,426	7,998,427	1,266,514	56,440	51,235	1,158,839
AIG	519,893,000	408,268,000	117,527,000	(2,398,000)	112,516,000	7,409,000
Allianz	138,224,000	73,611,000	54,825,000	29,135,000	63,854,000	(38,165,000)
Amaco	77,172,368	67,344,765	(7,769,875)	(27,474,284)	27,160,118	(7,455,709)
APA	984,085,000	671,717,000	252,375,000	151,662,000	119,153,000	(18,440,000)
Britam	878,517,000	463,176,000	245,575,000	70,469,000	100,994,000	74,112,000
Cannon	57,758,322	26,282,021	25,831,110	168,812	20,296,499	5,365,798
CIC General	811,811,000	613,636,000	159,138,000	33,380,000	146,925,000	(21,167,000)
Corporate	84,951,000	29,027,000	34,011,000	446,000	43,163,000	(9,597,000)
Directline	981,553	-	189,573	-	60,102	129,471
Fidelity Shield	166,521,000	160,284,000	20,733,000	14,349,000	1,160,000	5,224,000
First Ass.	369,651,000	281,453,000	86,691,000	31,044,000	77,915,000	(22,268,000)
GA Ins.	1,807,495,000	1,576,909,000	285,870,000	61,338,000	3,691,000	220,841,000
Geminia	572,233,000	436,990,000	124,296,000	60,430,000	24,825,000	39,041,000
Heritage	729,714,610	573,704,190	137,268,996	73,554,130	90,366,119	(26,651,253)
ICEA Lion Gen	1,175,894,000	900,166,000	206,596,000	17,089,000	7,543,000	181,964,000
Intra Africa	166,385,074	67,204,325	90,230,930	17,834,519	31,339,861	41,056,550
Invesco	61,456	35,000	58,605	(32,944)	60,734	30,815
Jubilee General	637,078,000	484,227,000	164,395,000	115,710,000	84,156,000	(35,471,000)
Kenindia	546,497,000	431,925,000	88,200,000	(16,221,000)	113,378,000	(8,958,000)
Kenya Orient	116,847,419	78,787,796	34,428,314	13,636,247	19,602,339	1,189,728
Kenyan Alliance	78,368,077	46,348,190	44,885,996	(841,861)	39,080,859	6,646,997
Madison	156,069,000	96,246,000	54,318,000	11,051,000	23,606,000	19,661,000
Mayfair	1,188,968,000	1,018,525,000	125,807,000	18,832,000	93,582,000	13,393,000
Occidental	411,577,220	346,759,892	61,313,910	109,028,147	6,811,333	(54,525,570)
Pacis	118,359,000	64,194,000	51,321,000	24,613,000	51,921,000	(25,213,000)
MUA	161,613,170	138,503,106	36,693,098	6,784,343	(6,967,554)	36,876,310
Pioneer	58,149,488	44,759,903	17,031,446	458,451	8,391,591	8,181,404
Sanlam	512,179,000	397,948,000	90,678,000	51,536,000	54,802,000	(15,660,000)
Takaful	83,475,000	18,349,000	65,097,000	(23,000)	40,720,000	23,677,000
Tausi	330,082,757	275,031,705	55,314,500	8,406,275	(2,435,257)	49,343,482
The Monarch	35,452,000	28,723,000	6,300,000	(121,000)	(1,205,000)	7,626,000
Trident	5,230,006	4,553,225	1,008,679	(1,211,693)	2,050,365	170,007
UAP	790,017,000	542,430,000	243,034,000	65,978,000	143,574,000	33,482,000
Xplico	23,579	890	21,470	-	16,742	4,728
Total	13,779,975,525	10,375,117,436	2,974,560,266	938,665,582	1,542,158,086	493,012,597

Under fire industrial, 10 companies contributed 69.49% of the GWP in 2021. The remaining 25 companies accounted for the balance. Twelve (12) companies made losses in 2021 but the overall result was a profit of Ksh. 493.01 million.

MEDICAL INSURANCE PERFORMANCE

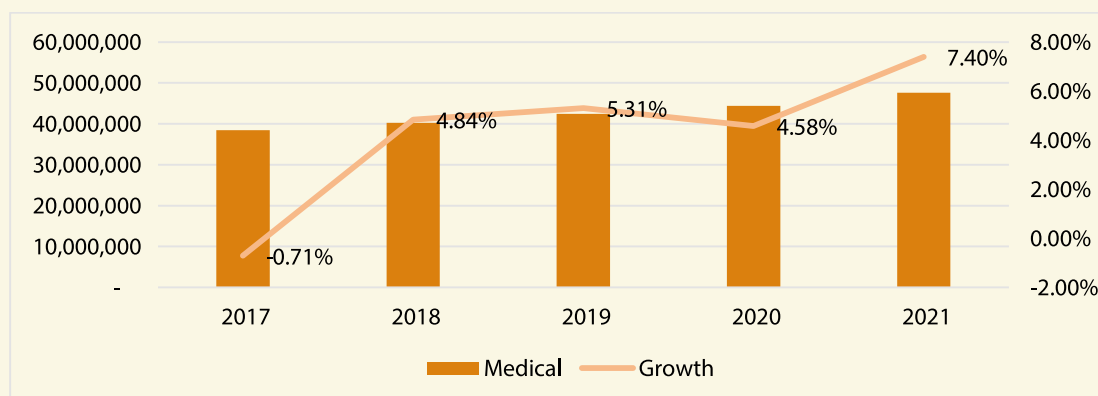


Gross written premium increased by 7.40% from KES 44.36 billion in 2020 to KES 47.64 billion in 2021. One of the companies that underwrote medical insurance business was placed under statutory management and therefore their numbers are not included in this report as their audited accounts were not available. Net earned premium increased by 13.53% from KES 30.51 billion in 2020 to KES 34.64 billion in 2021. Net claims incurred and total expenses increased by 23.68% and 14.88% respectively. Underwriting profit decreased from KES 1.7 billion in 2020 to a loss of KES 303 million in 2021 reflecting a 117.88% decline.

Table 29: Medical Insurance Performance Summary, 2020-2021 in KES '000

	2020	2021	Growth
Gross Written Premium	44,359,685	47,642,138	7.40%
Re-insurance Ceded	12,949,429	10,033,462	(22.52%)
Net Earned Premium	30,510,787	34,639,512	13.53%
Net Claims Incurred	20,976,444	25,943,941	23.68%
Total Expenses	7,838,827	9,005,458	14.88%
Underwriting Profit and Loss	1,695,519	(303,110)	(117.88%)

Figure 19: Medical Insurance Premium in KES '000 and GWP Growth %, 2017-2021



Premiums have been increasing over the five-year period with the highest increase being in 2021. The compounded annual growth rate (CAGR) for the five years is 5.53%. 20 companies underwrote medical insurance policies with 10 of them accounting for 92% of the total GWP. The highest was Jubilee health with 19.61% followed by UAP and AAR at 16.75% and 13.77% respectively. The three companies accounted for 50% of the medical insurance business. 8 out of the 20 companies made underwriting profit compared to 14 companies in 2020. It is important to note that medical insurance made profits in 2019 and 2020 but had experience losses in the previous three consecutive years.

Table 30: Medical Insurance Performance, 2021

Company Name	Gross Written Premium	Re-insurance Ceded	Net Earned Premium	Net Claims Incurred	Total Expenses	Underwriting Profit and Loss
AAR	6,562,593,628	1,832,315,722	4,255,807,331	3,066,990,732	1,383,028,387	(194,211,788)
Allianz	232,832,000	209,549,000	16,053,000	16,588,000	47,610,000	(48,144,000)
APA	3,840,078,000	1,504,723,000	2,252,689,000	1,815,602,000	555,758,000	(118,671,000)
Britam	2,439,000,000	9,785,000	2,235,562,000	1,564,736,000	676,746,000	(5,920,000)
CIC General	4,229,668,000	132,210,000	4,021,067,000	2,996,376,000	1,258,883,000	(234,192,000)
First Assurance	1,884,598,000	1,036,411,000	814,830,000	518,841,000	138,609,000	157,381,000
GA Insurance	2,628,256,000	1,709,656,000	764,751,000	566,922,000	73,014,000	124,816,000
Heritage	2,030,667,915	1,090,568,720	928,917,312	610,169,686	277,047,100	41,700,526
ICEA LION General	285,262,000	200,991,000S	89,238,000	58,051,000	32,015,000	(828,000)
Jubilee Health	9,342,284,000	163,374,000	8,514,018,000	6,318,867,000	1,715,247,000	479,904,000
Kenindia	142,149,000	99,642,000	39,121,000	24,113,000	29,620,000	(14,612,000)
Kenyan Alliance	769,621,740	448,772,001	274,272,015	286,101,957	121,888,786	(133,718,728)
Madison	2,782,723,000	6,545,000	2,478,408,000	2,147,101,000	629,716,000	(298,409,000)
MUA	901,393,223	646,094,815	198,115,113	212,811,669	39,353,276	(54,049,832)
Pacis	548,069,000	203,412,000	313,303,000	214,447,000	94,411,000	4,445,000
Sanlam General	736,067,000	556,126,000	195,553,000	150,665,000	129,029,000	(84,141,000)
Takaful	72,668,000	15,974,000	85,994,000	28,685,000	28,661,000	35,422,000
Tausi	15,048,776	-	14,973,132	5,922,586	7,966,061	1,084,485
Trident	219,699,181	8,660,075	191,932,639	110,644,889	87,112,157	(5,824,407)
UAP General	7,979,460,000	158,653,000	6,954,907,000	5,242,255,000	1,679,743,000	32,909,000
Xplico	-	-	-	(11,950,000)	-	11,950,000
Total	47,642,138,463	10,033,462,333	34,639,511,541	25,943,940,519	9,005,457,766	(303,109,744)

AVIATION INSURANCE



Aviation insurance recorded a growth of 2.64% from KES 2.52 billion in 2020 to KES 2.6 billion in 2021. The compounded annual growth rate (CAGR) for the five years is 13.41%. Reinsurance ceded increased by 25.53% while net earned premium increased by 379.03%. Net incurred claims and total expenses decreased by 84.19% and 80.21% respectively. Underwriting loss of KES 183 million in 2020 was reversed to a profit of KES 35 million in 2021. 12 companies underwrote aviation insurance but only 5 registered underwriting profits.

Figure 20: Aviation Insurance Premium in KES '000 and Growth %, 2017-2021

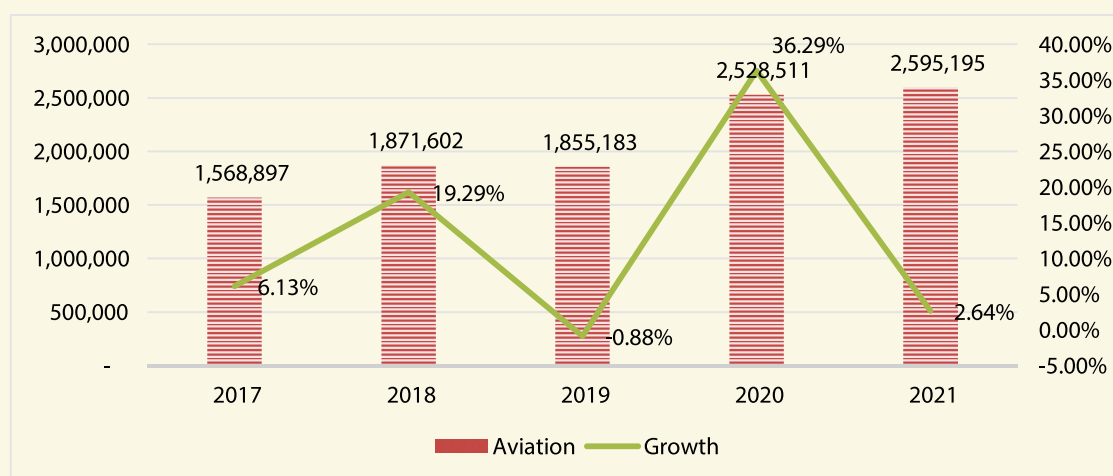


Table 31: Aviation Insurance Performance, 2021 in KES '000

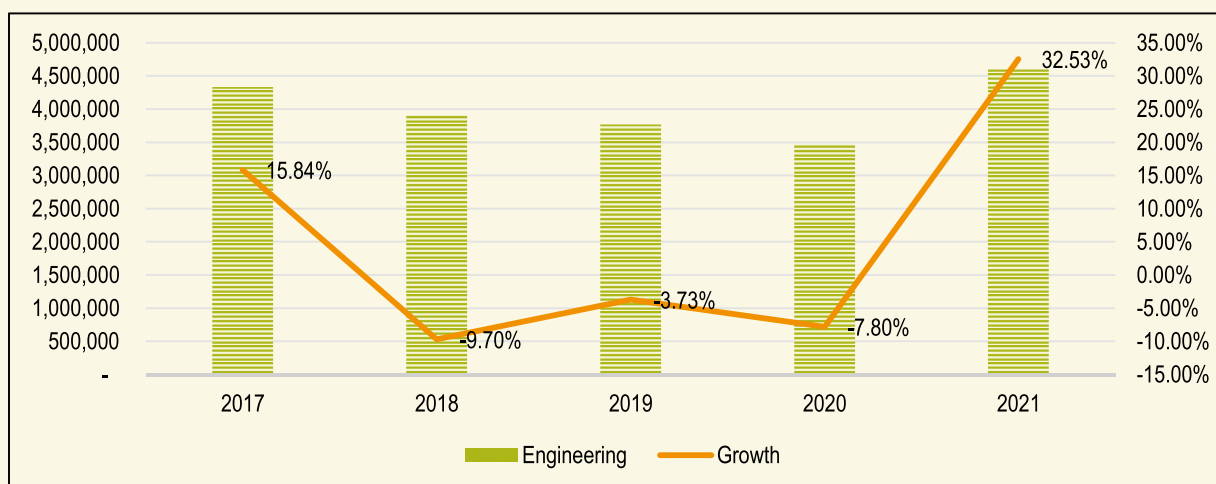
	2020	2021	Growth
Gross Written Premium	2,528,511	2,595,195	2.64%
Re-insurance Ceded	2,244,801	2,817,787	25.53%
Net Earned Premium	15,054	72,112	379.03%
Net Claims Incurred	43,757	6,916	(84.19%)
Total Expenses	154,439	30,567	(80.21%)
Underwriting Profit/Loss	(183,142)	34,630	118.91%

ENGINEERING INSURANCE



Engineering Insurance recorded a growth of 32.53% as compared to the previous year. This class recorded a compounded annual growth rate (CAGR) of 1.52% for the last five years.

Figure 21: Engineering Insurance Premium in KES '000 and GWP Growth %, 2017-2021



Reinsurance ceded and net earned premium increased by 23.23% and 23.05% in 2020 and 2021 respectively. Net claims incurred decreased by 9.51% while total expenses increased by 46.31%. Underwriting losses decreased significantly by 67.9% from KES 159 million in 2020 to KES 51 million in 2021.

Table 32: Engineering Insurance Performance, 2021 in KES '000'

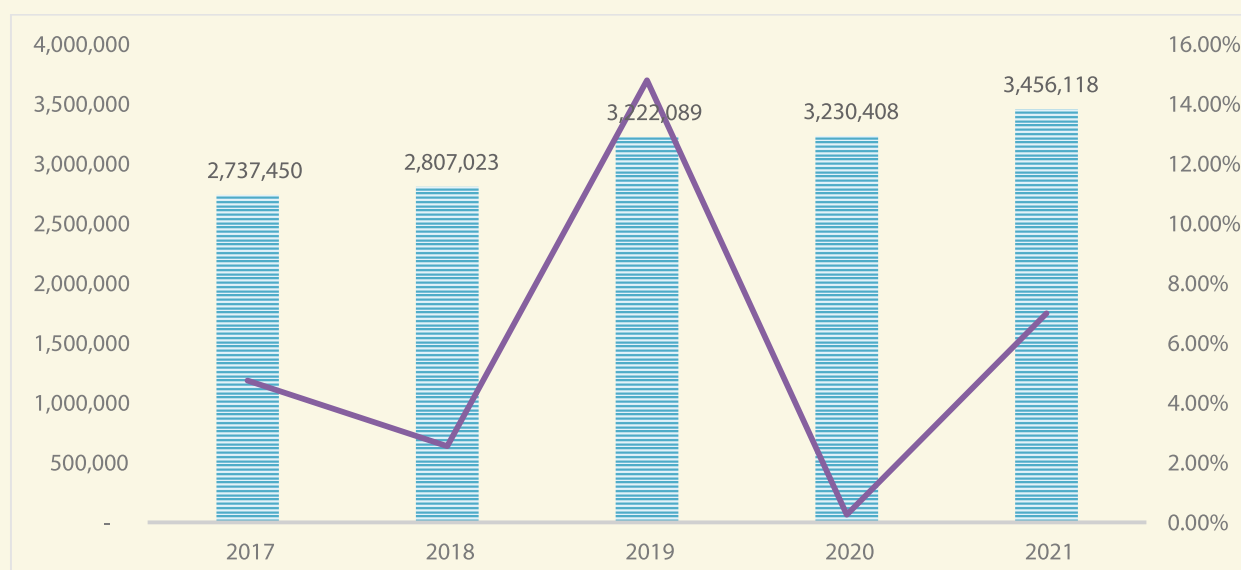
	2020	2021	Growth
Gross Written Premium	3,471,933.00	4,601,443.72	32.53%
Re-insurance Ceded	2,882,323.00	3,551,774.95	23.23%
Net Earned Premium	772,934.00	951,105.63	23.05%
Net Claims Incurred	647,307.00	585,771.02	(9.51%)
Total Expenses	285,129.00	417,167.06	46.31%
Underwriting Profit/Loss	(159,499.00)	(51,204.46)	(67.90%)

PUBLIC LIABILITY INSURANCE



Public Liability had GWP growth of 6.99% in 2021 compared to the previous year's growth of 0.26%. The GWP grew from KES 3.23 billion in 2020 to KES 3.46 billion in 2021.

Figure 22: Public Liability Insurance GWP Premium in KES '000 and GWP Growth %, 2017-2021



Net earned premium and total expenses decreased by 0.33% and 2.65% respectively. Despite the growth in GWP, the underwriting profit decreased from KES 217.66 million in 2020 to KES 60.51 million in 2021, a decline of 72.2

Table 33: Public Liability Insurance Performance, 2021 in KES '000'

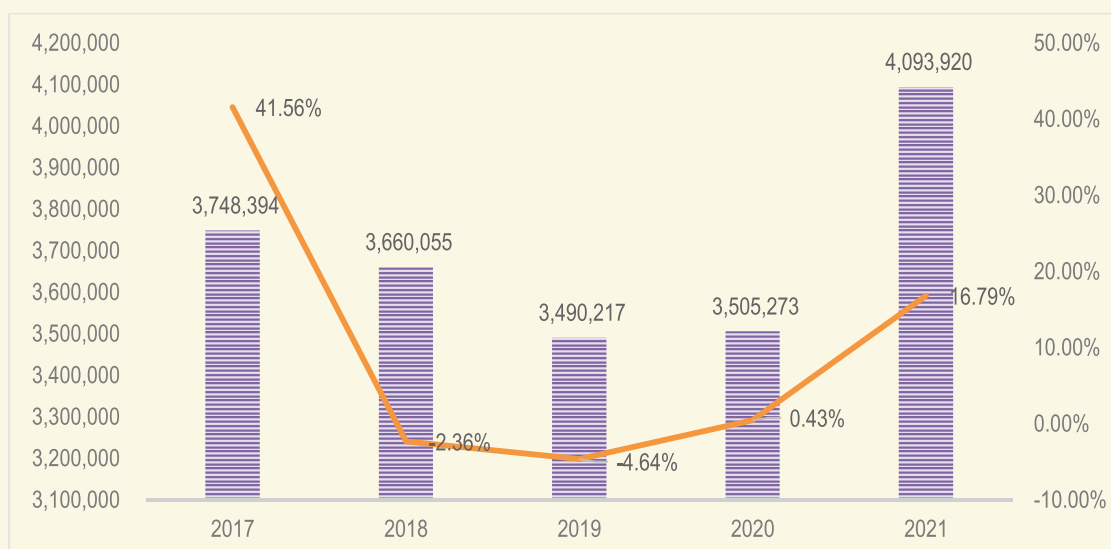
	2020	2021	Growth
Gross Written Premium	3,230,408	3,456,118	6.99%
Re-insurance Ceded	1,732,459	1,932,539	11.55%
Net Earned Premium	1,515,474	1,510,533	(0.33%)
Net Claims Incurred	468,154	647,943	38.40%
Total Expenses	829,655	807,630	(2.65%)
Underwriting Profit/Loss	217,664	60,509	(72.20%)

MARINE INSURANCE



Marine insurance GWP increased from KES 3.51 billion in 2020 to KES 4.1 billion in 2021, a 16.79% increase. Marine insurance recorded a compounded annual growth rate (CAGR) of 2.23% for the last five years.

