

**THOMAS  
MILLER**

# 2023: A Year in Review



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# Who we are

The Thomas Miller Group is an international provider of market-leading insurance services.

Many of the businesses we own or manage are acknowledged leaders in their chosen markets.

At Thomas Miller, we lead the way in defining excellence across insurance, professional and investment services. We currently have more than 900 employees across 19 countries and 31 offices.

We can trace our roots back to 1885, with origins in the provision of management services to mutual organisations, particularly in the international transport and professional indemnity sectors, where today we manage a large percentage of the foremost insurance mutuals. We apply our knowledge and expertise to the development of specialist insurance services businesses.

At Thomas Miller, we build long-term relationships. Our culture, values and governance ensure we keep our clients at the heart of all we do.

## Principal activities include:

- Management services for transport and professional indemnity insurance mutuals
- Managing General Agency
- Professional services including technical services, legal services, captive and claims management
- Investment management for Thomas Miller managed entities and other institutions





# 100

Our global network of offices serves Members and clients in over 100 countries worldwide

# 21

Businesses

# 31

Offices

# 900+

Employees



## Focus on the numbers

### Financial Highlights for the year ended 31 December 2023

	2023	2022
<b>Revenue</b>	<b>£177.7 million</b>	<b>£168.11 million</b>
Profit on ordinary activities before taxation	£21.95 million	£16.13 million
Tax on profit on ordinary activities before taxation	£4.56 million	£2.52 million
Profit on ordinary activities after taxation	£17.39 million	£13.62 million
<b>Basic earnings per ordinary share</b>	<b>162.9p</b>	<b>123.9p</b>
First interim dividend paid	12.5p	12.5p
Second interim dividend payable	13.0p	12.5p
Final dividend payable	25.5p	24.0p
<b>Total</b>	<b>51.0p</b>	<b>49.0p</b>
Share price at 31 December	£13.00	£12.60

In February 2024, the Directors approved a second interim dividend of 13.0p per share (2022 – 12.5p) to be paid to shareholders on the register as at 4 March 2024, which was paid in March 2024.. The Directors have agreed that a final dividend of 25.5p per share (2022 – 24.0p) will be paid to shareholders on the register as at 31 May 2024. The total estimated dividend to be paid is £2.62 million (2022 – £2.59 million). This dividend, together with the second interim dividend, has not been included as a liability in these financial statements.



Revenue

**£177.7m**

↑ 5.7%

## Highlights in detail

Financial highlights for the year ended 31 December 2023

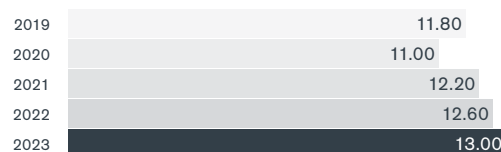
Thomas Miller manages over \$1.6 billion of gross written premium for the Transport, Specialty and Professional Services industries in the mutual, MGA and captive markets.

Revenue / £ Million



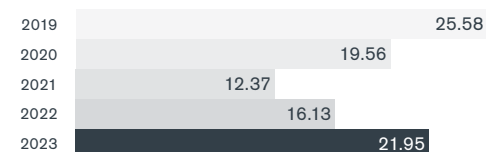
£177.7m

Share price / £



£13.00

Profit before tax / £ Million



£21.95m

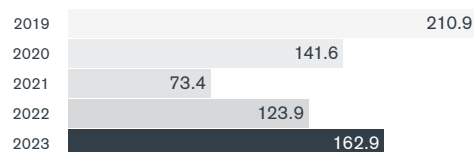
Dividend / p



51p

\*(includes a special dividend of 31p)

Basic earnings per share / p



162.9p



## Business at a glance

Thomas Miller is a group of specialist international insurance, professional services and investment businesses.

### Managed Businesses



#### ukpandi.com

One of the world's leading mutual insurers of third-party liabilities for ocean-going merchant ships.



#### ttclub.com

The leading provider of insurance and risk management services to the transport and logistics industry.



#### ukdefence.com

The leading provider of freight, demurrage and defence (legal costs) insurance to the maritime industry.



#### ukwarrisks.com

The largest British war risks club, insuring a UK and international membership.



#### hellenicwarrisks.com

The war risks insurer for over 70% of all Greek-owned ships.



#### itic-insure.com

The world's leading professional indemnity insurer of service providers in the transport and energy industries.

### BAR MUTUAL

#### barmutual.co.uk

Provides professional indemnity insurance to all self-employed barristers in England and Wales.

### PAMIA™

#### pamia.co.uk

Provides professional indemnity insurance to over 95% of UK and Irish patent and trade mark attorneys in private practice.

