

**The Britannia Steam Ship Insurance Association Holdings Limited**

**Remuneration Group**

**Terms of Reference**

**Purpose**

1. The Remuneration Group (the “Group”) is a sub-committee of the Board of The Britannia Steam Ship Insurance Association Holdings Limited (“Britannia Holdings”) (the “Board”), which is the primary decision-making body of Britannia Holdings. The Board and all of its sub-committees are established pursuant to Britannia Holdings’ Articles of Association (the “Articles”) and, unless specifically stated otherwise, the terminology, words or expressions used in these Terms of Reference have the same meaning as in the Articles. Britannia Holdings controls The Britannia Steam Ship Insurance Association Limited (“Britannia (UK)”) and The Britannia Steam Ship Insurance Association Europe (“Britannia Europe”) (together “the Insurers”); the three companies together are referred to as “the Britannia Group”.
2. The Group’s primary purpose is to:
  - (a) establish and maintain a remuneration policy to ensure that Directors of the Board and of the Boards of Directors of the Insurers and their respective sub-committees and Representatives of the Members’ Representative Committee (the “Committee”) and its sub-committees are appropriately remunerated for the responsibilities that they bear, having regard to the mutual nature of the Britannia Group; and
  - (b) establish an appropriate basis for the remuneration of the Managers (Tindall Riley (Britannia) Limited and Tindall Riley Europe Sàrl) of the Britannia Group.

**Membership**

3. The Group shall consist of its Chair, the Chair of the Board and up to two further non-executive Directors of the Board. All of the Members of the Group shall be independent of the Managers and free from any business or other relationship which could interfere with the exercise of their independent judgment.
4. The Board shall appoint one of its non-executive Director members (but excluding the Chair of the Board) as the Chair of the Group.
5. Non-executive members of the Group shall be appointed for a four-year term and will normally be eligible for re-election only once.
6. Only Members of the Group shall have the right to attend meetings. However, the Manager Directors on the Board as well as the CFO of the Managers will normally be expected to attend:
  - (a) in an advisory capacity when Directors’ and Representatives’ remuneration is being considered; and
  - (b) to present their report on the Managers’ Key Performance Indicators (KPIs) and the operation of the management remuneration formula when the Group considers the Managers’ remuneration.

7. No member of the Group shall be entitled to be present when discussions are held that specifically refer to their individual remuneration or contractual arrangements.

### **Role of the Group**

8. The role of the Group shall be to:
  - (a) recommend to the Board a policy for remunerating non-executive Directors and Representatives, including remuneration for any additional work undertaken by Directors and Representatives who are also members of any sub-committee of the Board, or the boards of directors of the Insurers, or Committee or their sub-committees;
  - (b) review the ongoing appropriateness and relevance of such remuneration policy;
  - (c) recommend to the Board the appropriate level of such remuneration and the frequency with which it shall be reviewed;
  - (d) report to the Board, the remuneration of any Director (excluding the Manager Directors) not covered by the policy in (a) above, including but not limited to the Board's Chair, the Expert Directors and the Britannia Group's investment advisers;
  - (e) recommend the policy for reimbursing travel, accommodation and any other expenses incurred by Directors and Representatives in the performance of their duties;

and, acting on behalf of the Board,

- (f) agree proposals from the Managers or other members of the Remuneration Group regarding the formula for calculating the Managers' remuneration and review annually the operation of that formula and the resultant level of the Managers' remuneration;
- (g) establish appropriate KPIs to measure the effectiveness and efficiency of the Managers in their management of the Britannia Group's business, such measures to include, where possible, comparison with the level of remuneration given to the Managers of other similar P&I Clubs and comparable insurance operations.

The Group's decisions on (f) and (g) shall be reported to the Board at its November meeting.

### **Meetings**

9. The quorum for each Group meeting shall be two members.
10. The Group shall meet at least twice per annum, with scheduled meetings being held in May and September. If necessary, the Group shall hold further meetings from time to time, as may be called by the Company Secretary or by any member of the Group. All meetings shall be conducted in accordance with these Terms of Reference and the Articles.

11. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, with all available supporting papers, shall be forwarded to each member of the Group and any person required or invited to attend, no later than five working days before the date of the meeting. Unless the meeting provides otherwise or at the Chair's discretion, participation shall be in person.
12. Appendix I details the schedule of regular agenda items for the Group.
13. The Chair shall chair each meeting of the Group. If the Chair is absent, the other Directors present shall choose one of their number as Chair for that meeting, with that individual having the same authority and duties whilst Chair.
14. Minutes of the Group meetings shall be circulated promptly to all of its members and, once agreed, shall be sent to all members of the Boards of the Britannia Group.

### **Authority**

15. The Group is authorised by the Board to:
  - (a) investigate any activity that falls within its terms of reference;
  - (b) seek any information that it may require from internal and external sources to carry out its role;  
and
  - (c) obtain, as considered necessary, independent external professional and/or legal advice at Britannia Holdings' expense.

### **Reporting Procedures**

16. The Chair of the Group will report on the deliberations of the Group to the Board.
17. The Group shall make whatever recommendations to the Board it deems appropriate on any area within its terms of reference.

### **Miscellaneous**

18. The Group shall have access to sufficient resources in order to carry out its duties. However, insofar as their role requires consideration of underwriting or claims information, members of the Group shall have access only to summary information for the Britannia Group as a whole and shall not have access to an individual Member's underwriting or claims data which shall remain strictly confidential to the Managers and the Member concerned.
19. At least once a year, the Group shall:
  - (a) review its own constitution and terms of reference to ensure that it is operating effectively;
  - (b) recommend to the Board, for approval, the changes that it considers appropriate; and

- (c) review its own performance and report any recommendations to the Board.

Adopted by the Board on 16 October 2023.

## APPENDIX I

### SCHEDULE OF REGULAR AGENDA ITEMS FOR THE REMUNERATION GROUP

#### For each regular meeting

Apologies  
Declaration of any conflicts of interest  
Minutes of the previous meeting  
Matters arising from the previous meeting  
Dates and venues of future meetings of the Group

#### At each May meeting

Review of:

- the Britannia Group's policy for the remuneration of non-executive Directors and Representatives including the appropriate level of such remuneration;
- the remuneration of any Director (excluding the Manager Directors) not covered by the policy in (a) above, including but not limited to the Board's Chair, the Expert Directors and the Britannia Group's ~~Britannia's~~ investment advisers;
- review of the Britannia Group's policy for travel, accommodation and other expenses incurred by the Directors and Representatives in the performance of their duties; and
- the Britannia Group's Remuneration Policy

#### At each September meeting

The Managers' remuneration

The effectiveness and efficiency of the Managers in their management of the Britannia Group, including performance against the year's KPIs

The Managers' KPIs for the next year

Performance of the Regional hubs to include

- pro forma metrics;
- a note re green, amber, red (tonnage) movement; and
- identification of any change in original purpose.

Review the Remuneration Group's Terms of Reference