

# SUSTAIN ABILITY REPORT

# SUSTAIN ABILITY REPORT 2022

## THE BRITANNIA STEAM SHIP INSURANCE ASSOCIATION EUROPE UK BRANCH

Deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

The Britannia Steam Ship Insurance Association Europe is incorporated in Luxembourg and registered as a mutual association (No.B230379). Authorised by the Luxembourg Minister of Finance and regulated by the Commissariat aux Assurances.

[britanniapandi.com](http://britanniapandi.com)



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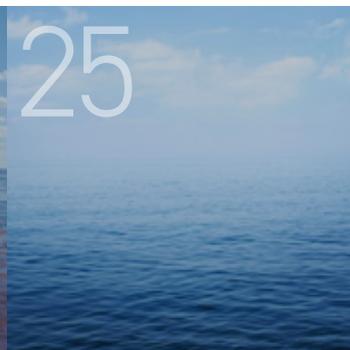
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# INTRODUCTION

## BRITANNIA P&I

Sustainability is of growing importance to governments, intergovernmental bodies, financial institutions (including insurers), regulators and society as a whole. Sustainability is embedded in Britannia's management processes and has been influenced by the following key events since the release of our inaugural sustainability report in 2021:

- COP 26 and the resulting Glasgow Climate Pact issued on 13 November 2021
- The introduction of 'Green Corridors' between signature countries, with the first being established between the US and China in January 2022
- The publication of the EU's Green Deal entitled "Fit for 55" which affects shipping through the FuelEU Maritime initiative limiting greenhouse gas (GHG) emissions at EU ports and the expected inclusion of shipping in the EU Emissions Trading System (EU ETS)
- The introduction by the EU of the EU Taxonomy to categorise businesses into four categories of support for decarbonisation
- The adoption by the International Maritime Organisation (IMO) Marine Environment Protection Committee (MEPC) 76 of further measures to reduce the carbon intensity of shipping, with increasing pressure from a growing number of states to make decarbonisation targets more challenging
- 2021 was one of the top seven warmest years on record despite the economic slowdown caused by the pandemic
- An increased focus by global reinsurers on oil and gas company alignment with the Paris Agreement
- The coronavirus pandemic, which continues to impact the global economy and people's health, making shipping more difficult to operate
- Alignment with the Paris Agreement 1.5 degree target through science based assessment has ensured that clear commitments and targets replace broad "greenwashing" statements
- Russia's invasion of Ukraine, which has put increased pressure on the transition to cleaner energy and may actually lead in the shorter-term to countries reverting to alternative supplies of fossil fuels to support their energy requirements
- The war in the Ukraine has also highlighted the importance of having strong sanctions compliance procedures and has given rise to other key social governance challenges
- The publication in April 2022 of the latest Intergovernmental Panel on Climate Change (IPCC) report entitled Climate Change 2022: Mitigation of Climate Change, which highlights that without immediate and deep emissions reductions across all sectors, limiting global warming to 1.5°C is beyond reach.

### POSITIVE ACTIONS

All of these events have impacted Britannia's sustainability strategy. We hope that this report demonstrates the positive actions that Britannia has taken in 2021 and 2022 to date and which we are committing to in the future.

### CLIMATE CHANGE RISK

As climate change predictions evolve and world economics change, climate change risk continues to pose a material financial risk to Britannia. Increasing extreme weather conditions challenge the safety of our Members' vessels and crew, as well as the safe carriage of cargoes. As a longstanding provider of P&I and FD&D insurance, representing a global membership of approximately 250 shipowners, Britannia has always maintained high standards and been an industry leader in ensuring that shipping risk is minimised, for the benefit of stakeholders and society in general. Our approach to climate change risk is no different to the other risks we have managed and mitigated throughout our history, which dates back to 1855. Sustainability is a fundamental part of our culture. This 2022 sustainability report outlines how we continue to embed the management of climate related risk into our business strategy and integrate sustainability into Britannia's and the Managers' core processes including claims, loss prevention, underwriting and investment.

### PARIS AGREEMENT

As outlined in our 2021 report, we have maintained our alignment with the UN Global Compact, the UN SDGs and the requirements of our regulators, while supporting the maritime insurance industry as it looks to assist shipowners in developing transitional methods to achieve the aims of the Paris Agreement.