### Discretionary Mutuals



#### fric.org.uk

Fire & Rescue Indemnity Company (FRIC) provides risk protection products for Members' core risks including vehicle fleet, liability and property.



#### activitiesindustrymutual.co.uk

Activities Industry Mutual (AIM) specialises in providing an alternative to conventional insurance for the activities sector.

#### Livery Companies' Mutual

Livery Companies' Mutual (LCM) provides discretionary cover and arranges insurance for 84 livery companies, trade associations, guilds, and private members' clubs.

### Investment



#### tminvestment.com

Thomas Miller Investment is a leading investment manager for institutional clients.



## Specialty

### THOMAS MILLER SPECIALTY

#### thomasmillerspecialty.com

Provides leading global insurance and related risk management services across a number of sectors including marine, offshore and construction.

### THOMAS MILLER LEGAL

#### thomasmillerlegal.com

Provides due diligence and claims management services to commercial After The Event insurers and litigation funders.

### THOMAS MILLER CAPTIVE MANAGEMENT

#### thomasmiller.com

A leading independent provider of captive insurance management services.

## OPDU

#### opdu.com

Market-leading insurance, claims and risk management services for trustees and sponsoring employers of pension schemes, with scheme assets in trust of approximately £116 billion.



#### thejudgeglobal.com

TheJudge is the leading specialist broker of After The Event litigation insurance with access to competitive litigation funding products for law firms and their clients.

## Professional Services



#### brookesbell.com

International marine technical, scientific and surveying consultancy to the marine and energy sectors, providing multi-disciplinary services, including expert witness and litigation support.



#### shearwater-law.com

Shearwater Law is a specialist commercial, litigation and insurance firm, created to offer a fresh alternative to large, traditional firms.

### THOMAS MILLER CLAIMS MANAGEMENT

#### thomasmillerclaims.com

Professional claims handling of uninsured or below-deductible claims through to complete claims outsourcing.



#### fairleadgroup.com

Fairlead provides high-quality, relevant and credible private investigation services combined with an investigation management platform designed to increase the efficiency of investigations by improving the flow and transparency of information during a case.

# The Chairman's Statement 2023



**Charles Fenton**  
Chairman

“  
**The golden thread that runs throughout all Group businesses is the contribution of our people. I am very proud of the 900 plus individuals who I can call colleagues.**



I am pleased to introduce our annual report and financial statements for 2023. The past 12 months have presented a challenging and unpredictable global business environment, with the backdrop of tragic conflicts in several parts of the world, combined with significantly elevated levels of inflation and consequent interest rate management action from central banks across the Globe. The fact that Thomas Miller has delivered a strong performance for its clients and shareholders in this environment is testimony to the strength of the business and the commitment of colleagues all around the world.

The profit for 2023 was £21.9 million. There are two elements to this: profit from our regular business operations and profit from some one-off items. Leaving aside the one-off items, the increase in profitability from our regular business operations in 2023 is welcome and it is pleasing that the Group has returned to a position where it has met, and indeed exceeded, the profit target for the year. We can be confident that the hard work undertaken in the last few years has paid off and the business has a strong core from which to grow.

Hugh has set out details of the performance of our different divisions and businesses in his CEO statement and I would like to mark the contributions from across the Group to our overall company results. Our strength is

derived from both the breadth of the markets and services our businesses operate in and our shared focus on delivering market-leading services.

## People and Culture

The golden thread that runs throughout all Group businesses is the contribution of our people. I am very proud of the 900 plus individuals who I can call colleagues. We now work from 31 offices around the world. Each colleague in the Group shares a commitment to excellence and this is the foundation of our company. We each take responsibility for nurturing the unique culture that has developed over the 139 years since Thomas Robson Miller first started the company that now takes his name. Our culture is not just one of excellence but one of development, growth, and innovation, for colleagues as much as for the business as a whole.

We recognise that the Thomas Miller Group is fundamentally a people-led business with colleagues who bring significant energy, expertise and commitment to their work. The Board and senior management are committed to ensuring that our working environment and our offer to colleagues enable us to attract and retain the talented people we need. I am determined that the Group provides stimulating and rewarding roles and future opportunities to every colleague throughout the business. Hugh details some of our specific initiatives and the positive results of our annual employee engagement survey in his statement.

One way that employees can share in the success of the Group is through the employee share schemes. We encourage staff to purchase shares to both provide an incentive

to contribute to the Group's continued growth and success and to benefit from a share of that success.

