

22 November 2024

To all Members

THE BRITANNIA GROUP REMAINS FINANCIALLY STRONG AND DECLARES A FURTHER USD30 MILLION CAPITAL DISTRIBUTION TO MUTUAL P&I MEMBERS

Dear Members,

The Britannia Group Boards met on 19 November 2024 and considered the Group's finances and Call recommendations for the 2025/26 policy year.

The Britannia Group's finances remain well in excess of the level required to meet S&P's 'AAA' capital rating (and exceptional liquidity benchmark). The year to date has seen those finances strengthen further, with better than projected investment returns of approximately USD50m.

However, the Boards recognised the need to improve premium adequacy. This is to ensure that the Britannia Group achieves long term sustainable balanced underwriting, whilst also keeping our 'AAA' capital strength. This will therefore require further premium increases for the 2025/26 renewal, with the Boards targeting a minimum 7.5% rate increase on expiring Britannia Group P&I (Class 3) ETC. Further details are set out in the general renewal Circular to all Members (which also sets out the Boards' decisions on FD&D (Class 6), Open Years, minimum standard deductibles and Calls structure).

At the same time, the Boards agreed a further USD30m capital distribution to all mutual P&I Members. (Again, further details are set out in the general renewal Circular.) This amounts to a further capital return of approximately 12% of Members' 2024/25 gross ETC.

In making their decisions, the Boards stressed the Britannia Group's primary strategic aims of:

- supporting mutuality; and
- delivering cost-effective insurance over the long-term, avoiding unbudgeted Calls.

The Boards also appreciate the long-term relationship with, and loyalty of, the Britannia Group's membership, which is an essential feature of any mutual P&I club.

The Boards therefore remain committed to using the Britannia Group's capital strength to support Members while it moves to breakeven underwriting over a reasonable timeframe.

Yours faithfully,

Tindall Riley (Britannia) Limited / Tindall Riley Europe Sàrl
Managers