Throughout this report, the terms sustainability and Environmental, Social and Governance (ESG) are used depending on the particular context. In general, we have used the term sustainability where the focus is on the environment and ESG where the context is broader and assumes all aspects of sustainability, not just environmental issues.

# OUR COMMITMENT AND ACTIONS HAVE MET MANY OF THE UN SDGs

## IN OUR INAUGURAL REPORT BRITANNIA COMMITTED TO:

### AGREEING OUR SUSTAINABLE INVESTMENT STRATEGY

This will be completed in 2022 and our Investment Committee has agreed principles for Britannia's strategy and measuring the ESG alignment of our advisors.

### CREATING AND MONITORING OUR CARBON FOOTPRINT TARGETS DUE TO AIR TRAVEL

Until our global travel returns to more normal levels, the KPI measurement in 2021 is not likely to be useful as a baseline. Nevertheless, we have recorded every flight taken by the directors of Britannia and the Managers on Britannia business during 2021.

### MEASURING THE IMPACT OF OUR CORPORATE GIVING PROGRAMME

This is monitored by our Corporate Social Responsibility (CSR) committee which monitors our chosen charities to ensure they have impactful programmes.

### DEFINING THE ESG RESPONSIBILITIES OF KEY MANAGERS

This has been developed into a multi-point action plan and the details are provided in this report.

### ENGAGING WITH OUR EMPLOYEES TO CONTRIBUTE TO OUR ESG STRATEGY THROUGH FOCUS GROUPS

It was not possible to establish focus groups in 2021 due to the ongoing disruption caused by the pandemic. However, we have instigated a regular ESG newsletter for employees and developed a sustainability section on our intranet as well as a dedicated mailbox for employees to contribute their thoughts and ask questions.

# 2022 UPDATE FROM BRITANNIA'S CEO

In addition to the external events listed in the introduction, climate risk in both physical and transitional forms is likely to influence our business in the future. Typical physical risks are likely to include casualties or cargo damage due to severe sea conditions caused by extreme weather events.

Transitional risks could take the form of requests from Members for cover for risks related to new technologies or new commercial terms being implemented by charterers as part of moves to decarbonise the industry. We have also built resilience into our business by assigning sustainability change management responsibilities to individual directors of Britannia to enable us to assess future risks and introduce suitable mitigations. How we have done this is detailed within this report and we believe meets the requirements of our regulators and the expectations of our stakeholders.

As CEO of Britannia, it is my responsibility to propose a business strategy for Board approval, monitor Britannia's and its Managers' performance and ensure our culture and governance structure enables the organisation to deliver on its objectives for both our Members and employees. Sustainability influenced all three of these areas over the past year.

## GOVERNANCE

The Britannia Group (or Britannia) comprises The Britannia Steam Ship Insurance Association Holdings Limited, The Britannia Steam Ship Insurance Association Europe (Britannia Europe) and The Britannia Steam Ship Insurance Association Limited. In January 2021 the High Court of England and Wales approved an application by The Britannia Steam Ship Insurance Association Limited for an order under Part VII of the Financial Services and Markets Act 2000 to transfer all of its business to The Britannia Steam Ship Insurance Association Europe. The majority of that business transferred on 20 February 2021, with the remaining balance transferring on 20 February 2022. The transfer has enabled Britannia to continue to meet our Members' insurance needs following the UK's vote to leave the EU (Brexit) and was not driven by a desire to seek a more beneficial tax regime or less robust regulatory environment. Britannia Europe is a Luxembourg domiciled insurer regulated by the Commissariat aux Assurances (CAA) and is managed by Tindall Riley Europe Sàrl (TRE), Tindall Riley (Britannia) Limited (TRB) and Tindall Riley & Co Limited (TRC) (collectively 'the Managers' or 'Tindall Riley').