## Communities

Last year marked five years since we launched our Corporate Social Responsibility (CSR) programme, 'Be the Difference'. The programme formalised what has been a long-term commitment to working with and supporting the communities around the world in which both the Group and our partners operate. 'Be the Difference' represents another way in which we foster the special Thomas Miller culture and ethos. A major strand of 'Be the Difference' is our collaboration with a corporate charity partner. We aim to work with a charity partner that shares the vision and the passion of our company and our staff for delivering sustainable beneficial change for global societies.

From 2018 to 2021, our first charity partner was Mercy Ships. During this partnership, Thomas Miller and our staff donated more than £200,000 to support its work deploying hospital ships to some of the most deprived parts of the world. These ships brought life-saving and enhancing medical treatment to thousands of people in need, with our partnership supporting projects on the hospital ships and in sub-Saharan Africa. In 2021, we asked our staff to select our second corporate charity partner and our partnership with Street Child began the following year. Street Child wishes to see all children safe, in school and learning. Its focus is on low-income countries and emergency situations.

During the first year of our partnership with Street Child, Thomas Miller donated £90,500

towards some vital projects, including in Somaliland, Ukraine, Pakistan and Afghanistan. Our staff, entirely through their own efforts, have raised more than £50,000 for Street Child over the last two years. When combined with corporate donations, the total Thomas Miller donation to the charity reached £170,000. Our final corporate donation of the two-year partnership was a £50,000 contribution in December 2023, which has been allocated across three countries of Street Child's operations – Afghanistan, Nepal and Somalia.

We are looking forward to continuing our strong tradition of working with charities with our new partner, St Mungo's. With the completion of the partnership period with Street Child, staff were given the chance to choose the next charity partner. Through a series of votes, colleagues first chose to focus our corporate charity efforts on the cause of homelessness and then voted for St Mungo's from a shortlist of charities working to support homeless people. Established in 1969, St Mungo's ambition is to end rough sleeping by 2026, by focusing on addressing the issues people experiencing homelessness face to help them move away from the streets. Their vision is that everyone has a place to call home and can fulfil their hopes and ambitions.

I am delighted that the commitment to giving back to the communities we work in extends throughout the business. Last year, many colleagues took advantage of the three days of volunteer leave we offer, some as individuals and many as teams coming together to tackle a specific challenge. In total, 75 volunteer days were utilised across the Group - a number that I hope to see increase in 2024.

## Environmental, Social and Governance

2023 saw the publication of our first ever Environmental, Social and Governance (ESG) Report. In his foreword to the 2024 report, Hugh explains the importance of recognising that our success is not solely measured by financial performance but also by our impact on the environment, the wellbeing of our employees and our contributions to society. Such themes have for a long time been embedded in our cultural DNA and indeed that of the mutual clients we serve.

The ESG Report outlines some important commitments for us over the coming year. These touch on the five pillars of our ESG strategy: Our People, Our Company, Our Community, Our Planet and Our Marketplace and include commitments to revised recruitment practices and developing our diversity, equity and inclusion (DEI) work.

At Thomas Miller, we believe in and understand the value of DEI as not only ensuring a fair and equitable workplace and representing the communities we work in and serve, but also for the importance of utilising the skills and talents of all of society.

As part of our ongoing commitment to developing our DEI approach, we welcomed Commodore Mel Robinson (retired) to speak with our Executive Committee about leadership in early 2024. Mel was the Commander of the Maritime Reserves until her retirement last summer and has led on key DEI initiatives across the Reserves and Royal Navy. Our leadership learned a lot from her that we will consider for our business and people.

## Our Board

The Thomas Miller Board is a crucial source of advice, challenge and insight, especially amid uncertainty and turmoil. I want to thank our Non-Executive Directors for their commitment and contributions through 2023. The work of the Board is often invisible, but we should not underestimate the importance of the ideas and perspectives that its members offer in the development and guiding of our strategy.

I want to pay tribute to Paul Trickett, who sadly passed away at the end of August 2023. Paul initially joined Thomas Miller in 2013 as a Non-Executive Director of Thomas Miller Investment before joining the Thomas Miller Holdings Board in 2015, serving as Senior Independent Director since 2018. We are incredibly fortunate to have benefited from Paul's wise counsel and constructive challenge over the last 10 years. He will be missed by us all.

James Quin joined the Thomas Miller Holdings Board in early January 2024. James, a Chartered Accountant by training, was most recently Group Chief Financial Officer at Saga PLC and brings many years of experience within the insurance and consultancy sectors to the Group. James will take over as Chair of the Audit and Risk Committee from the current Chair, Bob Cowdell, on 1 July 2024.

At our AGM, Markos Nomikos will join the Board as the representative director of the UK Club, replacing Dr Grahaeme Henderson OBE. I would like to extend my thanks to Grahaeme for his valuable contributions during his tenure. I look forward to working with Markos, James and Bob and the executive members of the Board in the coming year.