Figure 23: Marine Insurance Premium in KES '000 and GWP Growth in %, 2017-2021



In 2021, Reinsurance ceded, net earned premium, net claims incurred, total expenses and underwriting profit and loss were on an increasing trend from the amounts recorded in 2020. Underwriting profit grew from 317 million in 2020 to 338 million in 2021, a 6.45% growth. Only 8 companies out of the 35 which underwrote this class of business recorded losses during the year.

Table 34: Marine Insurance Performance, 2021 in KES '000

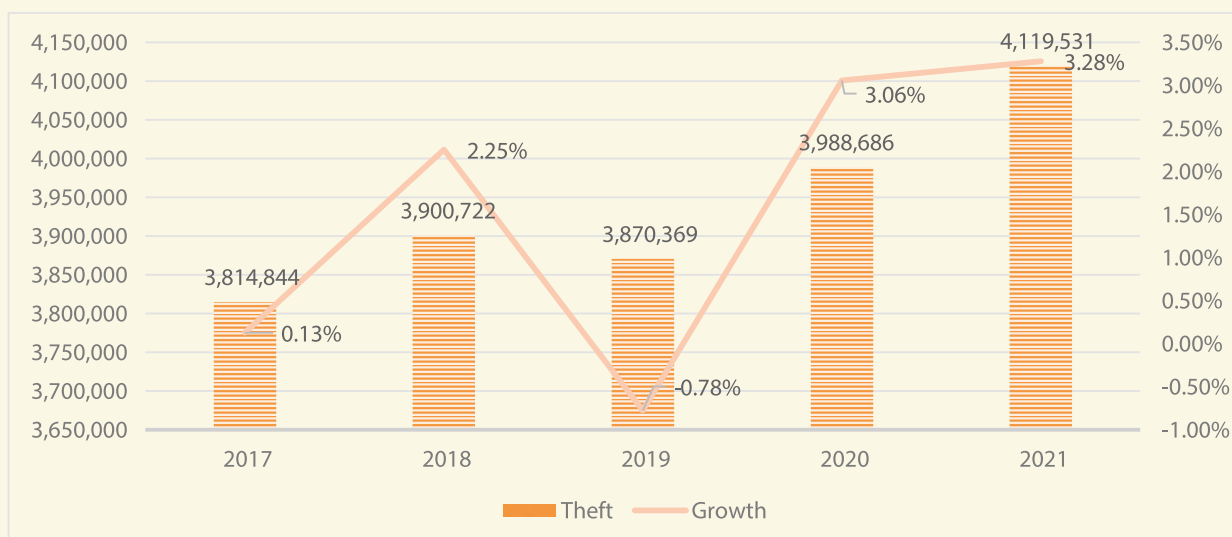
	2020	2021	Growth
Gross Written Premium	3,505,273	4,093,920	16.79%
Re-insurance Ceded	1,790,420	2,043,674	14.14%
Net Earned Premium	1,734,048	2,031,287	17.14%
Net Claims Incurred	592,065	767,178	29.58%
Total Expenses	824,348	926,341	12.37%
Underwriting Profit/Loss	317,634	338,114	6.45%

THEFT



Theft insurance GWP increased from KES 3.99 billion in 2020 to KES 4.12 billion in 2021, a 3.28% growth. This is an improvement from the previous year where theft recorded a 3.06% growth. Theft insurance recorded a compounded annual growth rate (CAGR) of 1.94% for the last five years.

Figure 24: Theft Insurance GWP in KES '000 and GWP Growth in %, 2017-2021



The reinsurance ceded increased from KES 1.56 billion in 2020 to KES 1.89 billion in 2021, a 22.01% increase. Net earned premiums and total expenses experienced a decline of 7.97% and 12.59% respectively. Net claims incurred rose by 0.88% while the underwriting profit decreased from KES 481 million to KES 420 million, a 12.67% decrease. Only 9 companies out of the 35 which underwrote this class of business in 2021 recorded losses.

Table 35: Theft Insurance Performance, 2021 in KES '000

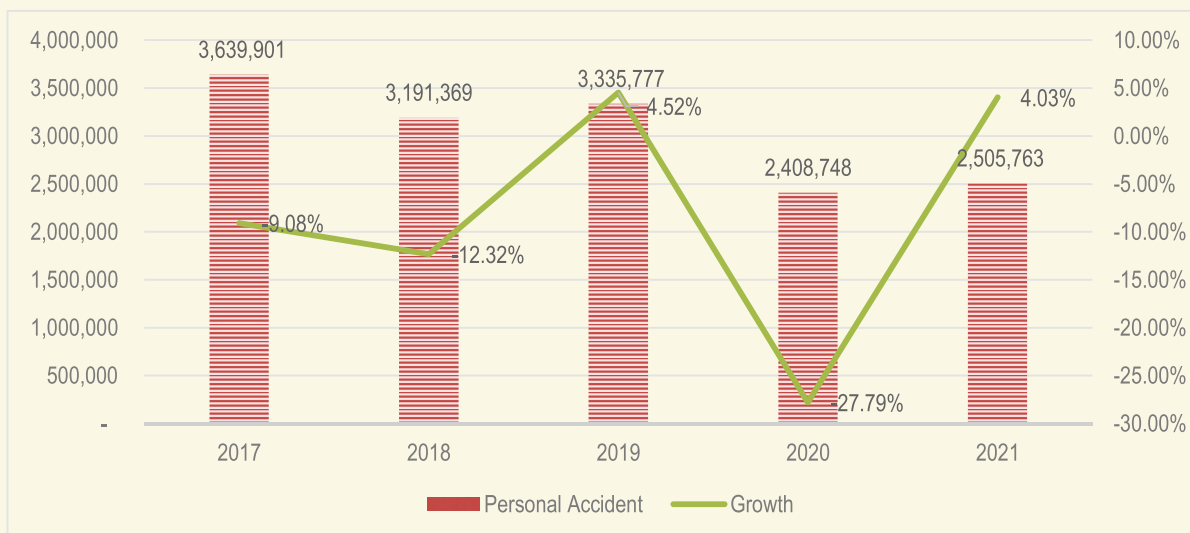
	2020	2021	Growth
Gross Written Premium	3,988,686	4,119,531	3.28%
Re-insurance Ceded	1,545,216	1,885,342	22.01%
Net Earned Premium	2,494,247	2,295,529	(7.97%)
Net Claims Incurred	783,928	790,858	0.88%
Total Expenses	1,229,021	1,074,312	(12.59%)
Underwriting Profit/Loss	481,301	420,306	(12.67%)

PERSONAL ACCIDENT INSURANCE



GWP for personal accident insurance was KES 2.51 billion in 2021 compared to KES 2.41 billion in 2020, a 4.03% increase. The CAGR for 5-year period between 2017 and 2021 is negative 8.91%.

Figure 25: Personal Accident GWP in KES '000 and GWP Growth in %, 2017-2021



Reinsurance ceded increased by 5.07% while the net earned premiums increased minimally by 0.70%. Net claims incurred increased significantly by 32.09%. Total expenses and underwriting profit decreased by 3.80% and 28.64% respectively. Only 8 companies out of the 35 which underwrote this class of business made losses.

Table 36: Personal Accident Insurance Performance, 2021 in KES '000

	2020	2021	Growth
Gross Written Premium	2,408,748	2,505,763	4.03%
Re-insurance Ceded	894,347	939,727	5.07%
Net Earned Premium	1,568,902	1,579,940	0.70%
Net Claims Incurred	392,604	518,599	32.09%
Total Expenses	893,990	859,987	(3.80%)
Underwriting Profit/Loss	282,306	201,455	(28.64%)



WIBA recorded a GWP of KES 12.15 billion in 2021 compared to KES 7.17 billion in 2020, a 69.47% increase. Reinsurance ceded and net earned premium rose by 294.51% and 20.95% respectively. Net claims incurred declined by 16.06% while total expenses increased by 15.88%. Underwriting profit increased significantly by 113.61%. Only 4 companies out of the 35 which under wrote this class of business recorded losses.

Figure 26: WIBA GWP in KES '000 and GWP Growth in %, 2017-2021

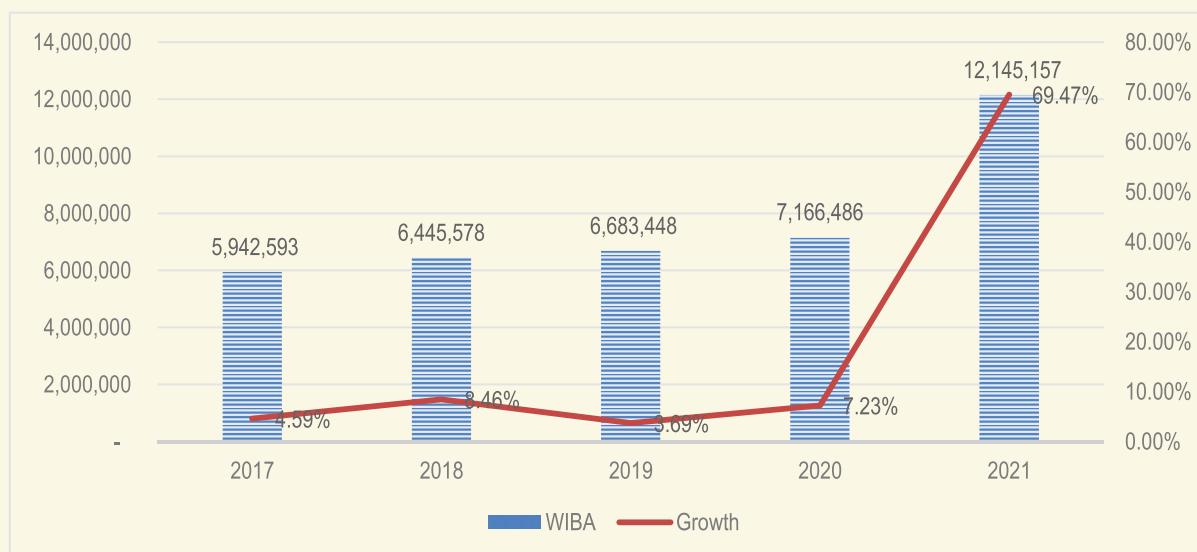


Table 37: WIBA Performance Summary, 2017-2021 in KES '000

	2020	2021	Growth
Gross Written Premium	7,166,486	12,145,157	69.47%
Re-insurance Ceded	1,165,020	4,596,086	294.51%
Net Earned Premium	5,873,795	7,104,297	20.95%
Net Claims Incurred	2,117,427	1,777,305	(16.06%)
Total Expenses	2,774,458	3,215,088	15.88%
Underwriting Profit/Loss	981,908	2,097,466	113.61%

MISCELLANEOUS INSURANCE



Miscellaneous insurance includes Golfers, Travel, Bonds, Plate Glass insurances among others. Miscellaneous insurance experienced a 4.89% increase in GWP from KES 4.07 billion in 2020 to KES 4.27 billion in 2021. . Miscellaneous insurance recorded a compounded annual growth rate (CAGR) of 1.47% for the last five years.

Figure 27: Miscellaneous GWP in KES '000 and GWP Growth in %, 2017-2021

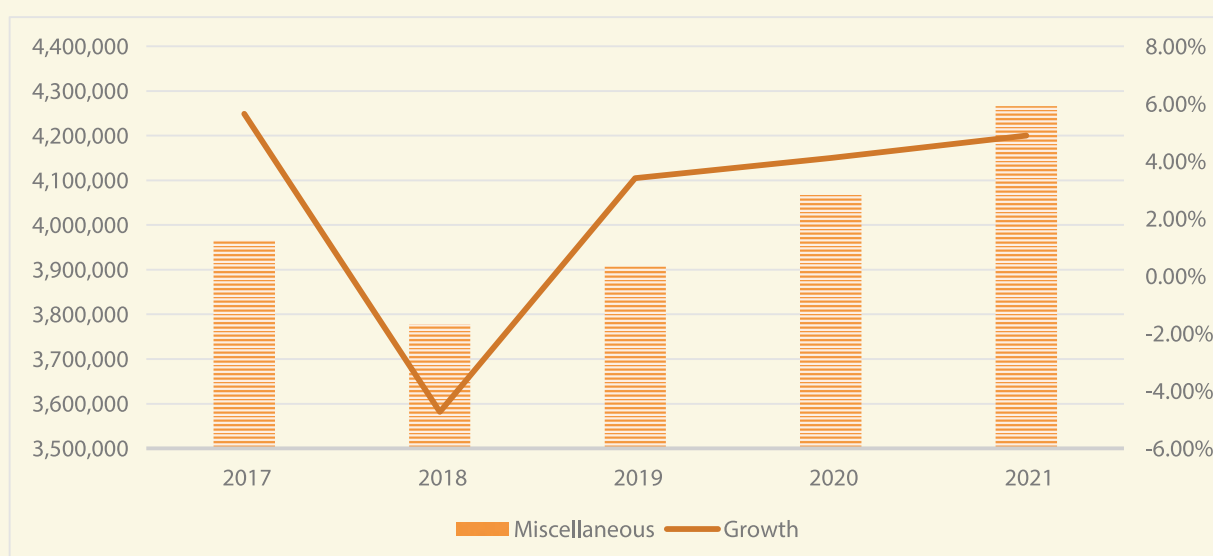


Table 38: Miscellaneous Insurance Performance, 2021 in KES '000

	2020	2021	Growth
Gross Written Premium	4,067,707	4,266,510	4.89%
Re-insurance Ceded	2,072,295	2,287,448	10.38%
Net Earned Premium	1,637,106	1,887,964	15.32%
Net Claims Incurred	812,540	612,732	(24.59%)
Total Expenses	889,669	733,300	(17.58%)
Underwriting Profit/Loss	(65,102)	465,470	814.99%

Reinsurance ceded and net earned premium increases by 10.38% and 15.32% respectively. However, net claims incurred, and total expenses decreased by 24.59% and 17.58% respectively. The underwriting profit increased by 814.99% from a loss of 65.1 million in 2020 to a profit of 465.47 million in 2021.

AGRICULTURE INSURANCE



Total gross premiums in 2021 amounted to KES 776.83 million which is a decline of 28.73% compared to KES 1.09 billion in 2020. Crops insurance premiums decreased from KES 635.93 million to KES 353.9 million while livestock decreased from KES 454.11 million to KES 423.04 million. This was due to decreased agricultural activities owing to unfavourable weather conditions and increased cost of farming inputs (We need to check if this is a fact). Total claims incurred increased from KES 199.364 million in 2020 to KES 272.51 million, a 36.69% increase.

Table 39: Agriculture Insurance Statistics Per Company, 2021 in KES '000

Agriculture Insurance Statistics 2021							
	Company	Gross Premium			Claims Incurred		
		Crops	Livestock	Total	Crops	Livestock	Total
1	Amaco	20,286,340	33,677,979	53,964,319	-	90,000	90,000
2	APA	142,096,142	249,682,564	391,778,706	12,978,296	1,700,488	14,678,784
3	CIC	32,427,959	65,386,086	97,814,045	4,412,071	28,370,485	32,782,556
4	Geminia	29,253,395	12,411,134	41,664,529	10,455,030	7,062,041	17,517,071
5	Heritage	1,432,299	15,538,884	16,971,183	1,851,266	15,259,733	17,110,999
6	ICEA Lion	1,417,500	-	1,417,500	-	-	-
7	Jubilee	46,642,661	1,268,470	47,911,131	53,639,060	-	53,639,060
8	Kenya Orient	18,918,209	622,566	19,540,775	9,192,166	443,611	9,635,777
9	UAP	61,316,605	44,456,102	105,772,707	41,234,312	85,817,484	127,051,796
	Total	353,791,110	423,043,785	776,834,895	133,762,201	138,743,842	272,506,043

Figure 28: 2021 Agriculture GWP and Claims Incurred in KES '000

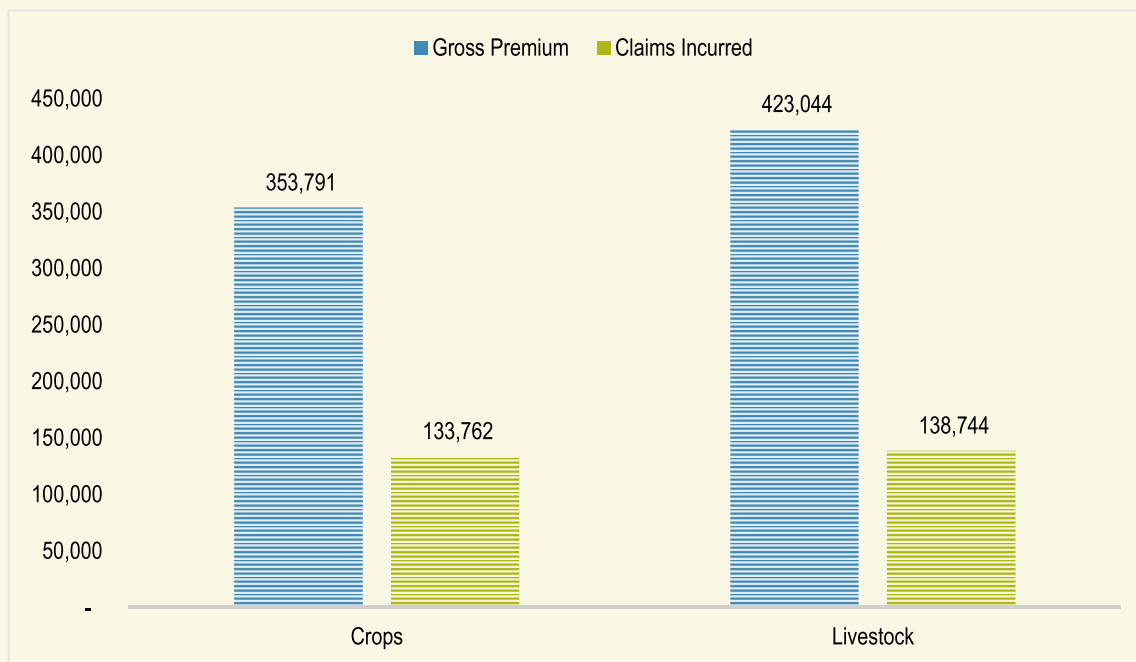
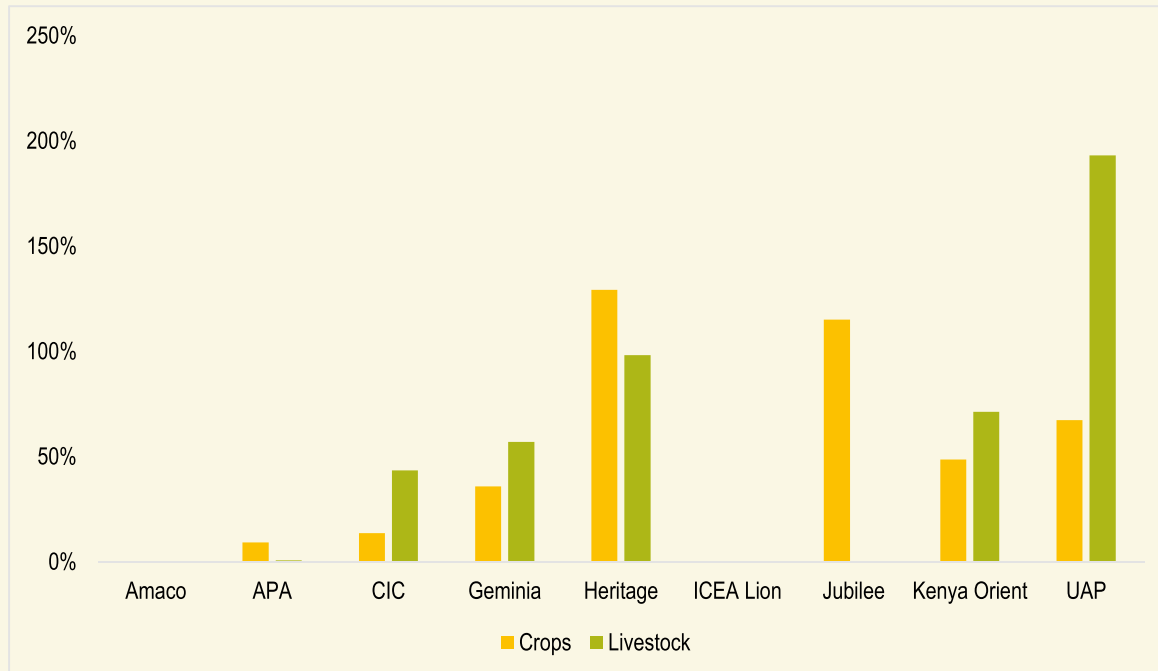


Figure 29: Agriculture Insurance Loss Ratio Per Company



6.5 LIFE INSURANCE



Life insurance is a long-term contract between a policy holder and an insurer which facilitates long term savings. Regular savings over a long period ensure that a decent amount is accumulated to meet the policy holder's financial needs at various stages in life. In the event of death of the policyholder, life insurance ensures that their loved ones continue to enjoy quality life. There are other events in life that may trigger payment depending on the terms of the contract including critical illness, terminal illness, temporary or permanent disability. Other expenses such as funeral expenses may also be covered.