## INTERNATIONAL GROUP

Britannia is a member of the International Group (IG) of P&I Clubs. Since 2021 our focus has been:

**(i)** as a leading participant of the IG's Sustainability Committee, to help guide the IG in the development of a high level sustainability report, which will be discussed by all 13 IG Clubs during 2022. That report will be distinct from any report published by individual IG Clubs. Britannia is currently one of four out of the 13 Clubs in the IG that publishes its own sustainability report

**(ii)** within the marine insurance industry, a number of reinsurers and hull and machinery insurers signed up to a Poseidon Principles style of agreement in late 2021 to declare their portfolio Level 3 emissions (Level 3 being the portfolio CO<sub>2</sub> emissions of their clients). Britannia sits on the IG working group which is debating the implications for P&I. While we are supportive of initiatives working towards decarbonisation, we also need to consider whether they will in fact benefit all of our Members and global trade (with its associated benefits)

**(iii)** maintaining and developing relations with reinsurers is an essential part of the IG's role. Britannia holds the Chair for the IG reinsurance sub-committee and, as such, can help ensure that sustainability forms an important part of all of the IG's reinsurance discussions.

We have also embedded further ESG responsibilities into our management structure and processes. These are detailed within this report.

## COMMITMENT TO UN SDGs

In our 2021 report we declared a commitment to a number of the UN SDGs, in terms of performance management. We have met that commitment by implementing concrete actions throughout the year. We report on our performance against relevant metrics in this report and will strive to improve on these on an ongoing basis.

Once again, we trust that as you read this report you will find that our transparency and approach will instil confidence that Britannia will continue to thrive and build on its long history in a sustainable way.

 **WE ARE A LEADING  
PARTICIPANT OF THE IG'S  
SUSTAINABILITY COMMITTEE"**

**ANDREW CUTLER**

CEO, BRITANNIA P&I

OUR STRATEGIC  
ALIGNMENT WITH THE  
UN SDGs HAS BEEN  
EMBEDDED ACROSS  
OUR BUSINESS



# ALIGNMENT WITH UN SDGS

## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In our 2021 report we committed to record key performance indicators (KPIs) to demonstrate our alignment with a number of the UN SDGs. Those KPIs were developed as detailed below and include the figures for 2021. In subsequent reports we will monitor and analyse trends with the aim of demonstrating constant improvement. We will also identify leading and lagging indicators to monitor areas of increasing (or reducing) ESG risk.

### SDG 10 DIVERSITY AND INCLUSION

Having considered this KPI in relation to our P&I insurance business, we decided to record the following:

- **Nationalities employed as percentage of the total workforce:** British 69% / Asian 19% / Other European 10% / Other 2%. This split reflects the fact that Britannia's and Tindall Riley's main operations are in London and Luxembourg but with significant regional hubs in Hong Kong, Japan and Singapore.
- **Male / female employees:** 47% male / 53% female
- **Female senior roles:** 34% (at divisional director level and above)
- **Gender pay equality:** We monitor pay within the Managers to ensure a consistent approach across all distinct seniority bands based on roles and experience. Within those bands, our mean gender pay differentials range from 4% to 25% but have improved year on year reflecting recent recruitment and promotions.
- **Exit interviews where diversity and inclusion was raised as a reason for leaving:** Nil
- **Employee turnover by age, gender and region (number and rate):** Below 30 = 6, 31-40 = 6, 41-50 = 2, 51-60 = 6, above 60 = 5, Female = 8, Male = 17
- **Claims of discrimination:** Nil

### SDG 3 HEALTH AND SAFETY

- **Managers' death in service incidents:** Nil
- **Members' claims related to death in service:** 43 throughout 2021
- **Managers' accidents in the workplace:** Nil
- **Managers' absentee rate (recognising the world is not in a steady state due to the pandemic):** 2% between April 2021 and March 2022
- **Training days for first aid and fire safety first aid:** fire safety – 1 day, first aid – 3 days

### SDG 4/8 TRAINING AND DEVELOPMENT

- **Average training hours per person:** 2021 is not indicative due to the impact of the pandemic and will be reported from 2022.
- **Average training budget per employee:** approx £175,000 = £700 per employee

### SDG 17 ATTENDANCE AT INDUSTRY FORUMS SUPPORTING THE SDG

- **Conference and seminar days:** 2021 is not indicative due to the impact of the pandemic and these numbers will be captured in the future.

