

The Britannia Steam Ship Insurance Association Holdings Limited

Investment Group

Terms of Reference

Purpose

1. The Investment Group (the “Group”) is a sub-committee of the Board of The Britannia Steam Ship Insurance Association Holdings Limited (“Britannia Holdings”). The Board is the primary decision-making body of Britannia Holdings. The Board and all of its sub-committees are established pursuant to Britannia Holding’s 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.
2. 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.

Membership

3. The Group shall consist of the Chair of the Board, up to three further non-executive Directors of the Board and the two executive Directors (“the Manager Directors”) appointed from the Managers of the Britannia Group (being Tindall Riley (Britannia) Limited and Tindall Riley Europe Sàrl). Members of the Group shall be appointed by the Board from time to time and the composition of the Group shall be reviewed at least every three years. Membership of the Group shall be agreed by the Board, based on the recommendation of the Nomination Sub-Committee.
3. Only Members of the Group shall have the right to attend meetings. However, the following shall be expected to attend meetings of the Group:
 - (a) the Britannia Group’s investment consultants;
 - (b) the Britannia Group’s investment adviser;
 - (c) Britannia Holdings’ CFO and CRO; and
 - (d) the Managers’ Director of Financial Reporting.
4. Additional employees or representatives of the Managers shall attend and participate in meetings as appropriate.
5. The Chair of the Board shall chair each meeting of the Group. If the Chair is absent, the other Members of the Group present shall choose one of their number as Chair, with that individual having the same authority and duties whilst Chair.

Role of the Group

6. The Board has delegated to the Group the following authority and duties:
 - (a) in respect of the Britannia Group's investment strategy and mandates as agreed by the Board:
 - (i) to review and monitor the long-term performance of the Britannia Group's investments against the objectives set out in the investment strategy;
 - (ii) to receive reports (in writing and in person) from the Britannia Group's investment managers, investment consultants and investment adviser. The Group is expected to meet with each investment manager at least once per year;
 - (iii) to take such steps and/or decisions necessary to ensure adherence with that investment strategy and those mandates;
 - (iv) at least every three years, to review the long-term investment strategy of the Britannia Group and recommend any changes to the Board for approval;
 - (v) to periodically review the fees paid to the fund managers and appraise value for money; and
 - (vi) to review the value at risk (VaR) and ensure that this is within the Britannia Group's stated risk appetite.
 - (b) to review and approve for recommendation to the Board any changes to the Britannia Group's investment strategy and mandates;
 - (c) to review and monitor the custodian arrangements of the Britannia Group;
 - (d) to make recommendations to the Boards of the Britannia Group on the selection of investment managers, sub-managers, custodians and, where appropriate, specialists, including in respect of their fees; and
 - (e) if determined necessary by the Group, to approve the movement of the Britannia Group's assets (and any consequential change in fund manager), subject to such movement being (i) within the Britannia Group's existing investment strategy and asset allocation and (ii) into assets of a comparable nature.
7. In fulfilment of their duties, each year the Group shall be entitled to pre-approve up to £50,000 of additional costs to the Britannia Group.
8. Other than set out above, the Board retains sole authority in respect of all matters involving the Britannia Group's investments, including but not limited to setting Britannia's investment strategy and associated mandates, risk appetite, allocation of assets and agreeing the Britannia Group's investment managers,

sub-managers, custodians and advisers.

Meetings

9. The quorum for the Group shall be two members (excluding the Manager Directors).
10. The Group shall meet at least four times per annum. usually in February/March, June, September and November/December. If necessary, the Group shall hold further meetings from time to time, as may be called by the Company Secretary of Britannia Holdings or by any member of the Group. All meetings shall be conducted in accordance with these Terms of Reference and the Articles. Unless the meeting provides otherwise or at the Chair's discretion, participation shall be in person.
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.
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 Members of the Group present shall choose one of their number (excluding the Manager Directors) as Chair for that meeting, with that individual having the same authority and duties whilst Chair.
14. The Managers shall minute the proceedings of each meeting of the Group, including recording the names of those present and in attendance. The Group's Chair (through the Managers) will report on the Group's decisions and recommendations to the Board no later than at the Board's next meeting following the relevant Group meeting.

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 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 INVESTMENT GROUP

For each regular meeting

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

At each February/March meeting

Formal presentations from one or more investment managers
Review asset allocation and VaR

At each June meeting

Formal presentations from one or more investment managers
Review asset allocation and VaR
Review half year performance report

At each September meeting

Formal presentations from one or more investment managers
Review asset allocation and VaR

At each November/December meeting

Review of the Group's performance
Review of the Group's Terms of Reference
Formal presentations from one or more investment managers
Review asset allocation and VaR
Review half year performance report
Review actual concentrations by sector, equity, bond issuer and derivative counterparty