Life insurance provides financial support in the event of untimely demise, and it also acts as a long-term investment. This cover enables a policy holder to meet his/her goals such as children's education, family expenses, building homes or planning for better retirement life. Life insurance policies comprise protection policies designed to provide benefits in the happening of insured event and investment policies whose main objective is to facilitate the growth of capital or a combination of both. The categories of Life insurance are outlined below.

- a) Ordinary Life Assurance comprises all individual life policies categorized as Term Assurance policies; Endowment policies; Investment policies and Whole life policies.
- b) Group Life Assurance comprises Group Life schemes mainly organized by employers on behalf of their employees; Group Credit/Group Mortgage Schemes which are loan protection schemes organized by financiers like banks, co-operative societies, microfinance institutions, etc.; and last

expense schemes which are many a time given as a rider to the group life schemes. Nevertheless, Last expense covers can also be arranged on standalone basis.

- c) Deposit Administration/Pension Business – These are Pension Plans / schemes whereby the Insurance Company gives a contractual guarantee on all the capital paid into the scheme and in addition a guarantee on minimum annual rate of return. This ensures that the retirement funds are secure and available when required by retiring members because the insurance company bears the investment risk.
- d) Investment/Unit Linked Contracts – These products give investors both insurance and investment under a single integrated plan. The main objective is to facilitate the growth of capital invested by the client.

Life Insurance: Gross Written Premium.

There were 23 life insurance companies in 2021. Gross Written Premium was KES 124.69 billion in 2021 compared to KES 102.61 billion in 2020, an increase of 21.51%. Life insurance penetration rate stood at 1.03% .

Based on the trend analysis below, life insurance has grown steadily from 2017 to 2021, with an average growth rate of 11.26% in the five-year period. The industry could further leverage the ravaging effects of the pandemic to further expand its reach among Kenyan population especially the common “mwananchi”.

Table 40: Life Insurance Gross Written Premium Growth Rate, 2017-2021

Category	2017			2018			2019			2020			2021			2017-2021		
	Gross premium	Growth rate		Gross premium	Growth rate		Gross premium	Growth rate		Gross premium	Growth rate		Gross premium	Growth rate		Average Growth Rate		
Pension/Deposit Administration	29,363,388	3.46 %		33,260,652	13.27%		36,917,072	10.99%		40,937,326	10.89%		49,568,309	21.08%		11.94%		
Ordinary Life	24,676,591	10.44%		26,607,009	7.82%		32,718,330	22.97%		31,527,302	(3.64%)		35,260,867	11.84%		9.89%		
Group Life	25,241,070	20.80%		23,167,732	(8.21%)		25,109,989	8.38%		26,124,621	4.04%		36,132,408	38.31%		12.66%		
Investment / Unit Linked	4,164,268	97.87%		4,230,851	1.60%		3,107,048	(26.56%)		4,024,390	29.52%		3,723,905	(7.47%)		18.99%		
Total	83,445,317	13.19%		87,266,244	4.58%		97,852,439	12.13%		102,613,639	4.87%		124,685,489	21.51%		11.26%		

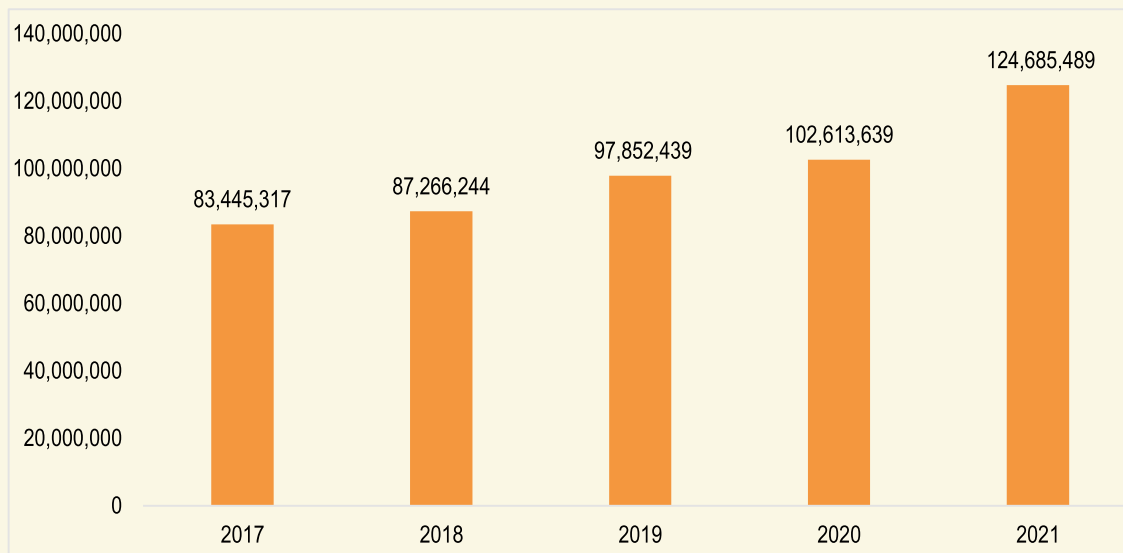
Pension administration dominated the market with 39.75% market share. Group life slightly surpassed the ordinary life in 2021 as they registered a 28.98% and 28.28% market share respectively. However, this was not the case in 2020 as ordinary life had a larger market share of 30.7% as compared to group life which had a market share of 25.5%.

Table 41: Gross Written Premium and Market Share, 2017-2021

Category	2017			2018			2019			2020			2021		
	Gross premium	Market Share		Gross premium	Market Share		Gross premium	Market Share		Gross premium	Market Share		Gross Premium	Market Share	
Pension/Deposit Administration	29,363,388	35.19%		33,260,652	38.11%		36,917,072	37.7%		40,937,326	39.9%		49,568,309	39.75%	
Ordinary Life	24,676,591	29.57%		26,607,009	30.49%		32,718,330	33.4%		31,527,302	30.7%		35,260,867	28.28%	
Group Life	25,241,070	30.25%		23,167,732	26.55%		25,109,989	25.7%		26,124,621	25.5%		36,132,408	28.98%	
Investment / Unit Linked	4,164,268	4.99%		4,230,851	4.85%		3,107,048	3.2%		4,024,390	3.9%		3,723,905	2.99%	
Total	83,445,317	100.00%		87,266,244	100.00%		97,852,439	100.0%		102,613,639	100.0%		124,685,489	100.00%	

Life insurance gross premiums have experienced a positive trend for the five-year period, with a growth of 21.51% from 2020 to 2021.

Figure 30: Life Insurance Total Gross Written Premium Trend, 2017-2021 in KES '000



Pension/Deposit administration, Ordinary life and Group life experienced growth in 2021 as compared to the previous year, however the investment or unit linked total premiums had a decline of 7.47% where premiums declined from KES 4.04 billion to KES 3.72 billion in 2020 and 2021 respectively.

Figure 31: Life Insurance Premium Distribution 2021, in KES '000

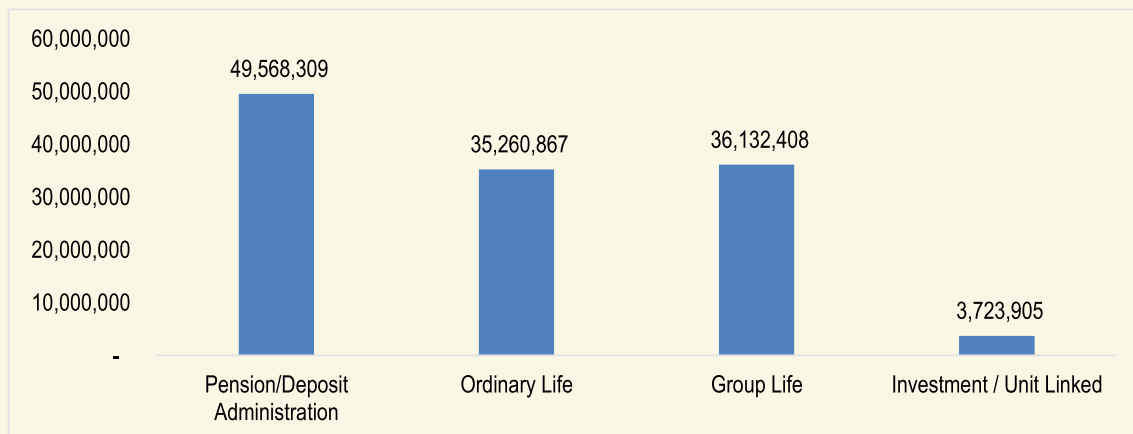
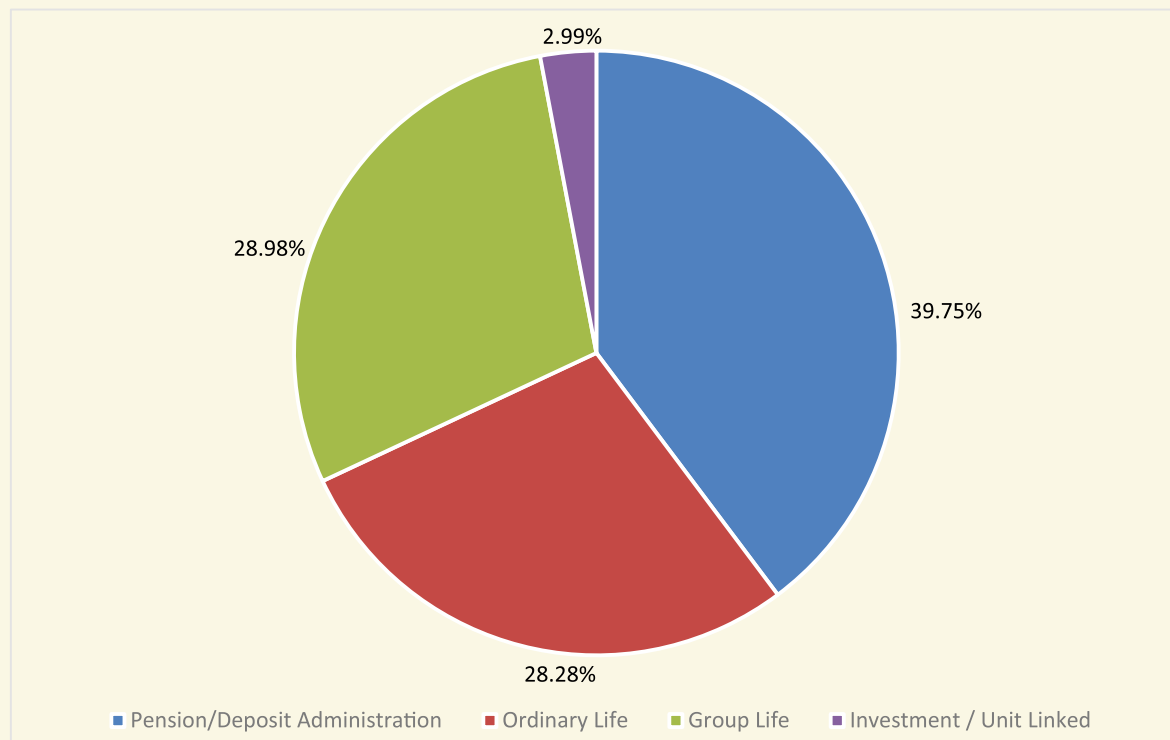


Figure 32: Life Insurance Market Share Distribution



Pension/Deposit administration holds the largest market share at 39.75%, followed by group life at 28.98%, ordinary life at 28.28% and unit linked has the least market share at 2.99%.

LIFE INSURANCE: ORDINARY LIFE

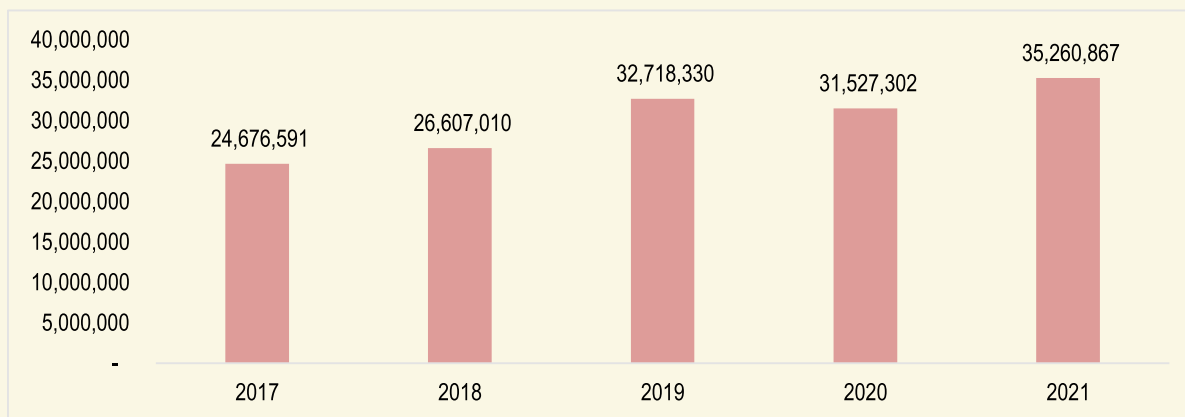


23 life insurance companies underwrote ordinary life business in 2021. This class of business experienced premium growth from KES 31.53 billion in 2020 to KES 35.26 billion in 2021 an 11.84% growth. This was a positive shift in gross premium trend as the sector had experienced a decline in the previous year. Reinsurance ceded increased by 3% while total claims and benefits experienced a decline of 3,61%. Total expenses declined by 0.89%. Increased awareness on the benefits of insurance and better redistribution channels might have also contributed to this growth.

Table 42: Ordinary Life Insurance Performance, 2019-2021 in KES '000

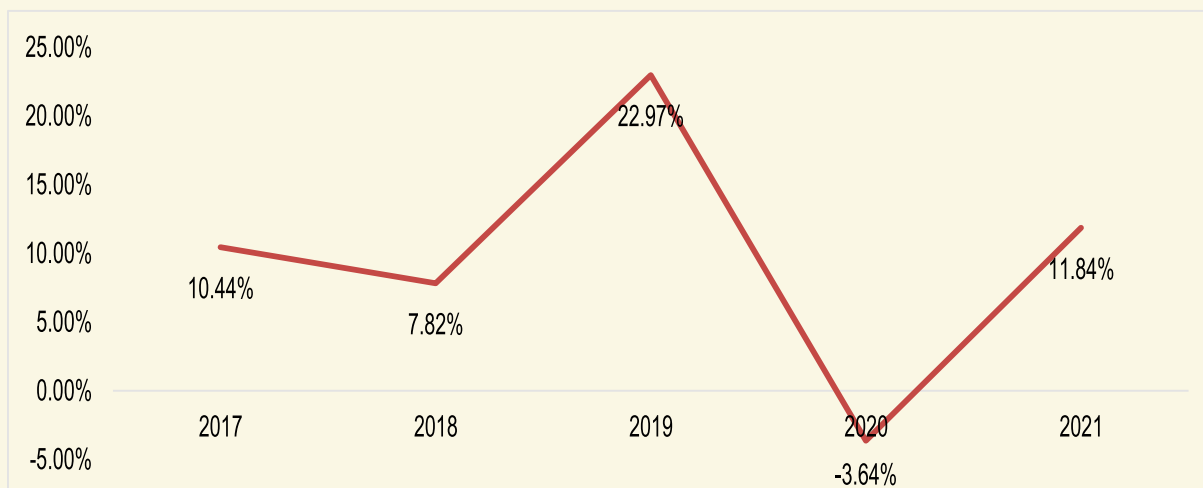
Year	2019	2020	2021	Growth 2019-2020	Growth 2020-2021
Total Gross Written Premium	32,718,330	31,527,302	35,260,867	(3.64%)	11.84%
Reinsurance Premium ceded	230,635	238,903	246,066	3.58%	3.00%
Total Claims and Benefit	17,588,954	18,490,183	17,822,633	5.12%	(3.61%)
Total Expenses	12,968,636	11,612,324	11,508,731	(10.46%)	(0.89%)
Total Investment and other income	10,825,912	9,811,958	12,137,569	(9.37%)	23.70%

Figure 33: Ordinary Life Gross Written Premium 2021, KES '000



Gross written premium increased yearly from 2017 to 2019 but declined in 2020. The growth trend picked up in 2021 with an 11.84% growth rate recorded.

Figure 34: Ordinary Life Gross Written Premiums Growth Rate, 2017-2021



Ordinary life gross premiums experienced an average growth rate of 9.89% in the five-year period between 2017-2021. There was an 11.84% growth rate in 2021 as compared to the 3.64% decline in 2020.

Table 43: Ordinary Life GWP and Market Share Per Company, 2017-2021 in KES '000

Company	2017		2018		2019		2020		2021	
	Gross Premium	Market Share, %	Gross Premium	Market Share, %	Gross Premium	Market Share, %	Gross Premium	Market Share, %	Gross Premium	Market Share, %
APA Life	77,583	0.31%	125,301	0.47%	148,664	0.45%	1,164,071	3.69%	354,975	1.01%
ABSA Life	-	0.00%	374,550	1.41%	662,445	2.02%	208,657	0.66%	1,753,007	4.97%
Britam Life	9,470,201	38.38%	9,526,975	35.81%	11,802,637	36.07%	10,214,497	32.40%	10,425,537	29.57%
Capex Life	261,151	1.06%	162,775	0.61%	136,055	0.42%	135,103	0.43%	187,670	0.53%
Cannon	82,280	0.33%	-	0.00%	-	0.00%	-	0.00%	-	-
CIC Life	1,086,076	4.40%	1,818,897	6.84%	1,438,123	4.40%	1,162,744	3.69%	1,151,929	3.27%
Corporate	278,415	1.13%	269,037	1.01%	280,275	0.86%	227,306	0.72%	166,660	0.47%
GA	-	0.00%	-	0.00%	313,330	0.96%	434,154	1.38%	1,197,308	3.40%
Geminia Life	45,875	0.19%	90,276	0.34%	56,083	0.17%	74,823	0.24%	66,215	0.19%
ICEA Lion Life	2,686,935	10.89%	2,506,223	9.42%	3,302,679	10.09%	3,041,711	9.65%	3,663,225	10.39%
Jubilee Life	3,001,737	12.16%	3,427,373	12.88%	3,685,536	11.26%	3,781,543	11.99%	4,030,023	11.43%
Kenindia	1,235,077	5.01%	1,448,127	5.44%	1,614,208	4.93%	2,672,084	8.48%	3,241,908	9.19%
Kenya Orient Life	161,470	0.65%	41,953	0.16%	47,666	0.15%	41,062	0.13%	41,993	0.12%
Kenyan Alliance	15,247	0.06%	28,703	0.11%	52,975	0.16%	16,567	0.05%	17,896	0.05%
Kuscco Mutual	-	0.00%	-	0.00%	-	0.00%	-	0.00%	52	0.00%
Liberty Life	1,321,127	5.35%	1,370,033	5.15%	2,422,562	7.40%	1,509,713	4.79%	1,402,709	3.98%
Madison Life	1,033,987	4.19%	1,033,987	3.89%	1,451,627	4.44%	1,546,546	4.91%	1,765,432	5.01%
Metro-politan Cannon Life	40,048	0.16%	98,225	0.37%	96,000	0.29%	74,618	0.24%	61,838	0.18%
Monarch	22,729	0.09%	23,314	0.09%	24,122	0.07%	26,071	0.08%	26,071	0.07%
Old Mutual Life	766,625	3.11%	895,654	3.37%	981,472	3.00%	1,088,405	3.45%	1,165,535	3.31%
Sanlam Life	1,643,646	6.66%	1,758,859	6.61%	2,063,121	6.31%	2,248,467	7.13%	2,585,049	7.33%
Pioneer Assurance	717,432	2.91%	723,457	2.72%	968,911	2.96%	1,069,271	3.39%	1,096,327	3.11%
Prudential Life	137,920	0.56%	177,227	0.67%	251,490	0.77%	302,269	0.96%	373,743	1.06%
UAP Life	547,014	2.22%	668,957	2.51%	888,700	2.72%	461,639	1.46%	485,765	1.38%
Saham	44,016	0.18%	37,106	0.14%	29,649	0.09%	25,981	0.08%	-	-
Total	24,676,591	100.00%	26,607,009	100.00%	32,718,330	100.00%	31,527,302	100.00%	35,260,867	100.00%

Three insurance companies had a market share of above 10% and the top 10 insurance companies were responsible for over 88% of the market in ordinary life insurance meaning there's high dominance by certain players in the market for this line of business.