### SDG 14 POLLUTION CLAIMS

- **Members' claims involving pollution:** 3 claims

### SDG 13 INVESTMENT STRATEGY TO SUPPORT SUSTAINABLE INVESTMENT

- **Portfolio investments classified as sustainable.** This work is currently in progress for 2022.

### SDG 16 LEGAL CASES RELATED TO CORPORATE GOVERNANCE, ROBUST AND AUDITABLE POLICIES, AND TRANSPARENT PROCEDURES AND REPORTING

- **Number of legal cases (won and lost):** Nil

Our strategic alignment with the UN SDGs has been embedded across our business and now influences many of our routine decisions. The case study overleaf is a good example of how we manage our building and office spaces as sustainably as possible.

# WE HAVE EMBEDDED ESG INTO OUR INVESTMENT STRATEGY

IN OUR 2021 REPORT WE AGREED TO ALIGN WITH THE PRINCIPLES OF THE TCFD, RECOGNISING THE SIGNIFICANT IMPACTS OF CLIMATE RELATED RISKS AND OPPORTUNITIES ON INSURANCE. CLIMATE CHANGE, PARTICULARLY IN RELATION TO EXTREME WEATHER RISKS AND THE DRIVE TO DECARBONISE, COULD ADVERSELY AFFECT P&I INSURANCE. IN THE LAST YEAR WE HAVE INCORPORATED CLIMATE RELATED RISKS INTO OUR GOVERNANCE, STRATEGY, RISK MANAGEMENT, UNDERWRITING AND INVESTMENT DECISIONS AS DETAILED FURTHER ON THE NEXT PAGE.

# ALIGNMENT WITH TCFD

## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE AND WITH BANK OF ENGLAND PRUDENTIAL REGULATION AUTHORITY CLIMATE SUPERVISORY STATEMENT 3/19

### GOVERNANCE

The change to Britannia's governance structure (described earlier in the report) was achieved with all of our regulators being fully informed so as to ensure a high degree of transparency. Completion of the change means that Britannia Europe (the sole provider of insurance) is regulated by the CAA (Luxembourg) although its branches continue to have oversight by local regulators (e.g. Financial Services Agency in Japan, Insurance Authority in Hong Kong, Monetary Authority of Singapore and Prudential Regulation Authority/Financial Conduct Authority in the UK).

#### DURING 2021 WE HAVE EMBEDDED ESG INTO:

- The Board's terms of reference, as a standing agenda item for annual review
- Britannia's Risk and Audit group, especially in relation to climate change risks
- Our investment strategy, which was adopted in January 2022 and will be reviewed annually. This will also see an annual report provided to our Investment Group on the ESG rating of our investment fund managers and their relevant funds.

#### WITHIN THE MANAGERS, WE HAVE:

- Ensured the Managers' Board has oversight of Britannia's sustainability reports and updates
- Ensured that Britannia's Standards Sub-Committee (SSC) considers future risks at each of its meetings with input from the loss prevention department
- Appointed the Chief Underwriting Officer as Britannia's lead on PRA-related climate change issues
- Agreed that our annual sustainability report will highlight our declared strategy and approach to managing risks in a sustainable manner.

### STRATEGY

#### THE IMPACT OF CLIMATE CHANGE HAS BEEN INCORPORATED INTO BRITANNIA'S STRATEGY THROUGH:

- Consideration by Britannia's SSC of future risks identified by the Managers' loss prevention department relating to the operation of our Members' ships
- Consideration of the risks of further emissions laws resulting in increased future claims against our Members and, in turn, Britannia
- Our approach to the principles of sustainable investment

- Ensuring that Britannia recognises, and where possible, adapts for the potential impact on the composition of the global fleet and therefore our Members, associated with significant changes in the use of hydrocarbons as a fuel for ships and carriage as cargo
- Consideration of the people risk elements of crews operating in harsher environments.

### RISK MANAGEMENT

Britannia's risk management system has been refined to ensure that climate risk is regularly included in the agenda for Britannia's and the Managers' Board meetings.

