

BRITANNIA GROUP RENEWAL 2026/27 SUMMARY

The Britannia Group has announced an additional USD15million capital distribution to its mutual P&I Members, reaffirming Britannia P&I's strong financial position and support for its membership. In addition, our continued drive towards sustainable underwriting will be the focus for the 2026/27 renewal, which sees a target 5% pure rate increase on our mutual P&I book of business.

The Britannia Group's priorities remain providing Members with the highest quality service and supporting mutuality, while maintaining the Club's underlying financial strength. Our strategic approach of achieving breakeven underwriting in a practicable timeframe, while making a further capital distribution, support those priorities.

The Britannia Group enjoyed a solid 2025/26 renewal result with premium targets achieved (although both owned and chartered tonnage remained almost flat year-on-year). This was off the back of a challenging 2024/25, due to a difficult claims' environment. The Britannia Group's own retained P&I claims were significantly higher in value and number than projected, while Pool claims across the IG were also much higher than projected.

UNDERLYING FINANCIAL STRENGTH

Despite 2024/25, the Britannia Group remains financially robust and well-positioned for the future. Our mutual but disciplined approach to underwriting and solid investment portfolio reinforces our financial stability, enabling us to provide stability and security for our Members in an increasingly complex insurance landscape. The long-term needs and loyalty of the Britannia Group's membership remain paramount. Similarly, the Boards remain committed to using the Britannia Group's financial strength to support Members while looking to achieve breakeven underwriting within a reasonable timeframe.

2025/26 TO DATE

Retention and Pool Claims for the 2025/26 are largely within projection, although volatility remains a feature. Investment returns continue to perform well, being ahead of the projected longer term rate although volatility is, again, a feature. In addition, this year has seen the Britannia Group experience some negative impact on its expense base due to the weakening USD against the main operating currencies.

CAPITAL DISTRIBUTION

Recognising the Britannia Group's capital strength and support for mutuality, the Boards agreed a further capital distribution payable to mutual P&I Members' vessels that renew at 20 February 2026. The distribution amounts to 8.5% of net premium (5% on a gross ETC) and will be offset against the first instalment due for the 2026/27 policy year. On the Britannia Group's current book, this amounts to approximately USD15million.

RENEWAL 2026/27

The Britannia Group will maintain its approach of adjusting Members' rates based on their individual record and risk profile, in addition to any changes in the cost of the International Group Reinsurance Programme. The Britannia Group will use a technical approach at renewal to achieve adequate and sustainable premiums as it seeks to move towards balanced underwriting.

In the meantime, for the 2026/27 renewal, the Boards have targeted a minimum of 5% overall rate increase on the expiring Britannia Group mutual P&I book plus deductible increases. This is consistent with our strategic approach of achieving breakeven underwriting over a manageable timeframe. The reduction in the targeted rate increase year-on-year demonstrates that there has been no disproportionate overreaction to last year's set of results.

140.9m GT

TOTAL OWNED P&I TONNAGE

51.9m GT

TOTAL CHARTERED P&I TONNAGE

47.9m GT

TOTAL OWNED FD&D TONNAGE