NorthStandard

Taking on tomorrow, together

Annual Review 2026

Contents

Welcome 3
Welcome from our Chairman 4
The Managing Directors' Q&A 6

Financial management 8
Key results summary 9
Our results – commentary 10
Reinsurance 11

Member support 12
Claims 13
Loss Prevention 15
A strong voice for shipowners 19
Navigating geopolitical crises 20

People and governance 21
NorthStandard in action through the year 22
Supporting our teams 23
Changes in our Board leadership 23

Strategic delivery 24
Our business today 25
Our strategy 27
Strategic developments in 2025 by line of business 27
Technology 29
Merger benefits realised 30
Sustainability 33

Welcome

Welcome from our Chairman 4
The Managing Directors' Q&A 6

Welcome from our Chairman

A more challenging world

Throughout 2025, geopolitical risk increasingly shaped the day to day operating environment for shipowners.

Conflict in the Middle East from Gaza to the Persian Gulf, the continuation of the war in Ukraine, the uncertainty caused by changing tariffs, and the steady expansion of sanctions regimes all combined to undermine predictability in trade, compliance and insurance. Shipowners faced higher costs, greater operational disruption and a more complex liability landscape, often driven by events entirely outside their control.

Similarly, while 2025 was a more normalised year for pool claims generally, recent developments on prior pool years – including key settlements in the Dali claim – highlight the potential for extraordinary losses.

In this environment, the mutual model and the protections of the International Group (IG) have yet again proved their worth – enabling individual shocks to be absorbed collectively. The teams at NorthStandard have worked tirelessly with Members, helping them navigate that complexity in a way that protects their long-term interests, and ensuring timely access to the right cover and service.

Unwavering commitment to Members

Members continue to recognise and value NorthStandard's commitment to their commercial interests, and the collaborative way in which our teams work. This approach is reinforced by our market leading loss prevention capability, which is grounded in practical maritime expertise, deep claims insight, high quality data and carefully chosen partnerships.

This focus on our Members is reflected in our service metrics. During the year, our teams achieved a Net Promoter Score of +62, continuing with our strong performance over the past two years, and demonstrating sustained confidence in the quality of our service through periods of heightened claims activity and geopolitical volatility. Maintaining this level of endorsement is not taken for granted. It reflects a deliberate emphasis on responsiveness, clarity and consistency — and on supporting Members not only when outcomes are straightforward, but also when situations are complex.

> **"The teams at NorthStandard have worked tirelessly with Members, helping them navigate that complexity in a way that protects their long-term interests"**

Strategic momentum

With over three years since the legal formation of NorthStandard, we are now able to look back and reflect on the benefits delivered across three areas – firstly, in improving our service offering for Members, through the development of our Specialty lines, new offices, new partnerships, and expanded resources; secondly, in our improved capital position and reduced financial volatility; and thirdly, in maintaining Member and employee satisfaction while reducing costs.

In 2025, we saw continued strong progress across each pillar of our strategy, with some notable examples to highlight:

Grow and Diversify

We established two new sectors during the year – Upstream Energy and Marine & Energy Liabilities. These build on our capabilities and experience within Offshore & Renewables, and allow us to offer meaningful capacity and support to Members and brokers across a broader range of marine and energy related risks. More generally across P&I, we saw strong support from existing Members alongside selective new Member growth, reflecting our focus on portfolio quality.

Innovate and Lead

We continued to invest in innovation across the Club, focused on finding, developing and delivering solutions that respond quickly to the practical needs of our Members and other stakeholders. This included Port Risks Online, a new feature on GlobeView, our maritime intelligence platform – this automatically provides Members with proactive advice when AIS is updated on vessels.

Invest in the Future

We took the opportunity during the year to review and strengthen our overall approach to Sustainability, and to streamline our sustainability framework into three clear pillars – around our own operations, how we support Members, and how we support our people and communities. Our financial performance over the year also improved – large claims activity returned to levels more consistent with historic experience, with our combined ratio falling to 105.5%. The club also gained from a strong investment performance and longer-term merger benefits.