Figure 35: Ordinary Life Gross Written Premium Market Share Per Company, 2021

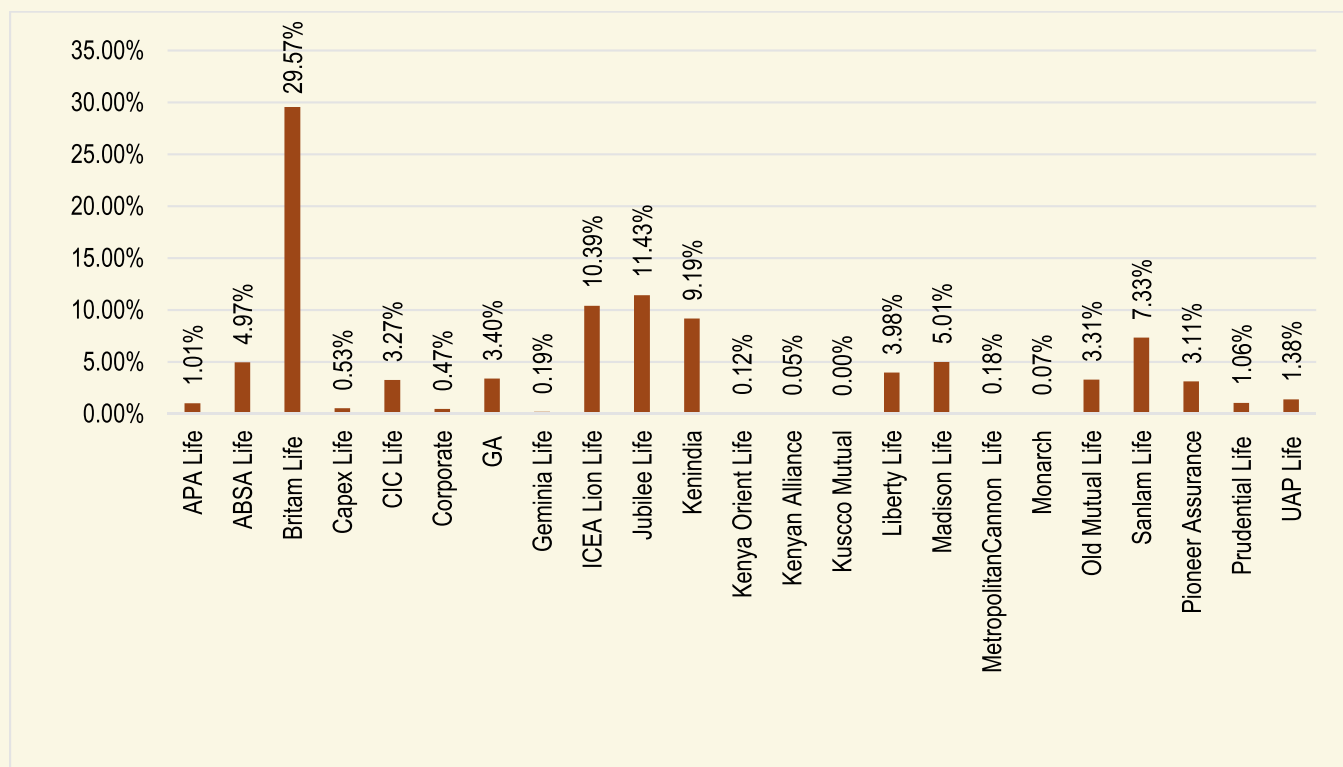
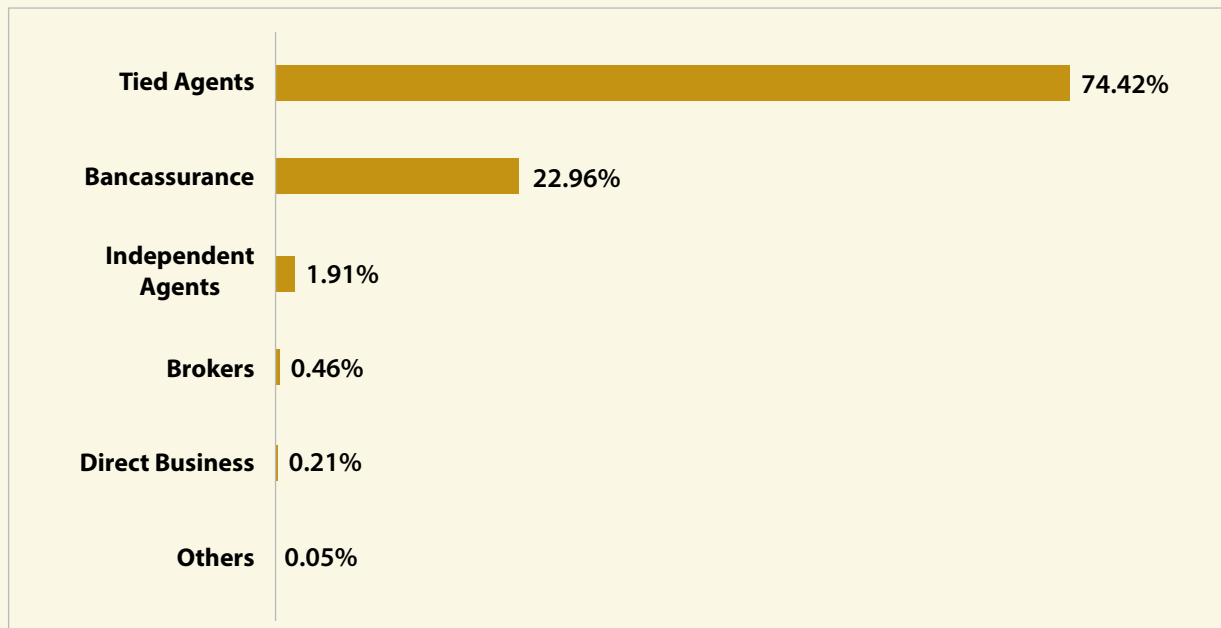


Table 44: Ordinary Life Summary Per Company, 2021 in KES '000

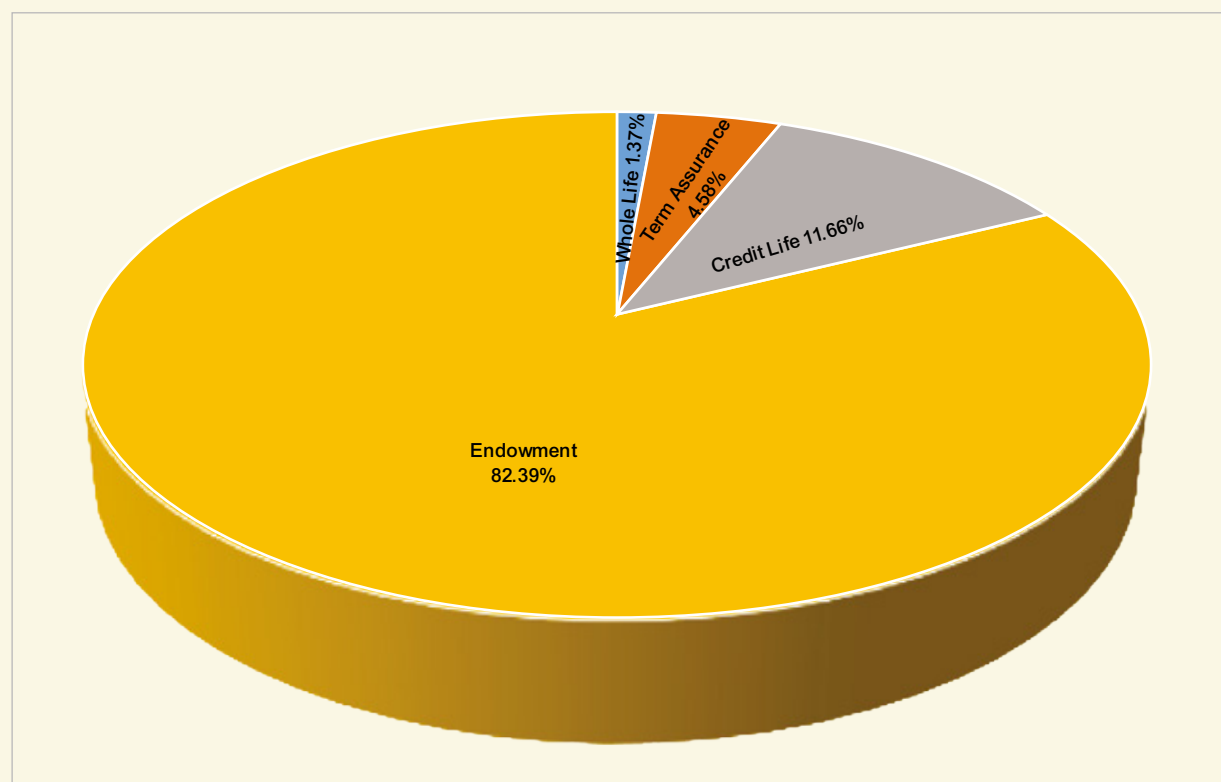
Company	Gross premiums	Reinsurance	Net premium	Claims and benefits	Commissions	Operating & other expenses	Total expenses	Investment Income + other income
APA Life	354,975	369	354,606	4,495	92,374	112,282	204,656	55,259
ABSA Life	1,753,007	-	1,753,007	266,519	187,945	196,611	384,556	362,317
Britam Life	10,425,537	13,968	10,411,569	5,619,248	1,136,786	2,044,878	3,181,664	3,321,574
Capex Life	187,670	-	187,670	182,291	7,525	127,483	135,008	3,769
CIC Life	1,151,929	12,202	1,139,727	849,807	86,246	237,695	323,941	455,511
Corporate	166,660	204	166,456	289,759	18,910	23,319	42,229	28,738
Geminia Life	66,215	-	66,215	20,433	8,516	22,920	31,436	84,363
GA	1,197,308	-	1,197,308	67,891	22,880	524	23,404	247,695
ICEA Lion Life	3,663,225	35,076	3,628,149	3,239,815	677,544	680,614	1,358,158	1,698,774
Jubilee Life	4,030,023	10,765	4,019,258	2,894,332	666,523	452,327	1,118,850	1,317,843
Kenindia	3,241,908	4,521	3,237,387	521,815	153,592	370,951	524,543	1,780,079
Kenya Orient Life	41,993	-	41,993	190	4,727	15,211	19,938	5,467
Kenyan Alliance	17,896	-	17,896	9,348	2,512	4,730	7,242	28,817
Kuscco Mutual	52	-	52	40	4	10	14	7
Liberty Life	1,402,709	7,072	1,395,637	707,557	125,583	68,174	193,757	684,326
Madison Life	1,765,432	-	1,765,432	774,158	255,080	492,178	747,258	421,645
Metropolitan Cannon Life	61,838	264	61,574	50,301	-	85,365	85,365	79,313
Monarch	26,071	131	25,940	6,134	3,903	24,210	28,113	6,716
Old Mutual Life	1,165,535	93,921	1,071,614	1,040,184	252,311	544,003	796,314	484,762
Sanlam Life	2,585,049	59,171	2,525,878	643,207	372,432	700,140	1,072,572	550,835
Pioneer Assurance	1,096,327	2,155	1,094,172	205,611	270,218	294,854	565,072	139,043
Prudential Life	373,743	4,621	369,122	116,747	75,069	194,795	269,864	58,914
UAP Life	485,765	1,626	484,139	312,751	25,649	369,128	394,777	321,802
Total	35,260,867	246,066	35,014,801	17,822,633	4,446,329	7,062,402	11,508,731	12,137,569

Figure 36: Ordinary Life Insurance Premium Distribution Per Channel



Tied agents channel distributed 74.42% of the total ordinary life premium in 2021. Bancassurance channel was second with 22.96%.

Figure 37: Ordinary Life Insurance Premium Per Product Line



Endowment dominated the ordinary life insurance market with 82.39% of the premiums. Credit life followed with 11.66%. Term and whole life assurance had 4.58% and 1.37% of the premiums.

LIFE INSURANCE: INVESTMENT UNIT/UNIT LINKED CONTRACTS



13 companies underwrote this class of business in 2021. Unit trust contributions declined to KES 3.73 billion in 2021 from KES 4.02 billion in 2020, a 7.47% decline. This can be attributed to the reduced disposable income in the economy due to factors such as job losses, high cost of living, high fuel prices, reduced business activities etc leaving customers with lesser income to be directed towards purchase of investment unit products provided by insurance companies.

Figure 38: Unit Trust Premium Contribution 2017-2021, in KES '000

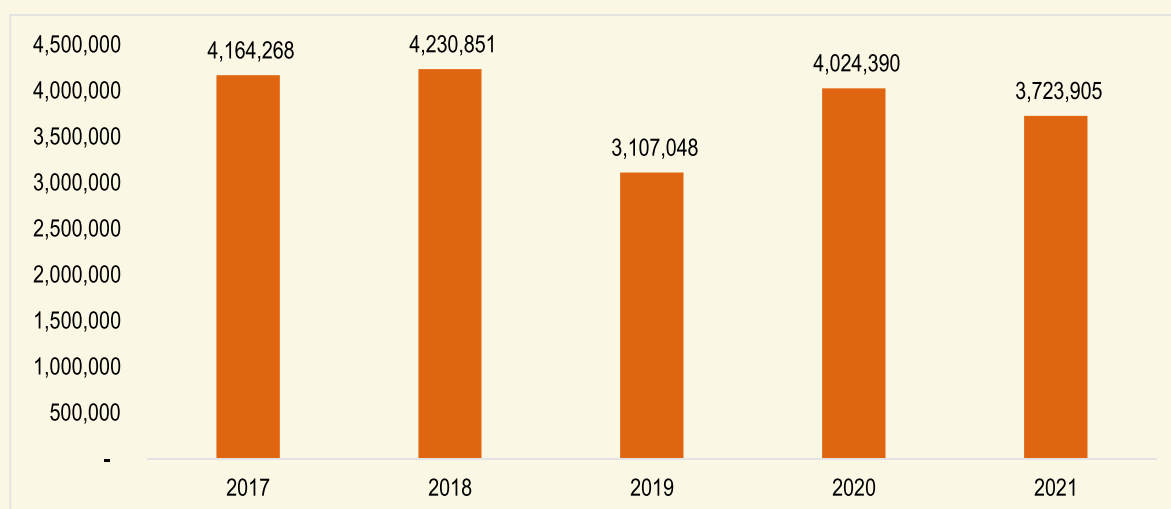


Figure 39: Unit Trust Contribution Growth Rate, 2017-2021

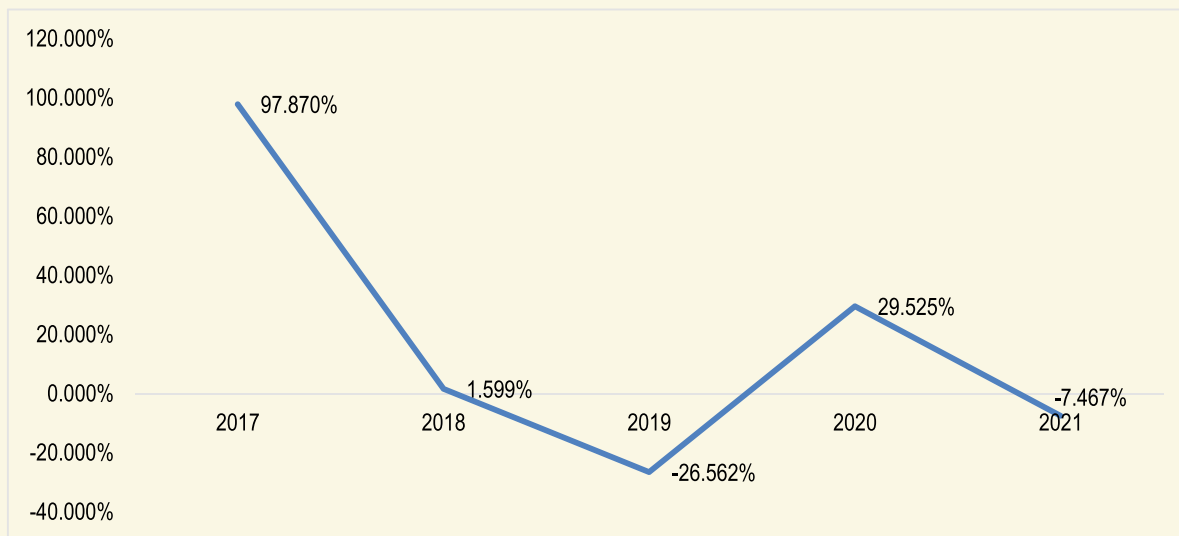


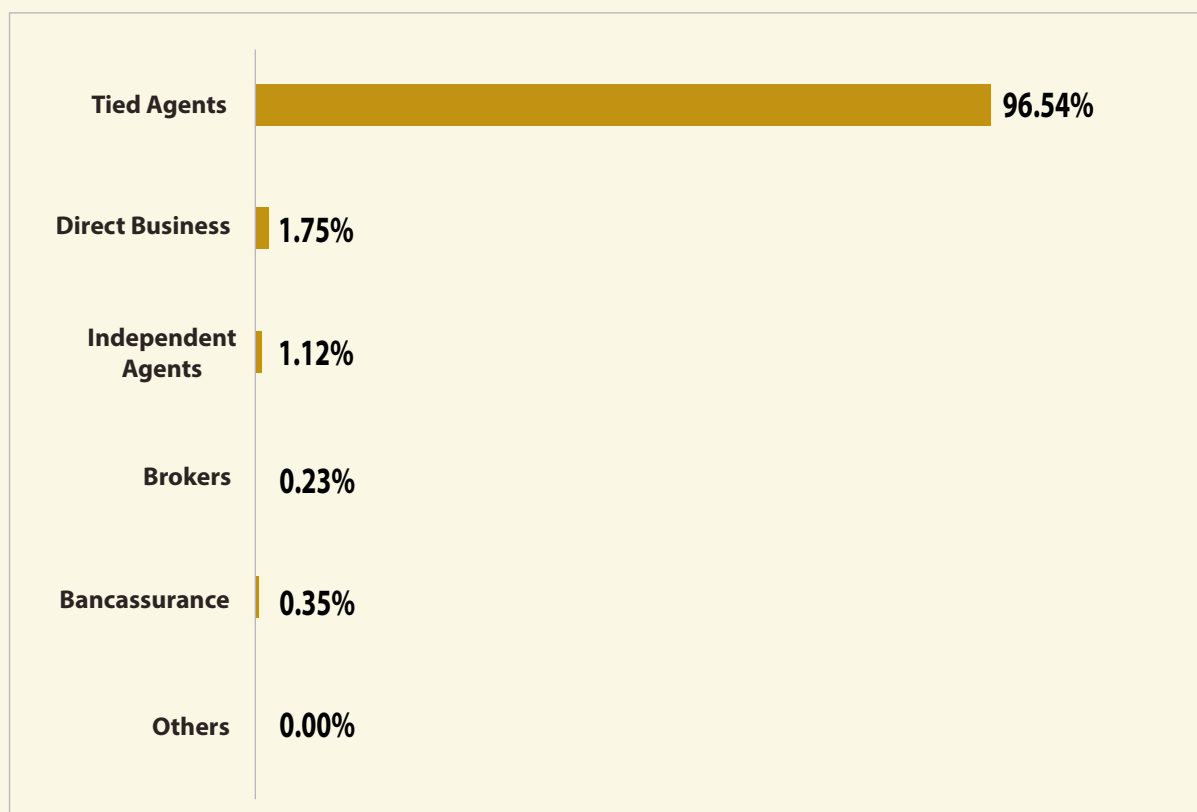
Table 45: Contributions and Market Share Per Company, 2017 - 2021 in KES '000