While on the subject of Boards, I would like to thank the Chairs and Directors of the mutual businesses we manage for their support in this year and more widely. As I have said before, the Clubs are at the heart of what we do and the Board of Thomas Miller Holdings recognises and appreciates the strong working relationships that underpin our shared undertaking in discharging the Clubs' missions and business plans. We do not take these relationships for granted.

## Looking Ahead

I would like to end by saying that, in 2024, the Board will agree a new vision for the future of Thomas Miller. Much has been learnt from experience in implementing recent corporate plans and we will take the lessons learned, combine them with the needs of our various businesses and set a course that will guide the Group in the next five or so years. I look forward to reporting to you on this next year.

**Charles Fenton**  
Chairman  
Thomas Miller Holdings  
24 May 2024



**At Thomas Miller, we believe in and understand the value of DEI as not only ensuring a fair and equitable workplace and representing the communities we work in and serve, but also for the importance of utilising the skills and talents of all of society.**





# Chief Executive's Statement and Review of the Year



**Hugh Titcomb**  
Chief Executive Officer



**The Group's pre-tax profit was £21.9 million against a budget of £19.36 million and the previous year's out-turn of £16.1 million.**



In echo to Charles' remarks on the global challenges of the past year, despite the uncertainty, the resilience of Thomas Miller prevailed and I am very pleased to report an admirable set of results for the 2023 financial year.

The Group's pre-tax profit was £21.9 million against a budget of £19.36 million and the previous year's out-turn of £16.1 million. This result reflects an improved aggregate contribution from the Group's various trading activities, plus a number of one-off items – the most significant being: an uplift of circa £8 million in the value of the Shipperserv investment; a write down of circa £4.5 million in the value of work in progress held on the Group's balance sheet in respect of TheJudge; a goodwill impairment charge totalling circa £2.5 million following an assessment of the balance sheet value of i) TheJudge and ii) Osprey, an entity acquired several years ago, which now forms part of the UK Fixed Premium Marine business; plus a restructuring charge relating primarily to the Group's Specialty Division. Additional comment is made below.

## Mutual Management Activities

Thomas Miller's core activity is the management of third-party Mutual Insurance organisations. The aggregate contribution from this activity in 2023 was relatively strong, with the majority of managed entities contributing in line with, or above, their respective budgets. As seen in previous years, the incentive fee arrangements with the TT Club often have a significant impact on the overall result and, in 2023, these arrangements delivered an incentive fee of £5.4 million (compared with £2.2 million the

previous year), reflecting the strong underlying performance of the Club itself, including a strong investment portfolio performance.

The three new Discretionary Mutual entities, which came under the Group's management in the latter part of 2022, performed well in their first full year. The profit contribution from this activity exceeded the original projections and the entities are now firmly established within the Group's stable of managed organisations.

All managed entities performed well within their own sectors and this reflects the strong partnership we have with them. Our commitment to continuing to provide exemplary levels of service to these entities is unequivocal and is supported by the creativity and commitment of colleagues throughout the business.

## The Owned Businesses

The Professional Services Division performed in line with budgeted expectations. Notably, Brookes Bell delivered its best ever performance under Thomas Miller's ownership, supported by an increase in activity levels and by a positive contribution from the materials and non-destructive testing activities undertaken within the Laboratory. Shearwater Law, which rebranded from its former TM Law brand during the year, benefited from sanctions-related work, albeit this was partially offset by an increase in headcount costs within Thomas Miller Claims Management.

Since the year end, we have completed the acquisition of the Condon Claims Management business following the Special General Meeting held on 9 January 2024 and – looking forward – anticipate this will make a significant contribution to developing our

claims management activities both within the UK and in the US.

The Specialty Division, in aggregate, reported results below target for the year. This reflects some restructuring costs and a combination of business line factors:

- Following a strong performance in 2022, TheJudge delivered a reduced performance in 2023 and reported a pre-tax loss of circa £5.5 million, which primarily reflects the application of a more prudent accounting approach to the balance sheet value of work in progress that had been booked in previous years.
- The Construction MGA business underperformed its budget, albeit significant progress was made in developing its franchise within its sector and the business had a relatively strong pipeline of new business at the year end, some of which has since converted.
- The Fixed Premium Marine MGA business delivered a mixed performance, with commission and volume shortfalls from the UK operation being offset to some degree by a relatively strong performance from the German operation. A goodwill impairment charge of £975k was booked to reflect an assessment of the current value of the Osprey entity acquired several years ago, some of the activities of which have since been merged into the Marine business.
- The Offshore MGA business performed well, supported by the crystallisation of some profit commissions from prior year underwriting activities, albeit this was offset by lower than budgeted volumes.
- The Captives, OPDU and After The Event insurance businesses all performed well and at least in line with their respective budgets.

