

REVIEW OF THE YEAR
20 FEBRUARY 2021



BRITANNIA P&I
TRUSTED SINCE 1855

KEY PERFORMANCE INDICATORS

247

MEMBERS

30

COUNTRIES

3,912

SHIPS

125.2m

OWNED TONNAGE

53.5m

CHARTERED TONNAGE

ENTERED TONNAGE BY AREA OF MANAGEMENT CLASS 3 (% OF TOTAL)

46.8 ASIA

13.7 SCANDINAVIA

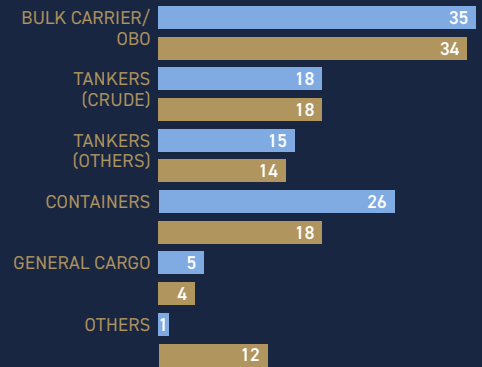
33.4 REST OF EUROPE

3.6 AMERICAS

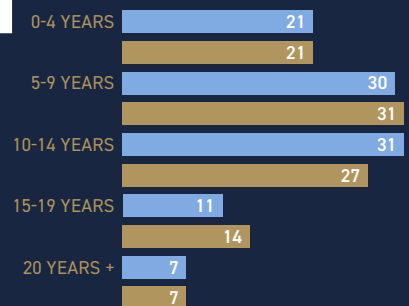
2.2 MIDDLE EAST

0.3 AUSTRALASIA

SHIPS BY TYPE (% OF TOTAL)



AGE OF SHIPS (% OF TOTAL)



■ ENTERED TONNAGE (OWNED)

■ WORLD TONNAGE

	20 FEB 2021 (m gt)	20 FEB 2020 (m gt)	20 FEB 2019 (m gt)
ENTERED TONNAGE (OWNED)	125.2	117.5	111.9
ENTERED TONNAGE (CHARTERED)	53.5	45.0	19.0

KEY FINANCIAL DATA

	USD(000)	USD(000)	USD(000)
CALLS AND PREMIUMS	200,086	201,185	204,415
NET CLAIMS INCURRED	(118,257)	(111,667)	(119,599)
INVESTMENT INCOME	58,970	61,868	(2,643)
NET OPERATING EXPENSES	(32,520)	(31,891)	(28,649)
NET INCOME AFTER TAXATION	36,967	56,427	(9,296)
FREE RESERVES*	449,055	422,088	390,661
NET LOSS RATIO	90.77%	79.89%	83.79%
IG AVERAGE EXPENSE RATIO	11.66%	11.50%	10.90%
STANDARD & POOR'S RATING	A (stable)	A (stable)	A (stable)

*The Group also retains the benefit of its reinsurance contract with Boudicca Insurance Company Limited (see note 5 to the financial statements).

	USD(000)	USD(000)	USD(000)
SURPLUS ASSETS IN BOUDICCA	177,800	172,300	196,900

Surplus investment assets in Boudicca available to meet future claims by the Group.

HIGHLIGHTS

- 'A' (Strong) with a Stable outlook credit rating by S&P.
- A further USD10m capital distribution to our Members, bringing the total to USD95m since May 2017.
- A strong investment performance of 7.2%, yielding USD59m.
- Strong growth in owned tonnage to 120m gt during 2020/21.
- A successful renewal at 20 February 2021, with net gains of 5m gt owned tonnage and 7m gt chartered.
- Post-Brexit corporate structure and licensing in place for the 2021/22 renewal and Part VII Transfer of the historic book successfully approved.
- Full service to Members maintained globally during the COVID-19 lockdown restrictions.

OUR MISSION STATEMENT REMAINS:

TO BE THE FINEST PROVIDER OF P&I AND FD&D INSURANCE BY:

- OFFERING OUR MEMBERS THE HIGHEST LEVEL OF SERVICE
- MAINTAINING OUR FINANCIAL STRENGTH
- SUPPORTING MUTUALITY

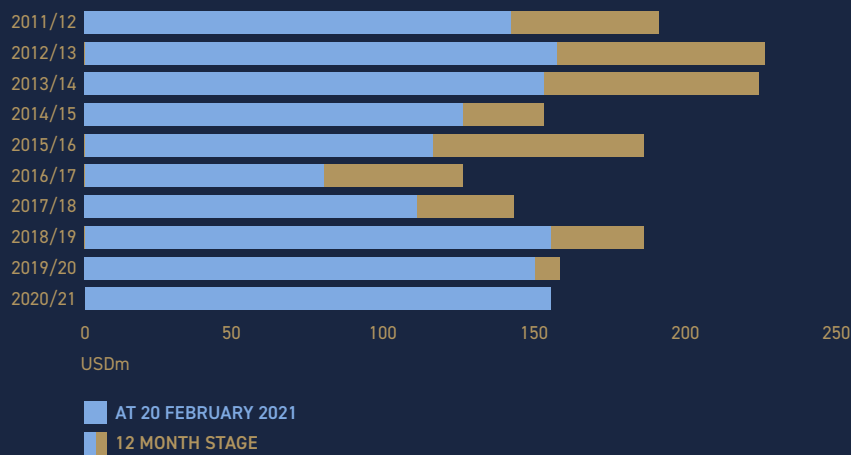
'A' (STRONG)

- Britannia is 'A' (Strong) rated by Standard & Poor's which was reaffirmed for the Group in October 2020.
- S&P confirmed our 'extremely strong capitalisation', with free reserves in excess of the AAA level.
- S&P continue to assess our outlook as Stable, confirming a sustainable business model for the foreseeable future, even after capital distributions of USD95m over the past four years.
- Our Solvency II SCR capital ratio remains above 200%.

OUR STRONG FINANCES, WELL DIVERSIFIED INVESTMENT PORTFOLIO AND ROBUST OPERATING MODEL HAVE ALLOWED THE GROUP TO MEET THE CHALLENGES OF THE COVID-19 PANDEMIC.

CLAIMS

- The cost of retention claims in the 2020/21 policy year was slightly higher after 12 months than the equivalent position last year, by just over USD4m.
- The total number of claims notified by 20 February 2021 was 4,872, an increase on the numbers reported in 2019/20 (4,175).
- The graph shows the net retained claims for recent policy years at the 12 month stage and at 20 February 2021, which illustrates the potential volatility in our P&I claims. This reinforces the need for a strong capital base.
- 20 claims are currently estimated in excess of USD1m, with an aggregate value of USD63.4m.
- Three claims notified in the 2020/21 policy year are currently projected to exceed the USD10m Club retention.
- Reported Pool claims in the 2020/21 policy year were the highest that they have ever been (USD478.1m), at the 12 month stage. The Group had to increase its claims provisions accordingly.



THE GOLD SECTION OF THE BARS SHOW THE IMPROVEMENT TO RETAINED CLAIMS OVER TIME.



PROTECTION  INDEMNITY



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