Company	Contribution 2017	Market Share	Contribution 2018	Market Share	Contribution 2019	Market Share	Contribution 2020	Market Share	Contribution 2021	Market Share
APA Life	473	0.01%	4,472	0.11%	(5,540)	0.00%	-	0.00%	-	0.00%
Britam Life	573,866	13.78%	594,554	14.05%	-	0.00%	1,065,338	26.47%	1,354,031	36.36%
CIC Life	107,028	2.57%	24,251	0.57%	17,790	0.57%	19,210	0.48%	21,056	0.57%
ICEA Lion Life	47,151	1.13%	37,184	0.88%	28,279	0.91%	17,990	0.45%	14,505	0.39%
Kenyan Alliance	16,960	0.41%	38,060	0.90%	200,133	6.44%	236,776	5.88%	169,109	4.54%
Liberty Life	994,062	23.87%	1,717,430	40.59%	1,168,860	37.62%	1,018,198	25.30%	882,056	23.69%
Madison Life	18,990	0.46%	12,595	0.30%	7,686	0.25%	2,367	0.06%	2,063	0.06%
Metropolitan Cannon Life	442,389	10.62%	14,247	0.34%	72,733	2.34%	54,919	1.36%	46,628	1.25%
Old Mutual Life	871,696	20.93%	855,235	20.21%	853,381	27.47%	778,294	19.34%	676,778	18.17%
Pioneer Assurance	109,158	2.62%	98,437	2.33%	81,379	2.62%	143,430	3.56%	55,750	1.50%
Sanlam Life	910,276	21.86%	762,167	18.01%	655,146	21.09%	654,367	16.26%	478,485	12.85%
UAP Life	72,219	1.73%	72,219	1.71%	27,201	0.88%	33,501	0.83%	23,444	0.63%
Total	4,164,268	100.00%	4,230,851	100.00%	3,107,048	100.00%	4,024,390	100.00%	3,723,905	100.00%

Table 46: Unit Linked Fund Size in KES '000 and Market Share %, 2017-2021

Company	Fund as at end of the year 2017	Market Share	Fund as at end of the year 2018	Market Share	Fund as at end of the year 2019	Market Share	Fund as at end of the year 2020	Market Share	Fund as at end of the year 2021	Market share
APA Life	15,729	0.07%	11,257	0.04%	5,717	0.02%	-	0.00%	-	0.00%
Britam Life	4,025,506	17.63%	3,003,325	11.28%	3,353,497	11.98%	3,285,009	11.56%	4,276,659	23.20%
CIC Life	536,926	2.35%	474,554	1.78%	514,972	1.84%	523,663	1.84%	546,552	2.97%
ICEA Lion Life	439,693	1.93%	307,348	1.15%	287,589	1.03%	208,208	0.73%	198,734	1.08%
Kenyan Alliance	20,731	0.09%	43,033	0.16%	223,930	0.80%	355,751	1.25%	383,673	2.08%
Liberty Life	3,291,241	14.41%	9,892,067	37.16%	11,060,927	39.52%	12,829,118	45.14%	3,741,524	20.30%
Madison Life	159,174	0.70%	102,679	0.39%	74,603	0.27%	35,319	0.12%	24,385	0.13%
Metropolitan Cannon Life	774,814	3.39%	774,814	2.91%	748,014	2.67%	750,942	2.64%	697,976	3.79%
Old Mutual Life	6,199,305	27.15%	6,157,666	23.13%	6,755,310	24.14%	5,767,071	20.29%	5,159,116	27.99%
Pioneer Assurance	-	0.00%	166,145	0.62%	182,616	0.65%	312,825	1.10%	336,589	1.83%
Sanlam Life	6,562,770	28.74%	4,856,628	18.24%	4,001,245	14.30%	3,776,327	13.29%	2,671,610	14.49%
UAP Life	811,031	3.55%	834,023	3.13%	776,641	2.78%	574,016	2.02%	396,144	2.15%
Total	22,836,920	100.00%	26,623,539	100.00%	27,985,061	100.00%	28,418,249	100.00%	18,432,961	100.00%

Figure 40: Unit Linked Premium Distribution Per Channel



Tied agents are the major distribution channel for this class of business contributing to 96.54% of the total unit linked premium in 2021. This is an increase compared to 2020, where tied agents contributed to 74.10% of the total contributions. This poses a huge concentration risk to the insurance companies.

LIFE INSURANCE: GROUP LIFE BUSINESS



Group Life business experienced an increase in 2021 with the gross premiums increasing from 26.12 billion in 2020 to 36.13 billion in 2021. Growth was especially high for investment and other income in 2021 at 107.23% compared to 2020. Another component that experienced significant growth was claims and benefits, with a 72.82% growth in 2021 in comparison to 2020. The high growth in group life can be attributed to the economic recovery in 2021 from the slump in 2020 caused by the pandemic.

Table 47: Group Life Insurance Performance, 2020-2021

	2020	2021	Growth 2020-2021
Gross premiums	26,124,621	36,132,408	38.31%
Reinsurance ceded	6,512,672	8,860,556	36.05%:
Claims and Benefits	12,087,677	20,890,148	72.82%
Total expenses	6,745,612	7,950,048	17.86%
Investment and other income	7,317,040	15,163,187	107.23%

Figure 41: Gross Written Premium in Group Life, 2017-2021 KES' 000

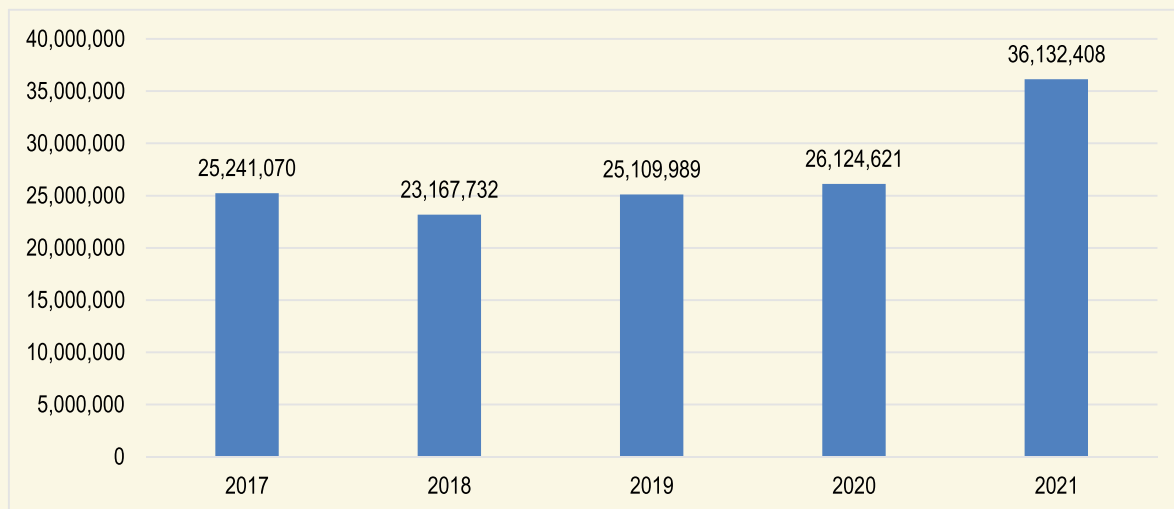
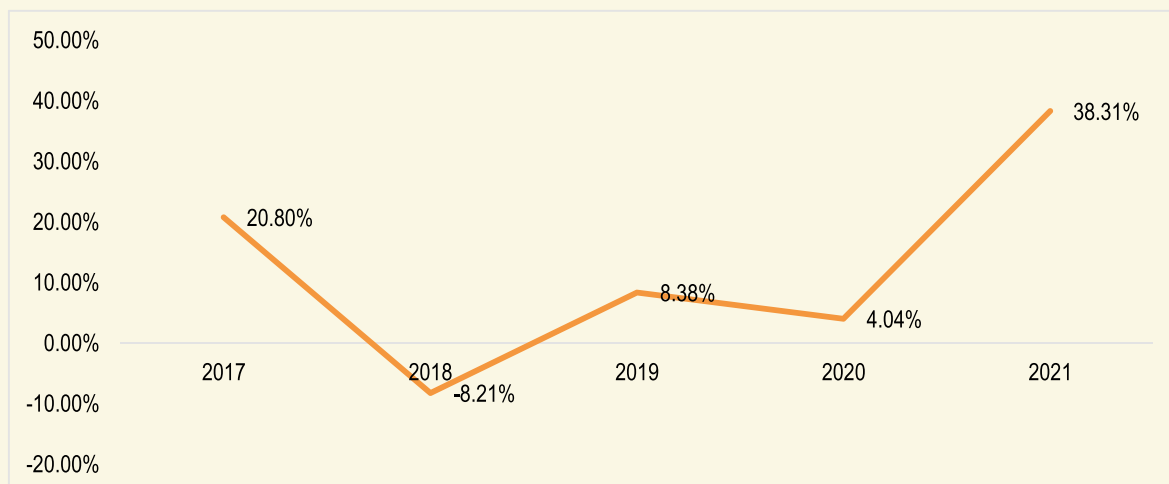


Figure 42: Annual Group Life Premium Growth Rate, 2017-2021

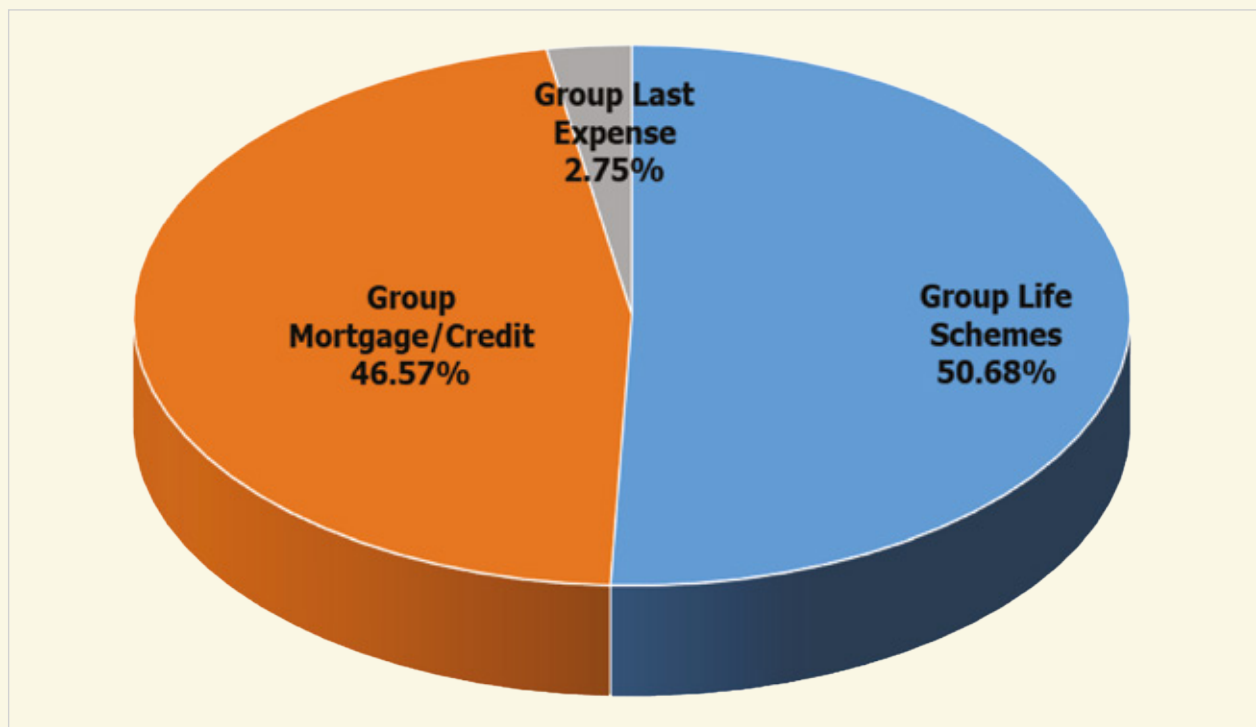


Gross Written Premium increased from KES 26.124 billion in 2020 to KES 36.132 billion in 2021, a 38.31% growth. The five-year period experienced an average 12.66% growth rate

Table 48: Group Life: Gross Written Premium in KES '000 and Market Share %, 2017-2021

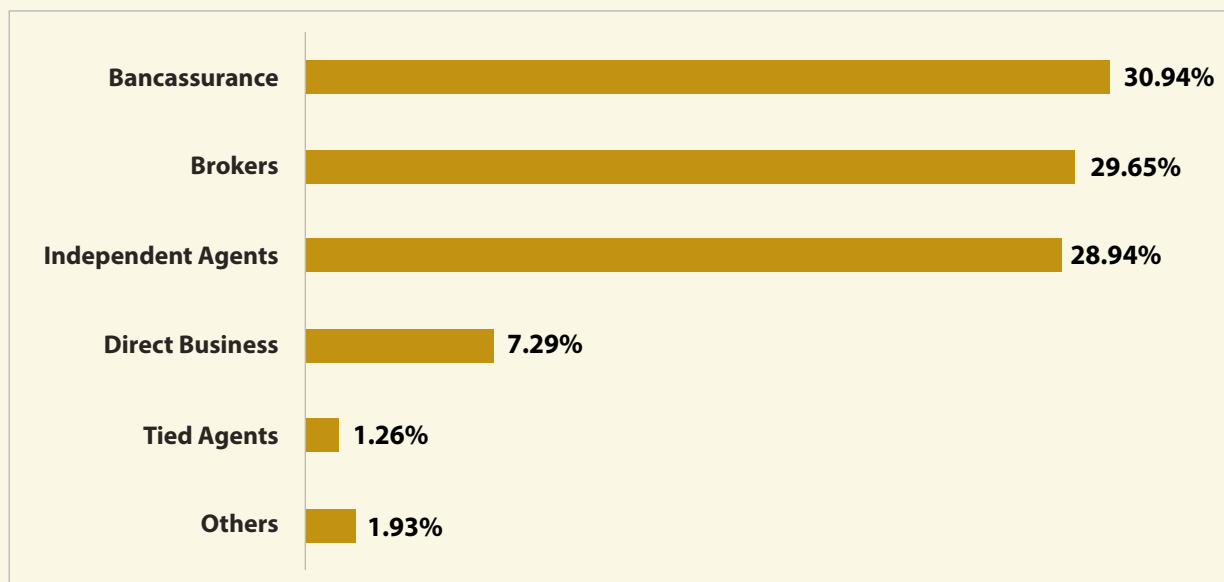
Company	2017		2018		2021		2020		2021	
	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share	Gross Premium	Market Share
APA Life	829,996	3.29%	837,511	3.61%	759,906	3.03%	1,018,035	3.90%	1,745,613	4.83%
ABSA Life	1,174,813	4.65%	1,402,192	6.05%	2,133,696	8.50%	2,106,017	8.06%	3,793,461	10.50%
Britam Life	1,657,389	6.57%	2,306,431	9.96%	2,039,140	8.12%	2,157,816	8.26%	3,769,641	10.43%
Capex	52,189	0.21%	171,137	0.74%	174,456	0.69%	259,256	0.99%	270,976	0.75%
CIC Life	3,048,775	12.08%	3,274,256	14.13%	3,559,770	14.18%	3,766,118	14.42%	4,965,184	13.74%
Corporate	534	0.00%	1,605	0.01%	14,044	0.06%	32,282	0.12%	21,310	0.06%
GA Life	33,088	0.13%	37,014	0.16%	37,012	0.15%	47,082	0.18%	54,088	0.15%
Geminia	132,261	0.52%	481,835	2.08%	940,474	3.75%	915,482	3.50%	748,966	2.07%
ICEA Lion Life	3,736,775	14.80%	1,327,933	5.73%	1,049,198	4.18%	1,793,363	6.86%	3,392,493	9.39%
Jubilee Life	2,959,992	11.73%	1,583,574	6.84%	2,170,317	8.64%	1,721,251	6.59%	2,106,102	5.83%
Kenindia	451,631	1.79%	519,848	2.24%	462,770	1.84%	845,180	3.24%	704,389	1.95%
Kenya Orient Life	200,579	0.79%	484,725	2.09%	549,930	2.19%	615,998	2.36%	868,260	2.40%
Kenyan Alliance	579,712	2.30%	198,833	0.86%	251,021	1.00%	267,510	1.02%	237,157	0.66%
KUSSCO Mutual	-	0.00%	-	0.00%	449,631	1.79%	791,561	3.03%	1,418,000	3.92%
Liberty Life	856,690	3.39%	920,991	3.98%	1,115,520	4.44%	954,026	3.65%	1,179,131	3.26%
Madison Life	1,269,548	5.03%	1,751,370	7.56%	1,889,420	7.52%	2,097,931	8.03%	1,311,713	3.63%
Metro-politan Cannon Life	569,909	2.26%	146,416	0.63%	172,312	0.69%	261,922	1.00%	330,470	0.91%
The Monarch	23,778	0.09%	50,788	0.22%	47,185	0.19%	104,662	0.40%	104,662	0.29%
Old Mutual Life	281,315	1.11%	273,728	1.18%	328,287	1.31%	344,561	1.32%	417,180	1.15%
Sanlam Life	1,773,010	7.02%	1,789,899	7.73%	1,669,025	6.65%	2,310,947	8.85%	4,304,832	11.91%
Pioneer Life	4,266,197	16.90%	4,504,432	19.44%	4,059,402	16.17%	2,644,861	10.12%	2,497,251	6.91%
Prudential Life	180,269	0.71%	223,646	0.97%	365,504	1.46%	376,952	1.44%	713,734	1.98%
UAP Life	915,335	3.63%	703,633	3.04%	767,219	3.06%	689,674	2.64%	1,177,795	3.26%
Saham***	19,606	0.08%	6,484	0.03%	2,953	0.01%	2,134	0.01%	-	0.00%
First Assurance***	168,783	0.67%	109,189	0.47%	93,236	0.37%	-	-	-	0.00%
Takaful***	58,896	0.23%	60,262	0.26%	8,561	0.03%	-	0.00%	-	0.00%
Total	25,241,070	100.00%	23,167,732	100.00%	25,109,989	100%	26,124,621	100%	36,132,408	100.00%

Figure 43: Group Life Insurance Premium Per Product Line



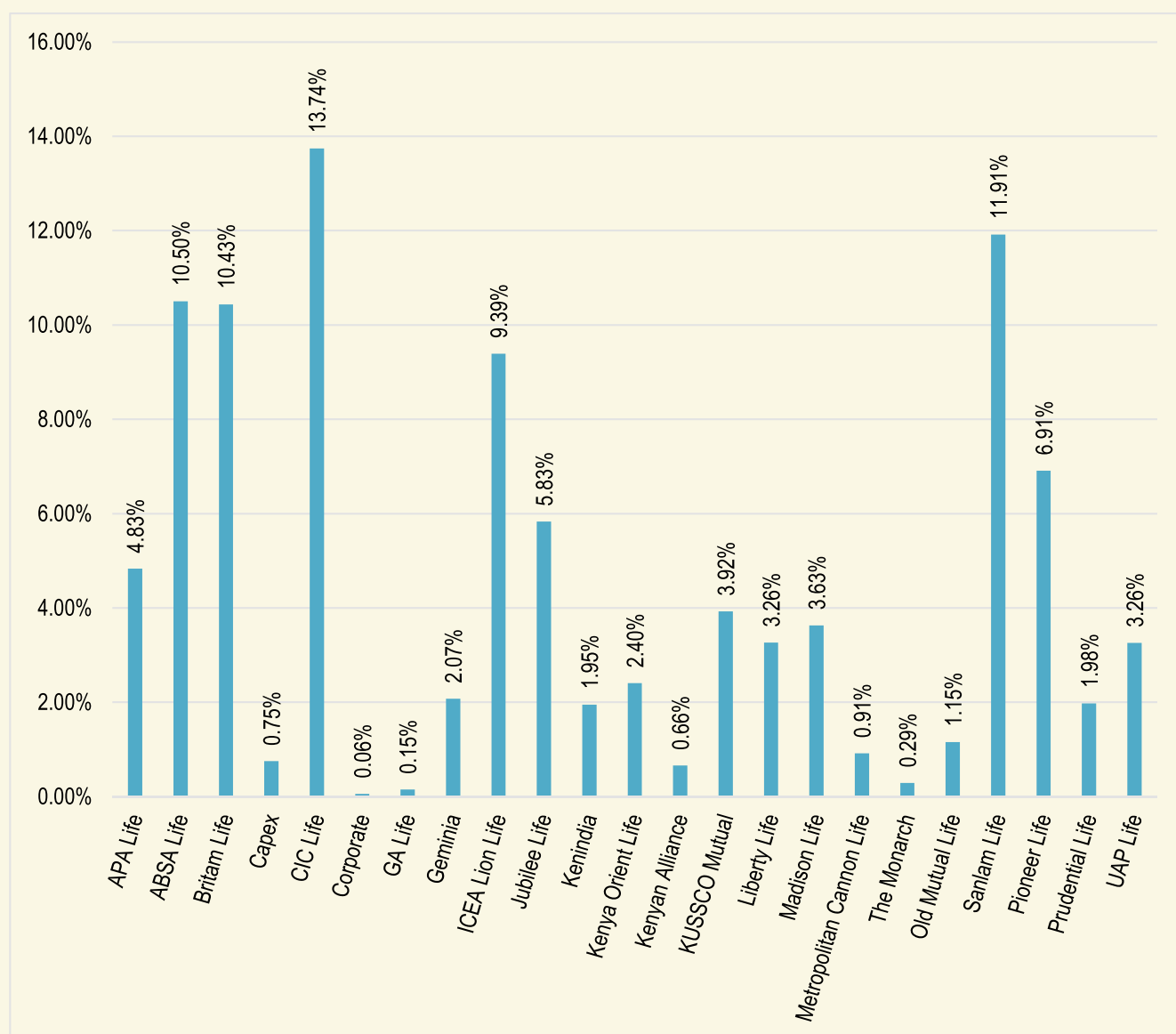
Group life schemes was the highest contributor to the group life insurance premiums with 50.68% of the premiums. Group mortgage/credit contributed 46.57% and group last expense 2.75%.