A comprehensive review of the Specialty Division was undertaken during the course of 2023, including looking at the various lines of business and the associated operating model. This work has resulted in a number of organisational changes focused on clarifying our various offerings within a complex market place and positioning the businesses to deliver improved performance over time. Notably, the Fixed Premium Marine MGA business has been aligned more closely with the UK P&I Club (as its capital provider) in terms of reporting lines, risk appetite and underwriting governance.

Thomas Miller Investment, which provides investment management services to Thomas Miller managed entities and other institutions, performed in line with budgeted expectations. Whilst 2023 undoubtedly presented a challenging investment environment, absolute portfolio returns delivered in the year were, in the main, strong, which in turn supported the overall performance of our managed clients and the relationship we have with them.

As noted above, the Group's results include an uplift of circa £8 million in respect of the Shipperserv investment. As advised in my letter to Shareholders dated 14 March 2024, we anticipate receiving the proceeds from the sale of the business towards the end of 2024, albeit with the possibility it may run into 2025.

Shareholders will be aware there has been significant focus on the Group's Defined Benefit Pension Scheme over recent years. Through the efforts of many past and current colleagues who have served as Trustees over time and supported by the Scheme's advisors, very significant progress has been made to transition from a Scheme deficit to the current position where no further funding is

anticipated. The Scheme has been de-risked even further since the year end through a buy-in transaction with Aviva which completed in April.

As has been the case in previous years, the profit out-turn noted above includes the benefit of an adjustment under International Accounting Standards (IAS) relating to contributions made to the Pension Scheme in the year. For 2023, this adjustment was £7.046 million. Going forward, given that no further contributions into the Scheme are anticipated and as such no further IAS adjustments will be made – all other matters being equal – it is likely the level of reported profits in future years will be lower.

### Development

Throughout 2023, significant focus was applied to progressing a number of key IT and operational projects across the Group – notably, these include:

- The TT Legacy Modernisation Programme is now at an advanced stage and it is anticipated the project will transition to implementation in the middle of 2024.
- Bar Mutual implemented a technology platform at the end of 2023 and this is now in use.
- Thomas Miller Investment has embarked on a significant outsourcing project for its middle office support functions following a comprehensive review of its current arrangements. This work will continue over the next 12 months or so.
- Preparatory work was undertaken to establish a new data centre as a core component of the Group's disaster recovery arrangements. It is anticipated the new

arrangements will be in place by the end of the second quarter this year.

### Employee Engagement

The Thomas Miller Group workforce is now over 900 strong and we continue to invest in the development and well-being of colleagues around the world. Whilst we did see a small increase in staff attrition in the early part of 2023, this was significantly below market levels which, at the time, were showing particularly elevated levels of activity. The rate of attrition has subsequently reduced and staff retention and development remain key focus areas for the Group.

An employee engagement survey was undertaken in the latter part of 2023. Encouragingly, the results showed a particularly positive picture, with high levels of engagement, support and propensity to recommend Thomas Miller as a great place to work. Notwithstanding the positive outcome, the survey provided opportunities to support engagement with colleagues even further and related action plans have been developed at both Thomas Miller Group and individual business line levels.

We are committed to continuing to enhance the diversity of our workforce and this objective is being supported by a new Diversity, Equity and Inclusion (DEI) Employee Forum, which has been launched recently.

### Dividends

I am very pleased to confirm the final dividend for the 2023 year will be paid in late June 2024 at the rate of 25.5 pence per share. Combined with the first and second interim dividends already paid, this brings the total

dividends paid in respect of 2023 to 51 pence – an increase of 4.1% above the previous year.

Whilst dividend payments must always be subject to future profitability and cash-flow generation, we plan to continue our policy of distributing profits to our shareholders.

I have previously sign-posted the possibility of declaring a Special Dividend once the Shipperserv monies are received, which, as noted above, is anticipated to be later this year or early in 2025. This position remains unchanged and due consideration will be given as and when the monies are received.

### Looking Ahead

Whilst the geo-political backdrop is anticipated to remain challenging for some time to come, the Thomas Miller business is very well positioned to make continued progress going forward. Our core focus on managing third-party insurance entities, including supporting their respective development plans, plus our ancillary focus on our owned businesses, provide both balance and opportunity for continued growth. Building on the various technology projects currently in progress, we anticipate further investment in digital applications to enhance growth opportunities, improve operational efficiencies and ensure we are well placed to continue to deliver the highest possible levels of client service.