#### OUR RISK MANAGEMENT SYSTEM INCORPORATES THE FOLLOWING CLIMATE CHANGE ISSUES:

- Balance sheet sensitivity to climate risk
- The identification of short, medium and long term climate risks
- Monitoring by the loss prevention department of Members' exposure to P&I risks associated with climate change such as the impact of extreme weather at sea, changes in wave heights and port disruption bringing delay claims
- Identification of internal and external impacts of changes in risk due to climate change such as increased cargo damage or port damage due to severe weather
- All climate related regulatory targets and reporting requirements
- The responsibility of the Chief Risk Officer for ensuring transitional and physical climate risks are identified and mitigated.

### METRICS & TARGETS

Our key metrics and targets have been explained earlier in this report. However, it is recognised that many of the metrics may not be indicative of more normal years due to the impact since 2020 of the global pandemic. However, the trends in these metrics will be monitored and reported annually and actions identified where improvement is appropriate. These actions will involve both internal initiatives and partnerships with other stakeholders in the insurance and marine sectors.

We commit to reviewing the metrics in 2022/23 and identifying the lagging and leading indicators which will identify our potential increases (or reductions) in ESG risks in the future.

AN INITIATIVE  
THAT COMMITS BOTH  
ORGANISATIONS TO  
WORK COLLABORATIVELY  
TO IMPROVE WASTE  
MANAGEMENT AND  
ENERGY EFFICIENCY



# CASE STUDY

## SUSTAINABLE OFFICE SPACE IN HONG KONG

Tindall Riley (Britannia) Hong Kong Limited (TR(B)HK) has signed up to a 'Creating Shared Value' (CSV) Lease initiative with its landlord, Full Asset Enterprises Limited, as well as renewing its office lease for a further three years, at its K11 ATELIER King's Road offices in Hong Kong.

### COLLABORATION

The initiative commits both organisations to work collaboratively to improve waste management and energy efficiency. Under the initiative TR(B)HK agreed to appoint a sustainability ambassador and pledged to adopt sustainable operational practices including participating in K11's waste management and recycling programmes.

### SUSTAINABLE OFFICE SPACE

The K11 Group launched the CSV Lease initiative to drive sustainability forward together with its tenants, by adopting shared values, raising awareness through sustainability news, workshops and networking opportunities designed to support energy saving (carbon reduction) and waste management efforts.

The K11 ATELIER King's Road office block is one of the most sustainable buildings in the world, offering over 70 sustainability features and extensive greenery equivalent to 26 tennis courts. It also has the largest hybrid solar photovoltaic and thermal installation system in Asia, co-generating electricity and hot water. The rooftop garden is open to tenant use.

Tim Fuller, Director of TR(B)HK and Chief Executive of Britannia Europe's Hong Kong Branch, said "Renewing our lease at K11 and entering into this new initiative makes absolute sense, combining a clear demonstration of Britannia's and the Managers' commitment to using sustainable office space and practices with a determination to provide a working environment for our employees with their wellness at the core of our thinking".



**A CLEAR DEMONSTRATION  
OF OUR COMMITMENT TO  
USING SUSTAINABLE OFFICE SPACE."**

**TIM FULLER**

DIRECTOR OF TINDALL RILEY (BRITANNIA) HONG KONG BRANCH

# OUR LOSS PREVENTION DEPARTMENT USES ITS KNOWLEDGE AND EXPERTISE TO ADVISE ON THE BEST MITIGATION STRATEGIES



# COMPLIANCE WITH MAS

## ENVIRONMENTAL RISK MANAGEMENT OF THE MONETARY AUTHORITY OF SINGAPORE (MAS)

As stated in our 2021 report and based on having a branch in Singapore, we agreed to comply with the requirements of MAS and demonstrate that, as insurers, we take into account our Members' environmental risk as part of our underwriting assessment.



For emissions, shipping is regarded as a hard to abate sector with high emissions of carbon dioxide, nitrogen oxide, sulphur dioxide and carbon particulate matter. Climate related insurance risk should therefore be considered both in terms of emission risks and risks to cargo and third parties due to the impact of severe weather. We recognise that our assessment should include an analysis of the severity of the environmental risk, as well as the capacity, commitment and track record of our Members in managing their own risk and introducing mitigations. Particularly relevant to shipping, MAS recommends that insurers evaluate their assessments against international climate targets and benchmarks, such as the Paris Agreement. MAS states that the insurer should, at least on an annual basis, disclose its approach to managing environmental risk in a manner that is clear and meaningful to its stakeholders.