Figure 44: Group Life Insurance Premium Distribution Per Channel



Bancassurance channel distributed 30.94% of the total group life premium in 2021. Brokers and independent agents distributed 29.65% and 28.94% respectively.

Figure 45: Group Life Insurance Market Share Per Company, 2021



23 companies reported group life insurance business in 2021. Four companies recorded a market share of 10% and above, accounting for more than 45% market share. The top 10 companies represented an 81.10% of the premium contribution.

Table 49: Group Life Business Summary 2021 in KES '000

Company	Gross premiums	Reinsur- ance	Net premium	Investment income & other income	Claims & benefits	Commis- sions net	Operating & other expenses	Total expenses
APA Life	1,745,613	526,908	1,218,705	192,081	666,509	252,801	144,967	397,768
ABSA Life	3,793,461	1,171,880	2,621,581	136,611	1,927,041	685,052	356,754	1,041,806
Britam Life	3,769,641	945,244	2,824,397	603,319	1,264,829	266,868	707,599	974,467
Capex Life	270,976	56,160	214,816	942	57,994	30,103	31,871	61,974
CIC Life Assurance	4,965,184	1,663,492	3,301,692	391,511	2,184,877	50,682	1,125,902	1,176,584
Corporate	21,310	11,869	9,441	6,632	71	646	2,982	3,053
GA Life	54,088	47,306	6,782	1,104	2,521	10,340	12,744	23,084
Geminia Life	748,966	246,058	502,908	601,464	1,014,596	43,031	220,697	263,728
ICEA Lion Life	3,392,493	271,371	3,121,122	1,688,632	1,813,634	90,065	170,037	260,102
Jubilee Life	2,106,102	441,445	1,664,657	8,573,650	550,230	145,748	525,434	671,182
Kenindia	704,389	31,940	672,449	379,104	319,642	15,798	2,630	18,428
Kenya Orient Life	868,260	62,699	805,561	127,838	286,372	62,470	241,183	303,653
Kenyan Alliance	237,157	103,662	133,495	37,333	128,389	17,888	28,377	46,265
KUSSCO Mutual	1,418,000	426,323	991,677	189,140	703,161	112,142	280,016	392,158
Liberty Life	1,179,131	278,280	900,851	68,495	849,906	112,433	107,808	220,241
Madison Life	1,311,713	128,286	1,183,427	290,516	2,276,087	55,986	271,133	327,119
Metropoli- tan Cannon Life	330,470	179,184	151,286	49,259	355,885	35,510	113,158	148,668
Monarch	104,662	61,199	43,463	25,345	126,095	7,692	46,996	54,688
Old Mutual Life	417,180	101,395	315,785	21,334	301,897	45,460	82,209	127,669
Sanlam Life	4,304,832	1,025,179	3,279,653	1,474,158	2,059,535	166,943	198,454	365,397
Pioneer Assurance	2,497,251	490,843	2,006,408	194,278	3,194,770	231,193	241,242	472,435
Prudential Life Assurance	713,734	138,311	575,423	54,382	268,340	75,252	298,912	374,164
UAP Life	1,177,795	451,522	726,273	56,059	537,767	47,158	178,257	225,415
Total	36,132,408	8,860,556	27,271,852	15,163,187	20,890,148	2,561,261	5,389,362	7,950,623

LIFE INSURANCE: DEPOSIT ADMINISTRATION/ PENSIONS BUSINESS



Deposit Administration / Pension contributions have experienced a positive trend through the five-year period from 2017-2021, with an average growth rate of 11.94%. 2021 experienced the highest growth rate at 21.08%, from KES 40.94 billion in 2020 to KES 49.59 billion in 2021.

Figure 46: Growth in Deposit Administration / Pension Contributions 2017-2021 in KES '000

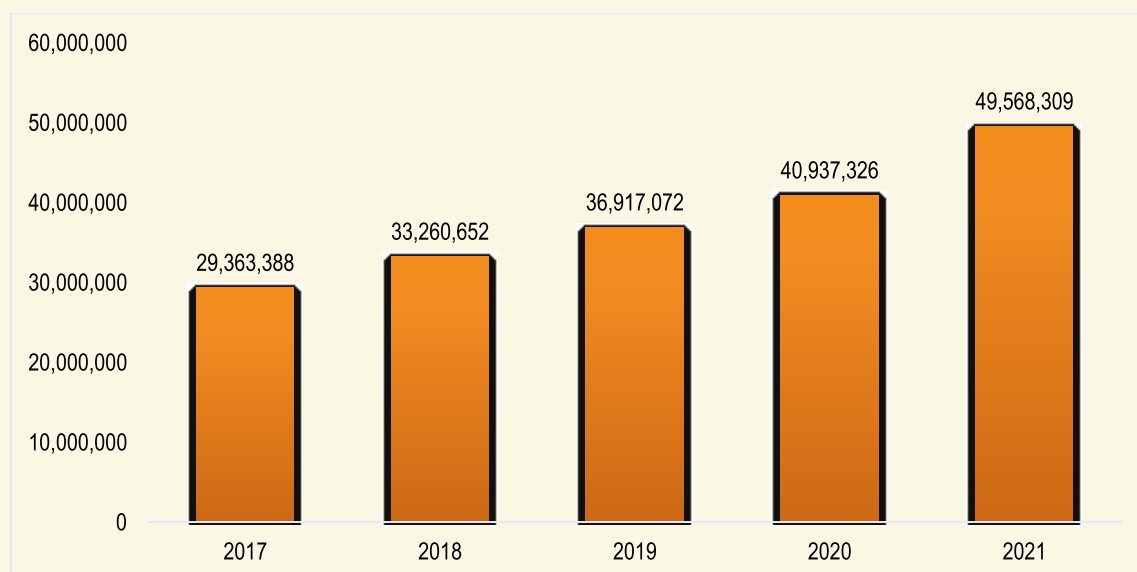


Figure 47: Deposit Administration / Pension Contribution Growth Rate, 2017-2021

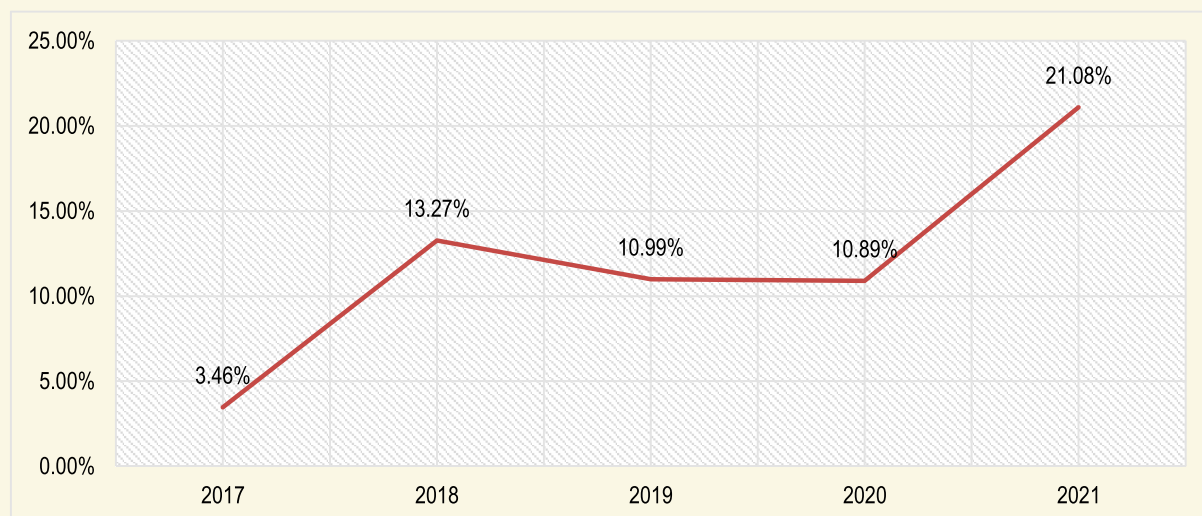
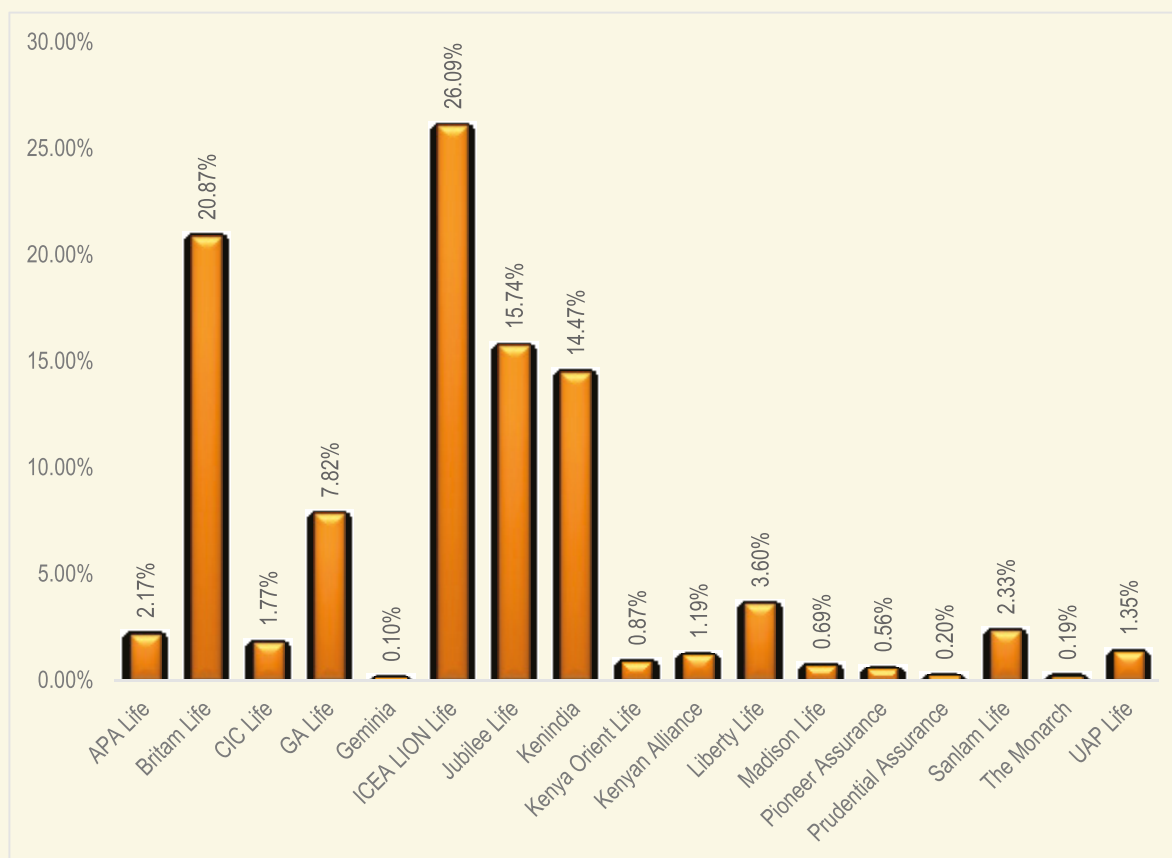


Table 50: Deposit Administration/Pension Contribution Market Share Per Company 2017-2021, KES '000

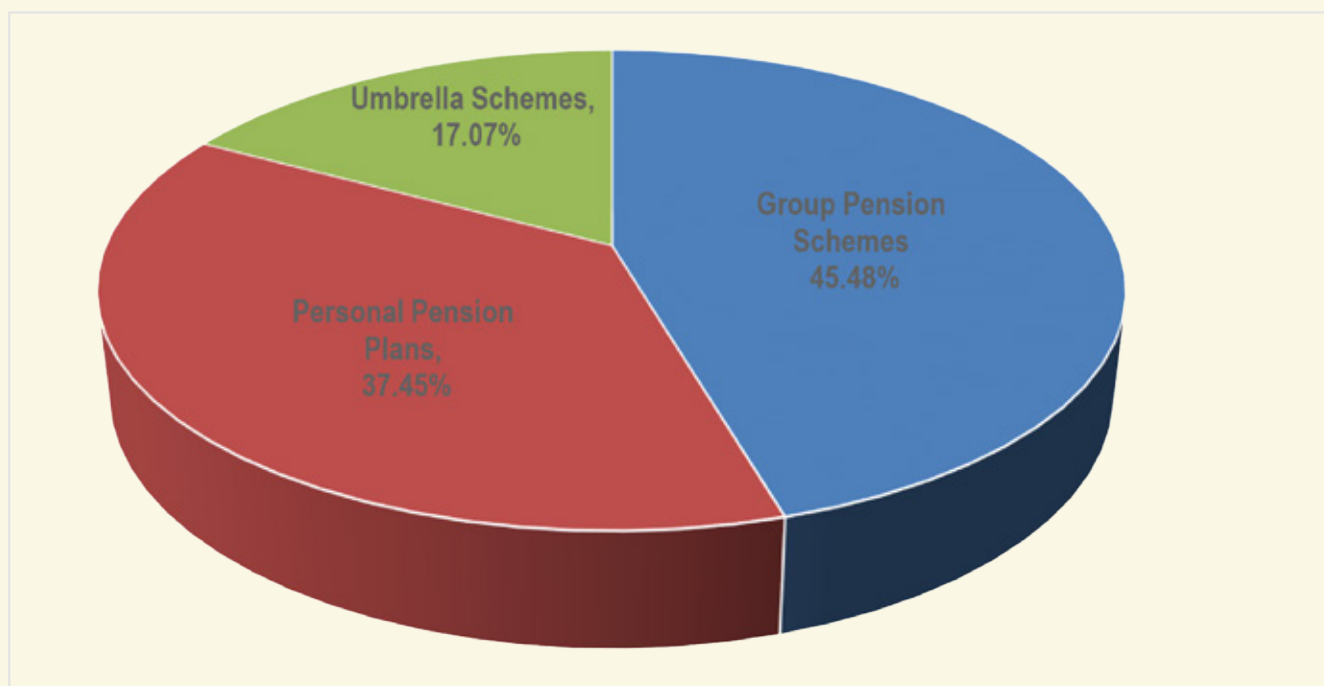
Company	2017		2018		2019		2020		2021	
	Contributions	Market Share	Contributions	Market Share	Contributions	Market Share	Contributions	Market Share	Contributions	Market Share
APA Life	585,374	1.99%	530,487	1.59%	609,152	1.65%	538,787	1.32%	1,073,786	2.17%
Britam Life	6,596,029	22.46%	8,190,708	24.63%	9,413,229	25.50%	9,875,521	24.12%	10,344,921	20.87%
CIC Life	760,324	2.59%	981,143	2.95%	1,074,234	2.91%	980,107	2.39%	879,807	1.77%
GA Life	1,585,354	5.40%	1,634,869	4.92%	2,573,677	6.97%	2,967,811	7.25%	3,876,177	7.82%
Geminia	-	-	-	-	132,377	0.36%	134,551	0.33%	50,781	0.10%
ICEA LION Life	6,544,852	22.29%	8,242,547	24.78%	8,660,745	23.46%	9,967,190	24.35%	12,930,263	26.09%
Jubilee Life	6,681,994	22.76%	7,642,301	22.98%	8,277,933	22.42%	7,820,604	19.10%	7,800,957	15.74%
Kenindia	2,954,607	10.06%	3,578,788	10.76%	3,535,194	9.58%	3,854,856	9.42%	7,174,252	14.47%
Kenya Orient Life	61,490	0.21%	71,179	0.21%	100,344	0.27%	475,932	1.16%	431,225	0.87%
Kenyan Alliance	447,248	1.52%	225,461	0.68%	362,589	0.98%	462,251	1.13%	588,573	1.19%
Liberty Life	1,330,920	4.53%	503,298	1.51%	395,740	1.07%	1,795,835	4.39%	1,783,990	3.60%
Madison Life	281,723	0.96%	365,967	1.10%	334,285	0.91%	325,059	0.79%	341,746	0.69%
Pioneer Assurance	121,136	0.41%	242,662	0.73%	369,793	1.00%	248,454	0.61%	275,537	0.56%
Prudential Assurance	-	-	-	-	21,252	0.06%	98,145	0.24%	99,374	0.20%
Saham Assurance	157,921	0.54%	17,978	0.05%	25,632	0.07%	717	0.00%	-	0.00%
Sanlam Life	411,797	1.40%	210,414	0.63%	192,425	0.52%	696,654	1.70%	1,154,680	2.33%
The Monarch	11,568	0.04%	39,905	0.12%	121,961	0.33%	93,661	0.23%	93,661	0.19%
UAP Life	831,051	2.83%	782,945	2.35%	716,510	1.94%	601,191	1.47%	668,579	1.35%
Total	29,363,388	100%	33,260,652	100%	36,917,072	100%	40,937,326	100.00%	49,568,309	100.00%

Figure 48: Deposit Administration / Pension Contributions Market Share Per Company



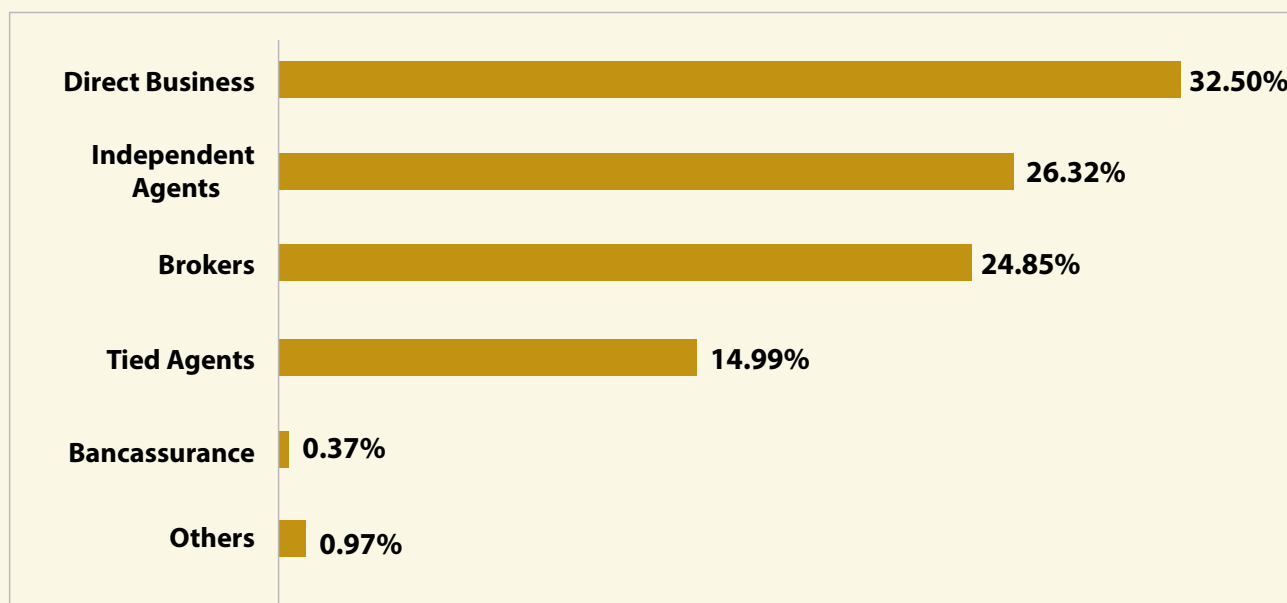
4 out of 18 companies had a market share of more than 10% each, accounting for 77.71% market share, while the top 10 companies had a 96.21% market share, in terms of pension administration premium contribution in 2021.