Finally, I would like to take this opportunity to thank our clients, partners and indeed colleagues throughout the Thomas Miller Group for the highly valued support and commitment shown by all.

**Hugh Titcomb**  
Chief Executive Officer  
24 May 2024

## Review of the Year

### Adjusted Operating Profit

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Adjusted operating profit		
Transport Division	17,475	12,683
Professional Indemnity Division	1,783	882
Investments Division	501	1,042
Specialty Division	(5,795)	1,479
Professional Services Division	1,340	472
Other, including Bonuses, Goodwill Impairment, Central costs, and IFRS Accounting adjustments	(8,139)	(6,984)
<b>Total</b>	<b>7,165</b>	<b>9,574</b>
Income from fixed asset investments	7,739	–
Other gains (note 9)	–	273
<b>Total business operating profit</b>	<b>14,904</b>	<b>9,847</b>
Adjustments		
Adjustment for defined benefit schemes' contributions and other pension costs included within management fee charges	6,046	5,658
International Accounting Standard (IAS) 19 net finance costs including any gains or losses on curtailment or settlement and liability management exercise (note 30 – pension note number)	1,000	629
Total adjustments	7,046	6,287
<b>Profit on ordinary activities before taxation</b>	<b>21,950</b>	<b>16,134</b>

**Hugh Titcomb**  
**Chief Executive Officer**  
**24 May 2024**



# Be the Difference, Be the Impact

At Thomas Miller, our 'Be the Difference' CSR programme and 'Be the Impact' ESG strategy underpin our culture. These initiatives operate under our five pillars of Our People, Our Company, Our Community, Our Planet and Our Marketplace.

Some of the 2023 highlights in each of these areas are reported below.

Since 2022 and the start of a project to develop and deliver our ESG strategy, we have made considerable progress to bring to life the commitments we made in our ESG Roadmap. Our achievements are detailed in our 2024 ESG Report, which will be published shortly on our website.

## Our People

2023 has seen a continued focus on the areas which differentiate Thomas Miller as a great employer and which help us to recruit, retain and develop the best people.

Both our Chair and Chief Executive make reference in their annual statements to the importance of engaging with employees and, in 2023, we continued with our annual employee engagement survey to find out how our people feel about working for Thomas Miller. 83% of our colleagues would recommend Thomas Miller as a great place to work, a testament to our positive company culture and sense of belong, with 80% of employees feeling that perspectives from all cultures and backgrounds are valued, and

82% expressing trust in our senior leaders' direction.

Building on these positive results, our newly formed DEI Employee Forum is a fresh opportunity for us to develop new ideas and gather feedback in this important area. We have also taken a more structured approach to engagement survey action planning to ensure action plans are focused in the key areas highlighted in the results. Communication remains a key area of focus and tools such as 'Ask us Anything' launched during 2023 to provide an online forum for employees to ask questions of the senior leadership team help to broaden the ways in which employees can engage with the Company.

## Our Company

The Thomas Miller Holdings Board is ultimately responsible for the Company's direction and long-term prosperity, an objective achieved by ensuring that the right financial resources and people are in place.

The Board has a number of separate committees, including the Audit & Risk Committee, Remuneration & Nominations Committee, Executive Committee and Standing Committee, each with specific responsibilities as laid out in the respective Terms of Reference.

### Audit & Risk Committee

The Audit & Risk Committee is currently chaired by Bob Cowdell, but this role will move to James Quin from July 2024. The governance responsibilities of the Audit & Risk Committee include Financial Reporting, External Audit, Internal Audit and Risk Management.

### Remuneration and Nominations Committee (RNC)

The RNC is chaired by Bob Cowdell, the Senior Independent Director. The governance responsibilities of the RNC include Executive Director Remuneration Policy, Design and Application of Share Schemes, Recommending Board appointments and Senior Executive Succession Management

### Thomas Miller Executive Committee

The Executive Committee's main objective is to assist the Chief Executive in running the business via overseeing the performance and delivery of the Group's Business Plan with a focus on strategic leadership, management and direction, and on ensuring effective prioritisation.

### Standing Committee

Our Bye-Laws require all Executive Directors of the Company to seek authority to trade in any share market via the Standing Committee of the Board. This Committee is entirely made up of Non-Executive Directors.

The Board, through its meetings or those of its various committees, regularly reviews all aspects of the Company, including major commercial decisions, client relationships, operations, financial performance, employee matters, Group policies, compliance, risk management and internal audit. This ensures that the Board is able to direct the management of the Company to the best of its ability.