### BRITANNIA BELIEVES

**THIS REPORT GIVES US THE OPPORTUNITY TO PUBLICLY DISCLOSE OUR APPROACH TO THE REQUIREMENTS OF MAS. BRITANNIA BELIEVES:**

- The responsibility for reducing the environmental risks of shipping ultimately lies with the IMO, which has declared the trajectory required for emissions' reduction from 2030 to 2050. Britannia recognises both the transitional and functional risks of that process and includes both in its risk management process together with other ESG indicators.
- Regional regulation is being introduced to shipping which is often more stringent than the IMO's regulation. In particular, the EU is considering including shipping in its Emissions Trading System. Britannia recognises that this is likely to introduce additional commercial risks.
- Compliance with all global and regional regulation will necessarily require the introduction of new technical solutions and operational processes which, by their nature, will introduce new risks. These risks will need to be quantified and priced to allow their implementation and experimentation. Britannia seeks to assess these risks, including through the work of its Standard Sub-Committee, which seeks to monitor future risks as they develop and assist Britannia in responding accordingly through the new risk management system outlined in the TCFD alignment section.
- As stated previously in this report, Britannia recognises the increased claims risk to our Members' vessels and crews due to increasingly extreme weather caused by climate change. The trends of these claims will be monitored by the loss prevention department in the future and increased risk will be factored into our underwriting process. Our loss prevention department will continue to use its knowledge and developing data to advise on the best mitigation strategies.
- To ensure that the trends relating to the above are monitored, appropriate metrics are currently in place and will be developed further as we approach 2030 and transition to 2050.

# WE ARE COMMITTED TO WORKING WITH MEMBERS TO RAISE ESG AWARENESS



# APPROACH TO UNEP

## PRINCIPLES FOR SUSTAINABLE INSURANCE

As stated in our 2021 report, we are committed to implementing the UNEP Principles for Sustainable Insurance and in particular to:

- Embed ESG decision making into our business
- Work with Members and business partners to raise ESG awareness
- Work with governments, regulators and industry bodies to promote ESG action
- Demonstrate accountability by publicly declaring progress on implementing the Principles.

Within Britannia's Investment Group, a sub-committee of its Board, the appropriate strategy against this commitment was discussed in depth. This discussion needs to be viewed in the context of the balance sheet for investment belonging to the mutual Members. Our Members are shipowners who are responsible for carrying all types of different cargoes across the world, including those that might be defined as polluting such as coal, oil and petrochemicals.

Britannia is a shipping insurance mutual and therefore it is appropriate that all investment opportunities are considered in a manner that is aligned to our own business model and strategy. Britannia insures shipowners involved in wet, dry and container sectors; all of which contribute to the global economy. A blanket exclusion (either in terms of insurance provided or investments) of hydrocarbons, and other high carbon bulk cargoes, would go against Britannia's business model and strategy.



Britannia will, however, ensure that it builds its investment portfolio in a manner aligned with its own culture and values in terms of ESG issues. Britannia ensures it is not involved with modern slavery, bribery and corruption or child labour. It is the responsibility of Britannia's third party investment managers to carry out adequate due diligence to ensure investments are aligned with these values and specifically as detailed below:

- Britannia is part of the shipping industry and therefore aligned with its membership in achieving the carbon reduction targets set by the IMO. We will ensure that we support the achievement of this target and similarly Britannia's investment managers should perform adequate due diligence to ensure that our investments are aligned with individual sector targets. Britannia will not align to carbon reduction targets that are more severe than those required by the Paris Agreement and those agreed by the marine sector through the UN and other bodies.
- Britannia will demonstrate a commitment to carbon reduction aligned to the Paris Agreement and its own sustainability strategy. Britannia will request its investment managers to produce an annual ESG report in line with industry practice.