Figure 49: Deposit Administration / Pension Contributions Per Product Line



Group Pension schemes account for the highest contributions with 45.48% of the total contributions. Personal Pension Plans and Umbrella schemes contributed 37.45% and 17.07% respectively.

Figure 50: Deposit Administration / Pension Fund Contributions Distribution Per Channel



Direct business contributed the highest share at 32.50%. Independent agents and brokers distributed 26.32% and 24.85% respectively.

Table 51: Deposit Administration / Pension Performance, 2020-2021 in KES' 000

Company	Pensions Contributions 2020	Market Share 2020	Pensions Contributions - 2021	Market Share - 2021	Interest rate 2020	Interest rate 2021	Surrenders and Annuities Paid 2020	2021 Surrenders and Annuities Paid	Interests Rates payable to policy holders 2020	Interests Rates payable to policy holders 2021	Fund as at end of year 31/12/2020	Fund as at end of year 31/12/2021	Fund Market Share 2020	Fund Market Share 2021
APA Life	538,787	1.32%	1,073,786	2.17%	10.00%	10.00%	505,454	726,551	411,626	449,187	4,544,553	5,340,975	1.84%	1.89%
Britam Life	9,875,521	24.12%	10,344,921	20.87%	6.00%	10.00%	6,389,964	11,027,147	2,734,636	4,778,125	48,736,147	52,832,046	19.78%	18.72%
CIC Life	980,107	2.39%	879,807	1.77%	7.00%	10.00%	574,612	517,757	507,401	490,028	4,946,353	5,798,488	2.01%	2.05%
GA Life	2,967,811	7.25%	3,876,177	7.82%	10.50%	11.25%	849,633	1,320,183	1,202,096	1,663,657	13,640,574	17,860,225	5.54%	6.33%
Geminia	134,551	0.33%	50,781	0.10%	8.00%	9.50%	-	-	8,925	30,713	307,580	389,074	0.12%	0.14%
ICEA LION Life	9,967,190	24.35%	12,930,263	26.09%	8.00%	9.25%	7,775,420	8,416,143	4,576,222	5,999,234	62,603,711	72,876,041	25.41%	25.83%
Jubilee Life	7,820,604	19.10%	7,800,957	15.74%	8.81%	10.12%	7,467,127	8,353,356	4,736,351	5,956,320	59,156,446	64,560,367	24.01%	22.88%
Kenya Orient Life	475,932	1.16%	431,225	0.87%	10.00%	10.00%	101,255	109,995	30,554	73,646	576,527	973,403	0.23%	0.34%
Kenindia	3,854,856	9.42%	7,174,252	14.47%	10.75%	10.75%	4,318,320	3,627,021	3,237,525	3,969,746	29,383,511	36,603,770	11.92%	12.97%
Kenyan Alliance	462,251	1.13%	588,573	1.19%	9.00%	9.00%	463,905	248,180	82,446	142,792	2,862,996	2,575,009	1.16%	0.91%
Liberty Life	1,795,835	4.39%	1,783,990	3.60%	4.24%	4.00%	2,028,288	1,705,684	371,737	881,513	8,937,304	9,815,478	3.63%	3.48%
Madison Life	325,059	0.79%	341,746	0.69%	8.00%	11.00%	444,389	467,438	226,946	327,614	3,287,297	3,489,219	1.33%	1.24%
Monarch	93,661	0.23%	93,661	0.19%	10.00%	10.00%	31,073	31,073	28,177	28,177	284,922	284,922	0.12%	0.10%
Sanlam Life	696,654	1.70%	1,154,680	2.33%	5.00%	6.00%	402,062	259,863	144,090	184,914	1,546,628	2,592,275	0.63%	0.92%
Pioneer Assurance	248,454	0.61%	275,537	0.56%	9.00%	10.25%	85,281	226,284	89,098	120,333	1,137,602	1,303,029	0.46%	0.46%
Saham Assurance***	717	0.00%	-	0.00%	10.00%	0.00%	99,714	-	3,760	-	37,929	-	0.02%	0.00%
Prudential Assurance	98,145	0.24%	99,374	0.20%	12.00%	12.00%	-	-	9,331	12,088	129,257	240,719	0.05%	0.09%
UAP Life	601,191	1.47%	688,579	1.35%	6.00%	6.00%	612,331	568,359	37,004	257,962	4,295,769	4,653,951	1.74%	1.65%
Total	40,937,326	100.00%	49,568,309	100%	8.46%	9.36%	32,148,828	37,605,033	18,437,925	25,366,049	246,417,106	282,188,991	100.00%	100.00%

*** - No longer carrying out deposit Administration / Pension business

Figure 51: Deposit Administration / Pension Average Interest Rates Declared 2017-2021

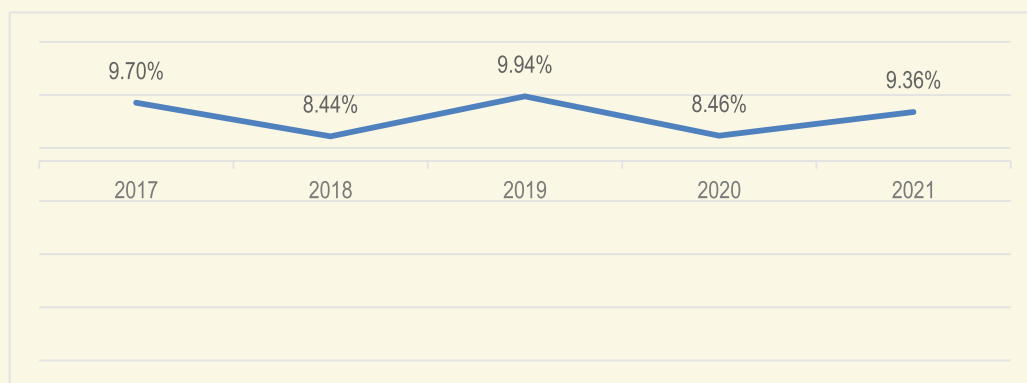


Table 52: Average Investments of Other Consumers in the Market, 2021

Dec-21	Rates
90 Day T-Bill	7.26%
Central Bank Rate	7%
Interbank rate	5.10%
Average Lending Rate (Commercial Banks)	12.16%
Average deposit rate (Commercial Banks)	6.50%

Source: KNBS, 2022 Economic survey

Table 53: Deposit Administration/Pension Fund Size Per Company in KES' 000 & Growth Rate, 2017-2021

Company	Fund Size					Growth Rate				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
APA Life	3,115,339	3,497,314	4,099,594	4,544,553	5,340,975	19.75%	12.26%	17.22%	10.85%	17.52%
Britam Life	28,017,662	34,174,911	42,515,954	48,736,147	52,832,046	28.29%	21.98%	24.41%	14.63%	8.40%
CIC Life	2,113,915	3,124,116	4,190,013	4,946,353	5,798,488	65.19%	47.79%	34.12%	18.05%	17.23%
GA Life	5,632,504	7,423,931	10,320,300	13,640,574	17,860,225	45.83%	31.81%	39.01%	32.17%	30.93%
Geminia	-	-	164,104	307,580	389,074	0.00%	0.00%	0.00%	87.43%	26.50%
ICEA Lion Life	40,786,023	47,812,662	56,111,116	62,603,711	72,876,041	16.43%	17.23%	17.36%	11.57%	16.41%
Jubilee Life	41,262,186	46,699,824	54,066,618	59,156,446	64,560,367	17.55%	13.18%	15.77%	9.41%	9.13%
Kenya Orient Life	65,333	111,982	173,296	578,527	973,403	977.21%	71.40%	54.75%	233.84%	68.26%
Kenindia	21,760,403	23,238,228	26,813,564	29,383,511	36,603,770	13.61%	6.79%	15.39%	9.58%	24.57%
Kenyan Alliance	2,177,493	2,351,830	2,549,193	2,862,996	2,575,009	22.11%	8.01%	8.39%	12.31%	(10.06%)
Liberty Life	9,956,754	5,860,977	4,889,658	8,937,304	9,815,478	(3.96%)	(41.14%)	(16.57%)	82.78%	9.83%
Madison Life	2,423,272	2,826,008	3,179,681	3,287,297	3,489,219	0.22%	16.62%	12.51%	3.38%	6.14%
The Monarch	75,717	116,878	199,972	284,922	284,922	17.17%	54.36%	71.09%	42.48%	0.00%
Sanlam Life	1,433,027	1,107,372	1,131,718	1,546,628	2,592,275	(3.79%)	(22.72%)	2.20%	36.66%	67.61%
Pioneer Life	272,667	527,382	897,997	1,137,602	1,303,029	87.57%	93.42%	70.27%	26.68%	14.54%
Saham	849,874	650,086	140,686	37,929	-	0.00%	(23.51%)	(78.36%)	(73.04%)	(100.00%)
Prudential	-	-	-	129,257	240,719	0.00%	0.00%	0.00%	0.00%	86.23%
UAP Life	3,978,013	3,876,331	4,269,905	4,295,769	4,653,951	(19.79%)	(2.56%)	10.15%	0.61%	8.34%
Total	163,920,182	183,399,832	215,713,369	246,417,106	282,188,991	16.29%	11.88%	17.62%	14.23%	14.52%

Figure 52: Total Growth in Deposit Administration / Pension Fund Size, 2017-2021 KES' 000

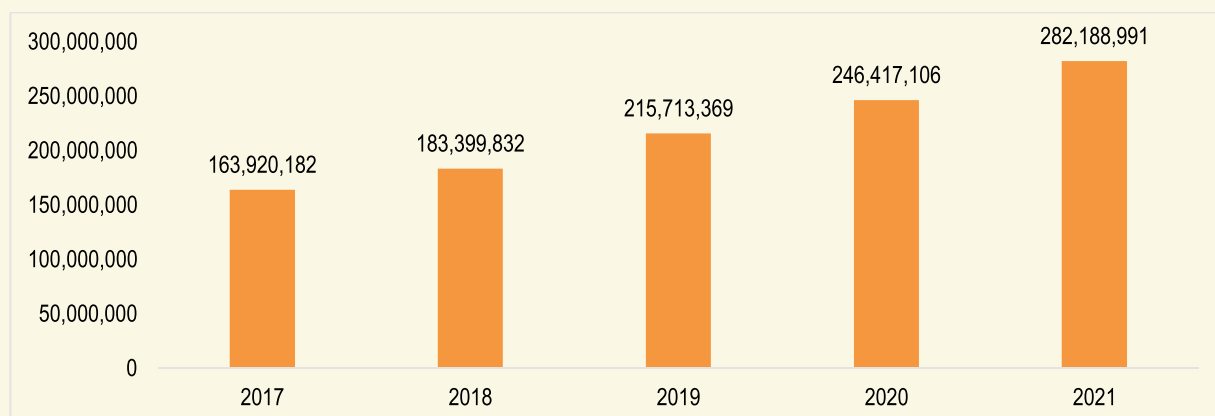
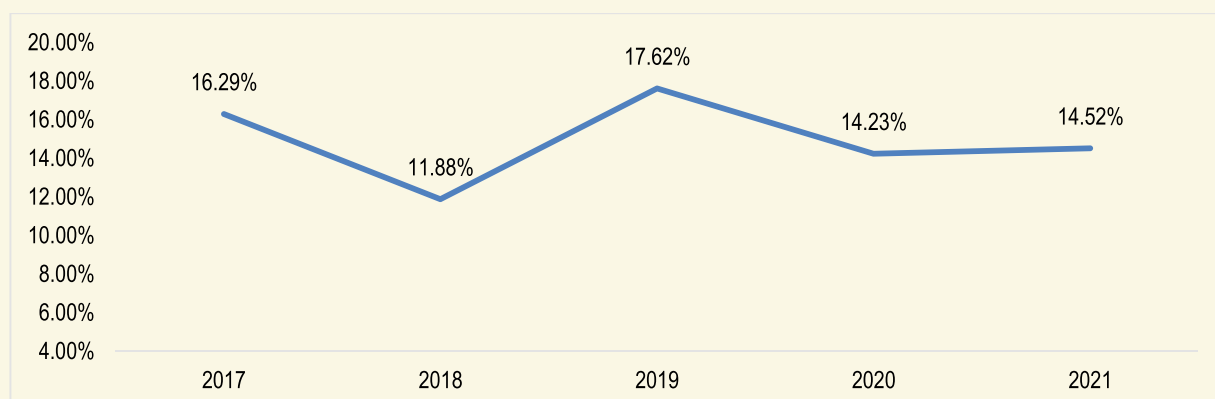


Figure 53: Deposit Administration / Pension Fund Size Growth Rate, 2017-2021



LIFE FINANCIAL RATIOS

Table 54: Loss, Expense and Combined Ratios for Group and Ordinary Life Insurance

Ratio	Loss Ratio		Expense Ratio		Combined Ratio		Net investment ratio		Operations ratio	
Class	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Ordinary Life	50.90%	59.10%	32.87%	37.11%	83.77%	96.21%	34.66%	31.36%	49.10%	64.85%
Group Life	76.60%	61.63%	29.15%	34.40%	105.75%	96.03%	55.60%	37.31%	50.15%	58.72%

Loss Ratio

This refers to the portion of the policy premium used up during the policy term. It's the ratio of claims and benefits to the net written premium. The ratio reduced in 2021 to 50.90% in comparison to 2020 where it was 59.10%, for ordinary life business. This was mainly due to increase in gross premiums and a decline in claims and benefits.

The ratio increased for group life business from 61.63% in 2020 to 76.60% in 2021. This increase is attributed to the increase in the reinsurance premiums ceded and a huge increase in claims and benefits.

Expense Ratio

It's a measure of profitability, calculated by dividing the expenses by the net premiums earned by the industry. The expense ratio reduced for both the ordinary and group lines of business. This reduction can be attributed to the general growth in gross premiums for both lines of business.

Combined Ratio

This is the comparison between the aggregated claim/benefits and expenses and the net premiums. The ratio reduced for ordinary life business from 96.21% in 2020 to 83.77% in 2021. This figure increased for group life business from 96.03% to 105.75% in 2020 and 2021, respectively.

Operations Ratio

This is the combined ratio less the net investment ratio. The ratio decreased for both ordinary and group life. Group life reduced from 58.72% in 2020 to 50.15% in 2021, while ordinary life reduced from 64.85% in 2020 to 49.10 in 2021.

Table 55: Summary of Life Insurance Business, 2021 in KES' 000

Company	Pension Contributions - 2021	Ordinary Life Gross Premium contributions	Group Life Gross Premium Contribution	Unit Trusts Gross Premiums	Gross Premium contribution	Market Share	Reinsurance	Claims Benefits & Surrenders	Commission	Operating & Other Expenses	Total Expenses	Investment and Other Income
APA Life	1,073,786	354,975	1,745,613	-	3,174,374	2.55%	527,277	1,397,555	345,175	257,249	602,424	247,340
ABSA Life	-	1,753,007	3,793,461	-	5,546,468	4.45%	1,171,880	2,193,560	872,997	553,365	1,426,362	498,928
Britam Life	10,344,921	10,425,537	3,769,641	135,4031	25,894,130	20.77%	959,212	17,911,224	1,403,654	2,752,477	4,156,131	3,924,893
Capex Life	-	187,670	270,976	-	458,646	0.37%	56,160	240,285	37,628	159,354	196,982	4,711
CIC Life	879,807	1,151,929	4,965,184	21,056	7,017,976	5.63%	1,675,694	3,552,441	136,928	1,363,597	1,500,525	847,022
Corporate	-	166,660	21,310	-	187,970	0.15%	12,073	289,830	19,556	26,301	45,857	35,370
GA Life	3,876,177	1,197,308	54,088	-	5,127,573	4.11%	47,306	22,954	18,856	35,664	54,520	85,467
Geminia	50,781	66,215	748,966	-	865,962	0.69%	246,058	2,402,670	65,911	221,221	287,132	849,159
IOEA LION Life	12,930,263	3,663,225	3,392,493	14,505	20,000,486	16.04%	306,447	13,469,592	767,609	850,651	1,618,260	3,387,406
Jubilee Life	7,800,957	4,030,023	2,106,102	-	13,937,082	11.18%	452,210	11,797,918	812,271	977,761	1,790,032	9,891,493
Kenindia	7,174,252	3,241,908	704,399	-	11,120,549	8.92%	36,461	4,468,478	169,390	373,581	542,971	2,159,183
Kenya Orient Life	431,225	41,993	868,260	-	1,341,478	1.08%	62,699	396,557	67,197	256,394	323,591	133,305
Kenyan Alliance	588,573	17,896	237,157	169109	1,012,735	0.81%	103,662	385,917	20,400	33,107	53,507	66,150
KUSSCO Mutual	-	52	1,418,000	-	1,418,052	1.14%	426,323	703,201	112,146	280,026	392,172	189,147
Liberty Life	1,783,990	1,402,709	1,179,131	882,056	5,247,886	4.21%	285,352	3,263,147	238,016	175,982	413,998	752,821
Madison Life	341,746	1,765,432	1,311,713	2,063	3,420,954	2.74%	128,286	3,517,683	311,066	763,311	1,074,377	712,161
Metropolitan Cannon Life	-	61,838	330,470	46,628	438,936	0.35%	179,448	406,196	35,510	198,523	234,033	128,572
The Monarch	93,661	26,071	104,662	-	224,394	0.18%	61,330	163,302	11,595	71,206	82,801	32,061
Old Mutual Life	-	1,165,535	417,180	676,778	2,259,493	1.81%	195,316	1,342,081	297,771	626,212	923,983	506,096
Sanlam Life	1,154,680	2,585,049	4,304,832	478,485	8,523,046	6.84%	1,084,350	2,962,605	539,375	898,594	1,437,969	2,024,993
Pioneer Assurance	275,537	1,096,327	2,497,251	55,750	3,924,865	3.15%	492,998	3,626,665	501,411	536,096	1,037,507	333,321
Prudential Assurance	99,374	373,743	713,734	-	1,186,851	0.95%	142,932	385,087	150,321	493,707	644,028	113,296
UAP Life	668,579	485,765	1,177,795	23,444	2,355,583	1.89%	453,148	1,418,877	72,807	547,385	620,192	377,861
Total	49,568,309	35,260,867	36,132,408	3,723,905	124,685,489	100%	9,106,622	76,317,814	7,007,590	12,451,764	19,459,354	27,300,756

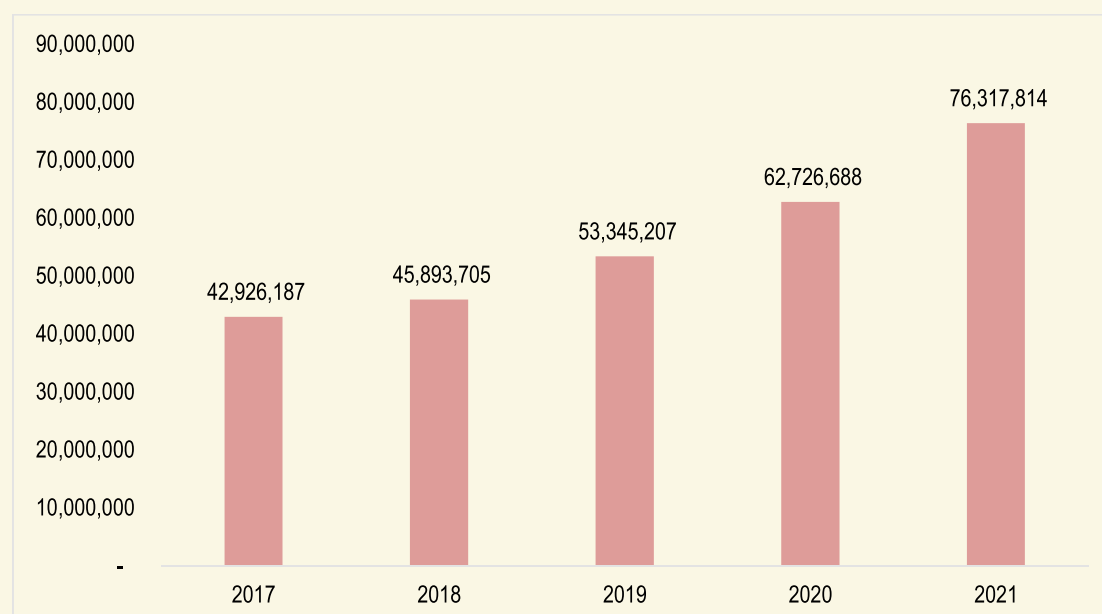
CLAIMS AND BENEFITS

Table 56: Claims and Benefits Paid, 2017-2021 in KES '000

Class	2017		2018		2019		2020		2021	
	Gross Claims	Share	Gross Claims	Share	Gross Claims	Share	Gross Claims	Share	Gross Claims	Share
Ordinary Life	10,600,782	24.70%	10,221,060	22.27%	17,588,954	32.97%	18,490,183	29.48%	17,822,633	23.35%
Group Life	11,554,533	26.92%	11,163,494	24.32%	12,110,006	22.70%	12,087,677	19.27%	20,890,148	27.37%
Deposit Administration	20,770,872	48.39%	24,509,152	53.40%	23,646,247	44.33%	32,148,828	51.25%	37,605,033	49.27%
Total	42,926,187	100.00%	45,893,705	100.00%	53,345,207	100.00%	62,726,688	100.00%	76,317,814	100.00%

Life insurance claims and benefits paid have been steadily increasing over the last five years from KES 42.93 billion in 2017 to KES 76.32 billion in 2021. Deposit administration has the biggest share at 49.27% of the market, followed by group life and ordinary life respectively. Ordinary life claims experienced a 4% decline in 2021, while group and Deposit administration had an increase of 73% and 17% respectively.