There is a clear division of responsibilities on the Board. The Executive Directors are



Since 2022 and the start of a project to develop and deliver our ESG strategy, we have made considerable progress to bring to life the commitments we made in our ESG Roadmap.



responsible for running the Company and the two independent Non-Executive Directors and the UK P&I Club Representative Director are responsible for exercising independent and objective judgement by constructively challenging proposals and recommendations made to the Board.

During 2023, all Directors attended all five Board meetings, with the exception of Paul Trickett who was only able to attend one meeting due to illness.

### Relationship with Shareholders

The Executive Directors value their regular communications with shareholders through various channels, including the annual report and financial statements and the Year in Review, letters to shareholders throughout the year and the AGM.

### Our Community

Our commitment to the external communities in which we are located and operate, and through our Members and clients is well understood and supported by our employees through our well-established CSR programme, 'Be the Difference'. This continues to be at the heart of our ethos as a Company.

During 2023, our Corporate Charity Partnership with Street Child drew to a close and our employees chose St Mungo's as our new partner for the next two years. Our Chair, Charles Fenton, has provided an overview of these activities in his Chair's statement and for further insight into our ESG and CSR initiatives, including other charitable giving and volunteering, please visit the ESG and CSR pages on our website.

### Our Planet

During 2023, efforts continued across all our operations to be more environmentally mindful as we go about our business. This includes having a well-versed process to collate, track and report our Scope 1, 2 and partial Scope 3 emissions, which are now reported annually in our ESG Report. Our Chief Executive, Hugh Titcomb, references in his statement our recent strategic project to move our data centre out of our London office. This is now located in a state-of-the-art co-location facility powered entirely by renewable energy, which helps to demonstrate our commitment to do what we can to improve our environmental footprint. Further information about our environmental credentials can be found in our 2024 ESG Report.



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**Our commitment to the external communities in which we are located and operate, and through our Members and clients is well understood and supported by our employees through our well established CSR programme, 'Be the Difference'**

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## Our Marketplace

# Case study

## Elevating Mutual Management – A Core Strategy at Thomas Miller

### **Mutual Management at Thomas Miller: A Legacy of Excellence**

Thomas Miller has nearly 140 years' experience providing comprehensive management services to mutual organisations. The company's ethos, rooted in service excellence, collaboration and integrity, has guided its journey from managing the UK P&I Club since 1885 to currently managing a diversified portfolio that spans the insurance, investment and professional services sectors.

### **Strategic Integration: Beyond Acquisition**

With 11 mutuals currently under management, each mutual, while retaining its identity and purpose, benefits from Thomas Miller's robust infrastructure, which includes end-to-end operational support, and regulatory and compliance expertise. This holistic approach ensures that mutuals not only sustain their success but are also supported to expand their reach and impact. In 2022, Thomas Miller took on the management of three established discretionary mutuals: Fire & Rescue Indemnity Company (FRIC); Livery Companies' Mutual (LCM); and Activities Industry Mutual (AIM) – highlighting our ongoing commitment to mutual management.

### **Fostering Growth and Innovation**

Thomas Miller's role extends beyond traditional management – it acts as a partner. By leveraging its specialty services and global network, Thomas Miller facilitates growth and enhances service offerings, ensuring mutuals remain competitive. Moreover, fostering a culture of