# BRITANNIA HAS BEEN ACTIVE IN CONTRIBUTING TO THE WORK OF THE IG



# STRATEGY OF THE IG GROUP

## OUR CONTRIBUTION TO SUSTAINABILITY STRATEGY OF THE INTERNATIONAL GROUP

As stated in the CEO's statement, during 2021 Britannia has been active in contributing to the work of the International Group (IG), emphasising the IG's goal of being "Collectively Stronger". As stated, we have particularly contributed to the Sustainability Committee, as well as discussions on the Poseidon Principles for Marine Insurance.



### THE SUSTAINABILITY COMMITTEE'S FOCUS HAS BEEN A DRAFT SUSTAINABILITY REPORT FOR THE IG, WHICH IS EXPECTED TO BE PUBLISHED IN 2022.

The content for that report will be reviewed and agreed by the individual boards of the 13 P&I clubs. In particular, the report will identify and highlight the contribution of the IG to the ESG efforts of the marine industry. However, it will not adopt a requirement for individual IG Clubs to issue their own reports.

The adoption of the IG Clubs of a scheme similar to the Poseidon Principles is challenging. It is questionable if it would contribute in a meaningful manner, or properly evidence the efforts of the marine industry to reach the targets set by the IMO under the Paris Agreement, at least not without the adoption of a portfolio declaration approach. That approach would likely require the agreement of all 13 IG Clubs, with corresponding rule changes and commitments imposed on all shipowners. At present Britannia would struggle to support the adoption of a scheme similar to the Poseidon Principles; at least not until the benefits of the IG taking that action (instead of other industry bodies, which are already leading on this issue) are clearly identified or there is a move by the IG's reinsurers to require the IG to measure the carbon intensity of its fleets.

**BRITANNIA HAS  
CLEARLY DEFINED  
ITS EXPECTATIONS  
AND CONTROLS TO  
MITIGATE THE RISKS  
OF INVOLVEMENT IN  
FINANCIAL CRIME**

# BRIBERY & CORRUPTION

## BRIBERY, CORRUPTION AND ETHICS ISSUES AND MANAGEMENT

Britannia has clearly defined its expectations and controls to mitigate the risks of involvement in financial crime through a clear policy of which all employees of the Managers are made aware of during induction. That policy is emphasised as part of ongoing annual training requirements.



### OUR FIVE POINT STANDARD HAS BEEN MAINTAINED THROUGHOUT 2021.

#### 1 AWARENESS

A new eLearning module on countering financial crime was developed and rolled out towards the end of 2021 and was subsequently passed by all employees.

#### 2 ACCOUNTABILITY

The Managers used a policy update to add definition to the controls for identifying and ensuring that we are not involved in money laundering, dealing with sanctioned or terrorist organisations, bribery and/or corruption, fraud (internal and external), tax evasion or insider trading.

#### 3 MANAGE / 4 MONITOR / 5 REPORT

All measures to avoid the issues highlighted above are reviewed annually by the compliance department.

In addition to the internal processes and mandatory training on bribery, corruption and ethics, Britannia is a member of the Marine Anti-Corruption Network (MACN) having joined it in 2019. The MACN is a global business network working towards the vision of a maritime industry free of corruption that enables fair trade to the benefit of society at large. Established in 2011 by a small group of committed maritime companies, MACN has grown to include over 165 companies globally, and has become one of the pre-eminent examples of collective action to tackle corruption.

MACN and its members work towards the elimination of all forms of maritime corruption by: raising awareness of the challenges faced; implementing the MACN Anti-Corruption Principles and co-developing and sharing best practices; collaborating with governments, non-governmental organizations, and civil society to identify and mitigate the root causes of corruption; and creating a culture of integrity within the maritime community.

# BRITANNIA IS A LONG-STANDING SUPPORTER OF SEAFARER CHARITIES



BRITANNIA RECOGNISES THAT CREW WELFARE AND WELLBEING IS PARTICULARLY RELEVANT GIVEN THE EXTRA DEMANDS AND PRESSURES UNDER WHICH SEAFARERS ARE OPERATING DUE TO THE PANDEMIC."