Figure 54: Claims and Benefits Paid, 2017-2021 in KES' 000



Total claims and benefits paid experienced an average growth rate of 14.17% over the 5-year period.

LIFE INSURANCE EXPENSES

Total expenses increased in 2021 to KES 19.46 billion in from KES 18.36 billion in 2020, a 6% growth rate. On average, the total expenses had a growth rate of 3.46% in the 5-year period.

Figure 55: Total Expenses for Ordinary and Group Life, 2017-2021 in KES '000

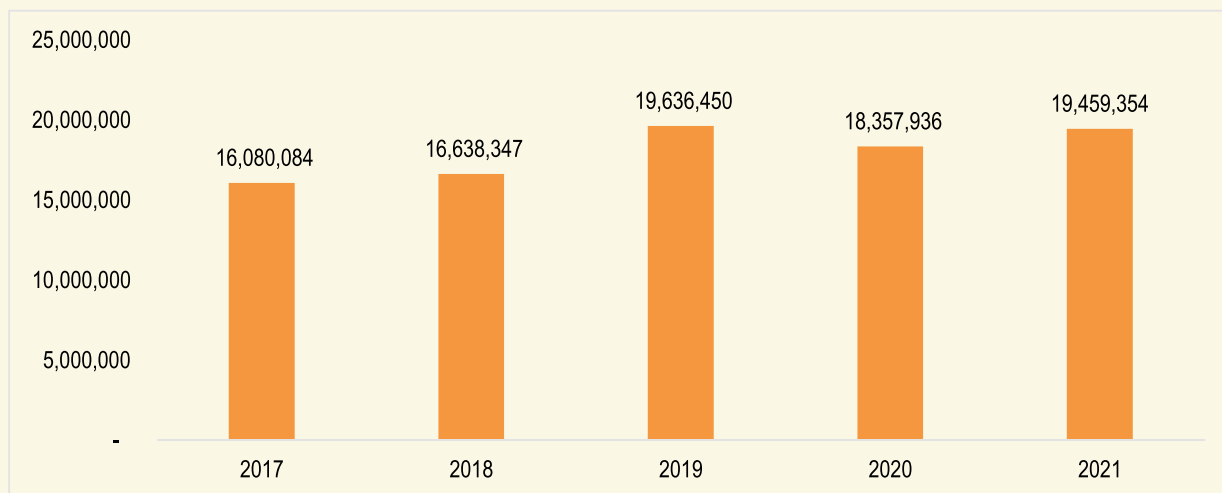
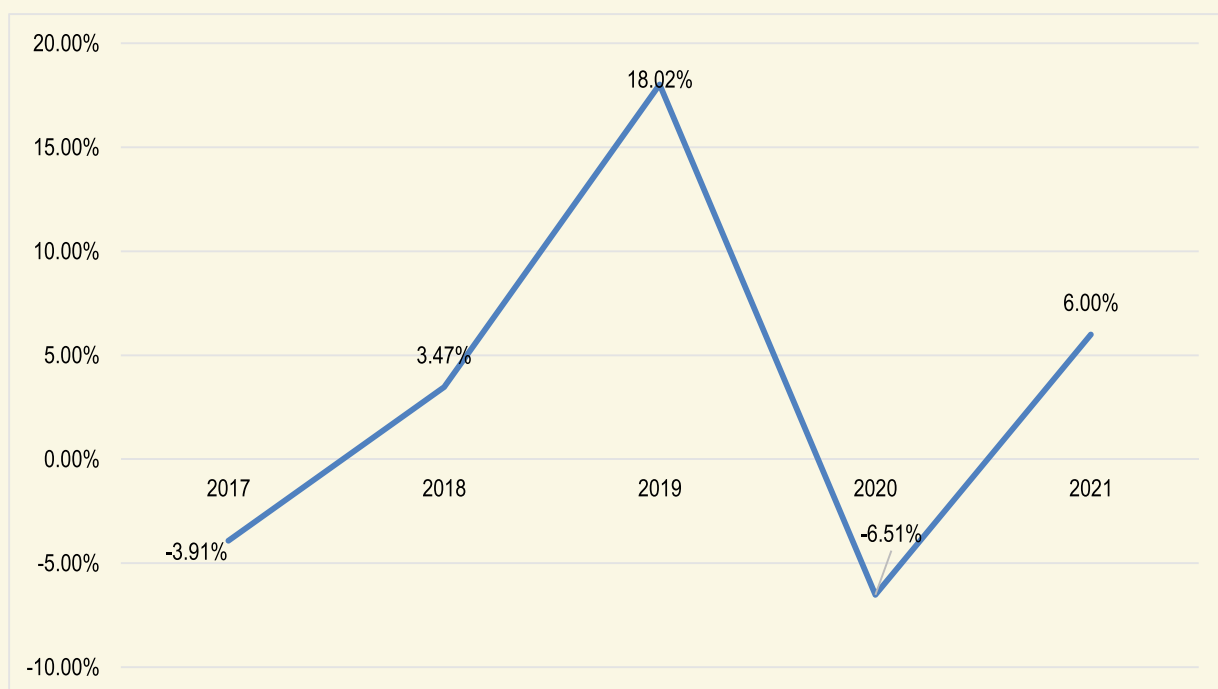


Figure 56: Total Expenses Growth Rate for Ordinary and Group Life, 2017-2021



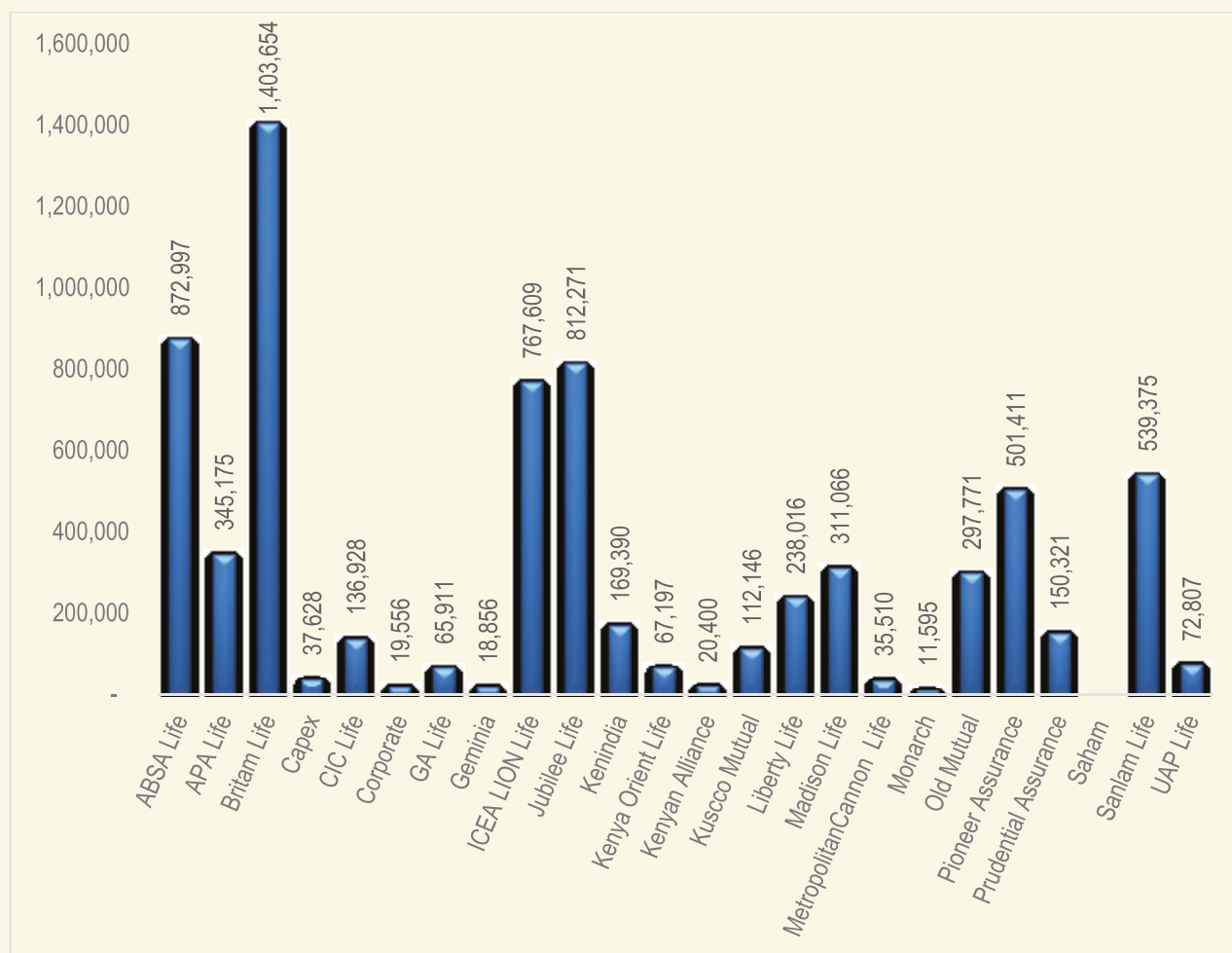
COMMISSIONS

Table 57: Total Commissions for Ordinary and Group Life Business Per Company 2021 in KES '000

Company	2021 Ordinary Life Commissions	2021 Group Life Commissions	Total Commissions 2021	Total Commissions 2020
ABSA Life	187,945	685,052	872,997	1,333,791
APA Life	92,374	252,801	345,175	201,197
Britam Life	1,136,786	266,868	1,403,654	1,372,524
Capex	7,525	30,103	37,628	42,766
CIC Life	86,246	50,682	136,928	104,319
Corporate	18,910	646	19,556	50,631
GA Life	22,880	43,031	65,911	19,180
Geminia	8,516	10,340	18,856	92,748
ICEA LION Life	677,544	90,065	767,609	717,252
Jubilee Life	666,523	145,748	812,271	739,718
Kenindia	153,592	15,798	169,390	148,503
Kenya Orient Life	4,727	62,470	67,197	45,644
Kenyan Alliance	2,512	17,888	20,400	18,511
Kuscoco Mutual	4	112,142	112,146	63,803
Liberty Life	125,583	112,433	238,016	315,000
Madison Life	255,080	55,986	311,066	294,988
Metropolitan Cannon life	-	35,510	35,510	23,493
Old Mutual	252,311	45,460	297,771	280,840
Pioneer Assurance	270,218	231,193	501,411	445,289
Prudential Assurance	75,069	75,252	150,321	102,643
Saham	-	-	-	1,938
Sanlam Life	372,432	166,943	539,375	582,146
Monarch	3,903	7,692	11,595	11,595
UAP Life	25,649	47,158	72,807	86,516
Total	4,446,329	2,561,261	7,007,590	7,095,035

Total commissions paid/due was 7 billion in 2021, this was a decrease compared to 7.095 billion in 2020, a 1.24% decline. This was due to a decrease in commissions paid in both group and ordinary life classes of business.

Figure 57: Group and Ordinary Life Total Commissions Paid/ Due Per Company, 2021



MICRO INSURANCE

Table 58: Micro Insurance Premium Growth

Company	2020	2021	% Growth 2020-2021
AAR	8,560,049	8,943,805	4.48%
APA	635,335,622	165,026,548	(74.03%)
Britam	1,011,248,000	1,129,633,982	11.71%
CIC	312,476,387	491,802,683	57.39%
Directline	-	380,811	100.00%
Geminia	88,605,923	10,267,958	(88.41%)
Jubilee	65,069,930	-	(100.00%)
Kenya Orient	7,609,211	31,872,795	318.87%
Madison	120,428,124	132,431,789	9.97%
Pacis	-	1,014,646	100.00%
UAP	34,621,467	151,140,649	336.55%
Total	2,283,954,713	2,122,515,666	(7.07%)

The GWP for microinsurance was KES 2.123 billion in 2021. This was a 7.07% decline from KES 2.283 billion reported in 2020. 10 companies underwrote their insurance business and only 3 reported a decline in gross premium.

Total claims increased by 55.58% in 2021, this is credited to the very large growth rates experienced in some specific companies like UAP and Kenya Orient. Micro insurance claims were volatile across the various insurance firms. This is a reversal of the decline in claims of 13.70% of recorded in 2019 - 2020 period.

Table 59: Micro Insurance Claims Comparison, 2020 – 2021

Company	2020	2021	Growth 2020-2021
AAR	1,541,986	423,773	(72.52%)
APA	75,510,000	18,415,182	(75.61%)
BRITAM	478,448,000	657,346,440	37.39%
CIC	112,512,081	273,104,922	142.73%
Directline	-	-	-
Geminia	13,231,528	472,781	(96.43%)
Jubilee	8,173,719	-	(100.00%)
Kenya Orient	573,306	13,862,580	2318.01%
Madison	23,401,927	19,434,643	(16.95%)
Pacis	-	2,810,000	100.00%
UAP	2,514,245	127,924,893	4988.00%
Total	715,906,792	1,113,795,214	55.58%

APPENDIX

AKI MEMBER COMPANIES 2021			
NO	COMPANY	TEL. NO.	EMAIL ADDRESS
1	AAR Insurance Kenya Ltd	2895000	info@aar.co.ke
2	ABSA Life Assurance Kenya Ltd	4209000	info@Absa.kenyaabsa.africa
3	Africa Merchant Assurance Co Ltd	2204000	info@amaco.co.ke
4	AIG Kenya Insurance Company Ltd	3676000	aigkenya@aig.com
5	APA Insurance Ltd	2862000	info@apainsurance.org
6	APA Life Insurance Ltd	2862000	insurace@apalife.co.ke
7	Britam General Insurance Company (K) Ltd	4904000	info@britam.com
8	Britam Life Assurance Insurance Co (K) Ltd	2833000	insurance@britam.com
9	Capex Life Assurance Company Ltd	2712384/5	info@capexlifeassurance.co.ke
10	CIC General Insurance Ltd	2823000	cic@cic.co.ke
11	CIC Life Assurance Ltd	2823000	cic@cic.co.ke
12	Corporate Insurance Company Ltd	2717617	info@cickenya.com
13	Directline Assurance Company Ltd	3250000	info@directline.co.ke
14	Equity Life Assurance (K) Ltd	763206820/ 763000000	enquiries@equityinsurance.co.ke
15	Fidelity Shield Insurance Company Ltd	4225000	info@fidelityshield.com
16	First Assurance Company Ltd	2900000	hoinfo@firstassurance.co.ke
17	GA Insurance Ltd	2711633/4	insure@gakenya.com
18	Geminia Insurance Company Ltd	2782000	info@geminia.co.ke
19	Geminia Life Insurance Company Ltd	2782000	life@geminia.co.ke
20	Heritage Insurance Company Kenya Ltd	2783000	info@heritage.co.ke
21	ICEA Lion General Insurance Company Ltd	2750000	info@icealion.com
22	ICEA Lion Life Assurance Company Ltd	2750000	info@icealion.com
23	Intra Africa Assurance Company Ltd	2712610	info@intrafrica.co.ke
24	Invesco Assurance Company Ltd	2605220	invesco@invescoassurance.co.ke
25	Jubilee Allianz General Insurance Co Ltd	3281000	Talk2us@allianz.com
26	Jubilee Health Insurance Ltd	3281000	jic@jubileekenya.com
27	Jubilee Life Insurance Company Kenya Ltd	3281000	jic@jubileekenya.com
28	Kenindia Assurance Company Ltd	2214439	kenindia@kenindia.com
29	Kenya Orient Insurance Ltd	2728603/4	info@korient.co.ke
30	Kenya Orient Life Assurance Ltd	2728603/4	info@orientlife.co.ke
31	Kenyan Alliance Insurance Company Ltd	2216450	kai@kenyanalliance.com
32	KUSCCO Mutual Life Assurance Co Ltd	202730191	info@kusccomutual.co.ke
33	Liberty Life Assurance Kenya Ltd	2866000	libertylife@libertylife.co.ke
34	Madison General Insurance Kenya Ltd	2864000	madison@madison.co.ke
35	Madison Life Insurance Kenya Ltd	2864000	madison@madison.co.ke
36	Mayfair Insurance Company Ltd	2999000	info@mayfair.co.ke
37	Metropolitan Cannon General Insurance Ltd	3966000	info@metcannon.co.ke
38	Metropolitan Cannon Life Assurance Ltd	2243126	info@metcannon.co.ke
39	MUA Insurance Co Ltd	0720-632632	info@mua.co.ke
40	Occidental Insurance Company Ltd	8024149	enquiries@occidental-ins.com

41	Pacis Insurance Company Ltd	4247000	info@paciskenya.com
42	Pioneer General Insurance Company Ltd	2220814/5	general@pioneerassurance.co.ke
43	Pioneer Life Assurance Company Ltd	2220814/5	info@pioneerassurance.co.ke
44	Prudential Assurance Kenya Ltd	2712591	info@prudentiallife.co.ke
45	Sanlam General Insurance Company Ltd	2713131-7	info@sanlam.co.ke
46	Sanlam Life Insurance Ltd	2781000	info@sanlam.co.ke
47	Takaful Insurance of Africa Ltd	2725134/5	info@takaflafrica.com
48	Tausi Assurance Company Ltd	3746602	client@tausiassurance.com
49	The Monarch Insurance Company Ltd	4292000	info@monarchinsurance.co
50	Trident Insurance Company Ltd	2721710	info@trident.co.ke
51	Old Mutual General Insurance Company	2850000	uapinsurance@uap-group.com
52	Old Mutual Life Assurance Company Ltd	2829000	omken@oldmutualkenya.com
53	Xplico Insurance Company Ltd	3642000	info@explicoinsurance.co.ke

ASSOCIATE MEMBER			
1	Kenya Reinsurance Co	2202000	kenyare@kenyare.co.ke
2	PTA Zep Reinsurance Co	4973000	mail@zep-re.com
3	Africa Reinsurance Co	2970000	nairobi@africa-re.com
4	East Africa Reinsurance	4084000	info@eastaficare.com
OTHER KEY STAKEHOLDERS			
1	Insurance Regulatory Authority (IRA)	0719047000/4996000	commins@ira.go.ke
2	Retirement Benefits Authority (RBA)	2809000	info@rba.go.ke
3	Association of Insurance Brokers of Kenya (AIBK)	707209856	info@aibk.co.ke
4	Insurance Institute of Kenya (IIK)	2809000	iiiksecretariat@gmail.com
5	College of Insurance (COI)	722509759	info@coi.ac.ke



ASSOCIATION OF KENYA INSURERS

AKI Centre , Mimosa Road, Muchai Drive, Off Ngong Road
P.O. Box 45338 - 00100, Nairobi, Kenya
Tel: +254 709 640000, 2630295
0722 204 149, 0733 610 325
Email: info@akinsure.com | Website: www.akinsure.com
 AKIKenya |  AKI_Kenya