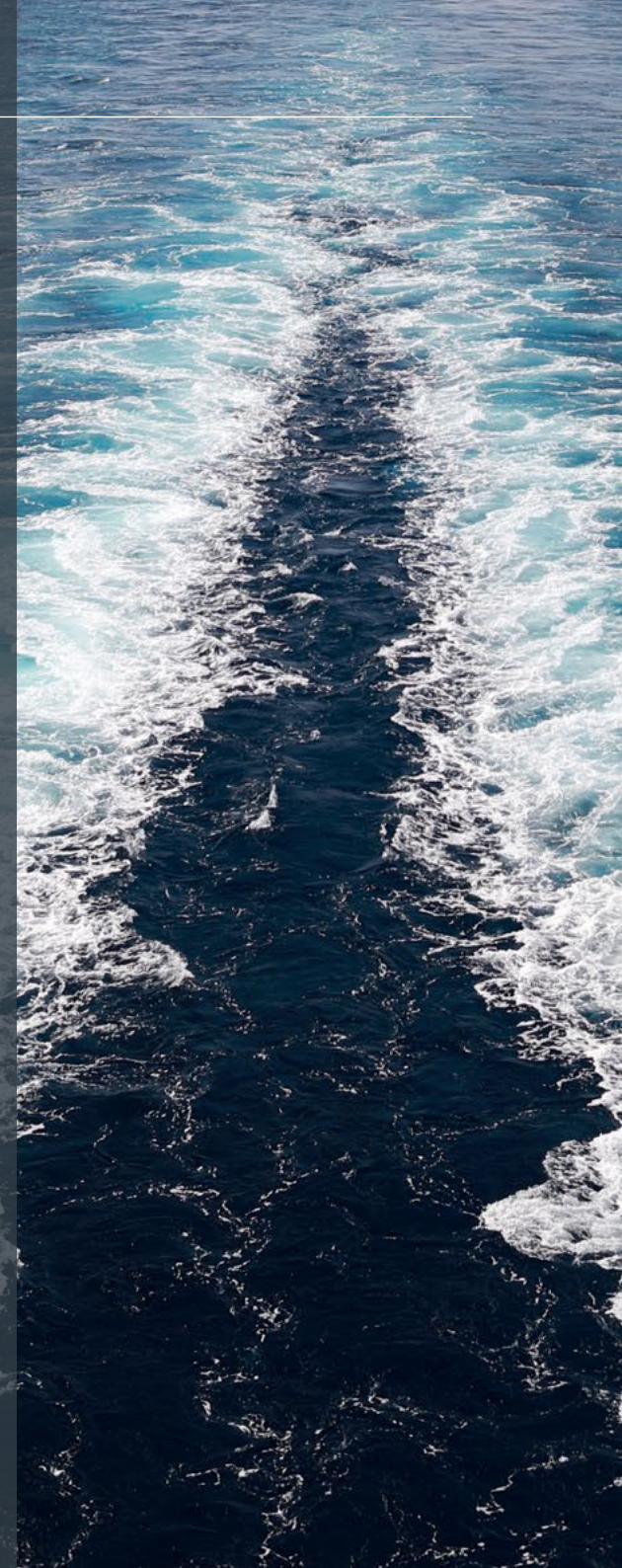
innovation and lateral thinking allows mutuals to navigate the complexities of the modern insurance landscape with agility and confidence. A notable development in 2023 was Thomas Miller Specialty, one of Thomas Miller's 10 owned enterprises, transitioning its Protection & Indemnity (P&I) capacity to the UK P&I Club. This move was facilitated by the similar product offerings and shared distribution channels of the two entities, leading to enhanced alignment and strategic focus. TMS Marine, as a result, now falls directly under the UK Club's purview. This restructured arrangement has not only aligned risk appetites more closely but also streamlined the overall framework, promoting deeper collaboration between the UK P&I Club and TMS Marine.

### **A Culture Rooted in Service and Integrity**

At the heart of Thomas Miller's philosophy lies a commitment to service excellence and integrity. These principles guide every interaction and decision, ensuring mutuals and their Members receive unparalleled support and expertise. The organisation's culture, characterised by high performance and constructive relationships, is shared across all offices and nationalities, underpinning a unified approach to achieving excellence.

### **The Future of Mutual Management**

Looking ahead, Thomas Miller is poised to continue to focus on mutual management through a proactive strategy, collaborative partnerships and an unwavering focus on service.





## Our Marketplace

# Case study

## Professional Services Division

### Soaring Above the Tide: Shearwater Law's new identity

In late 2023, Thomas Miller Law rebranded to Shearwater Law. This significant rebranding was more than a change of name; it represented a strategic leap in how Shearwater serves the ever-evolving maritime and shipping industries.

### Rationale Behind the Rebranding

The transition to Shearwater Law was born out of a strategic desire to remain at the forefront of the maritime industry, ensuring the firm is best positioned to meet its clients' dynamic needs. The choice of Shearwater Law as the new name encapsulates the firm's commitment to flexibility, excellence and leadership in maritime legal services. Jessica Maitra, the Head of Legal Services, underscores this new identity as a testament to the firm's growth, and its ongoing mission to offer responsive, informed and dependable legal advice.

### Adapting to Industry Evolution

Understanding the maritime sector's intricate demands, Shearwater Law values the legacy and expertise of its predecessors, aiming to leverage this foundation to steer future success under a unified and modern identity. The legal landscape's evolution is met with a consistent philosophy: marine clients seek advisors who are integral to their

operations, embodying passion and understanding for their business. Shearwater Law's experienced, collaborative and nimble approach ensures readiness for these evolving demands.

### Enhancing Client Relationships

The rebranding initiative is seen as an opportunity to reaffirm the firm's core strengths and vision. This strategic focus is anticipated to enrich client service and deepen existing relationships while fostering new ones. The team at Shearwater is focused on the commercial and legal issues facing shipping, marine transport and insurance clients. While the name might be new, this firm of lawyers has been providing legal services to the maritime world for over 30 years. Shearwater Law is a Thomas Miller owned business, which sits within our Professional Services Division.



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