**ANDREW CUTLER**  
CEO, BRITANNIA P&I

# CORPORATE SOCIAL RESPONSIBILITY

## AND EMPLOYEE ENGAGEMENT

Britannia and its Managers, Tindall Riley, undertake a wide range of volunteering activities in the local community throughout the year, as well as supporting a number of charities through corporate giving and donations. Britannia supports both charities and charitable initiatives in our local community as well as charities dedicated to supporting seafarers.

In recognition of the extra demands and pressures facing the crew who work on board its Members' ships, and the crucial role played by seafarer charities in supporting crew welfare during the pandemic, Britannia made one-off donations to four charities. The donations were given to coincide with the IMO Day of the Seafarer on 25 June 2021. The four charities, all of whom provide vital support to seafarers around the world, that received donations are: the International Seafarers' Welfare and Assistance Network (ISWAN), Sailors' Society, Stella Maris and The Mission to Seafarers.

Tindall Riley continues to sponsor the printing of Stella Maris' Port Chaplain Directory, which provides seafarers with contact details of all of their Chaplains worldwide, and Britannia also paid the operating costs of Stella Maris for one day to coincide with World Maritime Day on 30 September 2021. Tindall Riley made a donation to the Sailors' Society Ukrainian Appeal to support seafarers and their families affected by the crisis in Ukraine. Britannia also continued its annual membership of the International Maritime Rescue Federation.

## TRESG

Throughout 2021-22 Tindall Riley has also undertaken a number of sustainability initiatives in its London office and other offices worldwide, which employees have embraced, including removing paper cups, issuing reusable water bottles to employees, providing centralised bins and recycling advice, and reducing printing.

Other volunteering and charitable activities undertaken by Tindall Riley and our employees over the last year include:

### ASICS 10K RUN IN AID OF CALM

In July 2021 a team of four runners from the London office completed the Asics 10k run in aid of the mental health charity CALM, and in September 2021 another group of runners from Tindall Riley individually completed full marathons for the Sailors Society.

### SUITED AND BOOTED & DRESS FOR SUCCESS

In October 2021 Tindall Riley organised a clothing and accessories collection for Suited and Booted and Dress for Success - two charities which help prepare people for job interviews and working life by providing business clothing.

### KNITTING FOR SEAFARERS

In October 2021 we launched a challenge to knit hats for seafarers. The first batch of hats knitted by Tindall Riley employees, families and friends was given to Stella Maris in April 2022. They have already been distributed to seafarers on board ships calling at Southampton.

### HARVEST FESTIVAL

In November 2021 Tindall Riley London organised a Harvest Festival Collection in the office for the Manna Society with employees donating food.

### CHRISTMAS FAIR

In December 2021 we held a Christmas Fair in the London office selling handcrafted goods raising money for Ronald McDonald House at the Evelina Children's Hospital, Lambeth.

### CHARITY FUNDRAISER

The Hong Kong office held a fundraiser event in December 2021 inviting seven independent local businesses to set up booths in exchange for a donation to Tindall Riley's chosen charity, Mother's Choice - a local charity supporting children without families and vulnerable teenage mothers.

**WE WILL CONTINUE  
TO WORK TOWARDS  
CREATING A MORE  
SUSTAINABLE FUTURE**

# CONCLUSION FROM BRITANNIA P&I

We are satisfied with the progress we have made since the publication of our inaugural report in 2021 and myself and all the Managers are committed to maintaining that progress in 2022 and beyond.

We continue to live in a fast-changing and uncertain world but shipping and P&I insurance continues to play a vital role in supporting the global economy through the transport of freight by sea. We will continue to respond to external factors and the expectations of all our stakeholders, including our Members and employees, and will contribute to the efforts of the whole marine industry to address ESG challenges.

As ESG issues become embedded in our Board discussions and within our risk management processes, our culture will develop accordingly. From small but important changes, like increasing recycling and reducing the use of plastic in our offices, through to bigger changes like identifying future risks caused by climate change, we will continue to work towards creating a more sustainable future.



**I BELIEVE THIS REPORTS  
DEMONSTRATES BRITANNIA'S  
AND THE MANAGERS' COMMITMENT  
TO GLOBAL EFFORTS TO ADDRESS  
SUSTAINABILITY CHALLENGES."**

**ANDREW CUTLER**  
CEO, BRITANNIA P&I