Looking forward

We look to the future with realism and an appetite to fulfil our potential. The external environment will remain uncertain, but NorthStandard enters the next phase with an even clearer sense of what it takes to perform well in that environment, based on our unwavering commitment to Members.

On behalf of NorthStandard's leadership, management team, and employees, we thank you, our Members and brokers for your ongoing trust, loyalty, and commitment.

> "We look to the future with realism and an appetite to fulfil our potential..."

The Managing Directors' Q&A

In this Q&A, Managing Directors Paul Jennings and Jeremy Grose reflect on the year just gone, how NorthStandard is responding to an evolving risk landscape, and the priorities guiding the year ahead. They also discuss performance, strategy and service, and share how we are supporting Members and partners with clarity, resilience and long-term value.

Recent developments make it clear that geopolitics and sanctions have all become more structural rather than cyclical risks. How does that change how you run the club?

Sanctions and geopolitics have always been a key focus but we have reorientated the club to be even more responsive, by playing to some of the unique strengths of NorthStandard.

When risk is persistent, nuanced and jurisdiction-specific, scale and deep expertise really matter. Our value to Members is no longer just about paying claims efficiently — it's about deploying world-class expertise, quickly and credibly, to help them navigate situations where the legal, regulatory and operational consequences are inseparable. We increasingly work directly with Members' boards, legal teams and operational leadership on issues that are unique to their trades, routes and counterparties. That is not something that can be standardised or automated — it requires judgement, experience, nuance and trust.

Structurally, we've backed that up with real organisational change. We've built a dedicated sanctions capability reporting into our General Counsel, recognising that sanctions risk is not a front-line underwriting 'add-on' but a central governance and risk discipline. We've deliberately moved some of our most experienced people into new specialist positions where their judgement can be brought to bear precisely where it matters most — supporting Members through complex, high-stakes decisions.

This isn't about adding bureaucracy. It's about clarity. When the risk is structural, you design the organisation around it. That allows front-line teams to focus on serving Members, confident that behind them sits a depth of specialist capability that can be brought in instantly and authoritatively.

What do Members value about NorthStandard?

Our membership is hugely diverse, but it is clear that Members appreciate NorthStandard's Member-centric approach complemented by our market-leading expertise and Loss Prevention service.

We collaborate closely and partner with Members and brokers, our teams invest time to understand each Member's world, and we apply our expertise and judgment to find tailored solutions where standard approaches fall short. In practice, that means developing deeper relationships so we truly understand the Member's business, pressures and priorities. Feedback from Members is particularly strong in relation to how we engage with them on complex matters and how we find solutions in complex and challenging claims and underwriting situations.

Our Loss Prevention team also offers a uniquely strong range of services that help Members to reduce risk, improve operational performance and make better decisions in increasingly complex environments. This includes programmes such as ECDIS Training Assessment, voyage specific intelligence via GlobeView PRO, targeted use of AI enabled safety technologies, and our growing focus on crew wellbeing. By working with partners, such as Orca AI, we have been able to offer new solutions to Members, and we are now starting to see some of the safety improvements flowing through to results.

> "Sanctions and geopolitics have always been a key focus but we have reorientated the club to be even more responsive, by playing to some of the unique strengths of NorthStandard."

Paul Jennings
MANAGING DIRECTOR

There is a lot of discussion about technology and AI in insurance. Where do you see real, near-term value for Members — and where is the hype?

We have continued to make deliberate investments in technology to further improve both Member and broker experience and efficiency – this has included new supplier partnerships, continued consolidation of systems, improvements in how we use data, and onboarding of Members and brokers onto the Iris member portal. We recognise that technology transformation takes time, and we continue to make solid year-on-year progress.

Jeremy Grose
MANAGING DIRECTOR

Since 2023, we have adopted a deliberate and pragmatic approach to AI adoption across the club, rooted in a "test and learn" philosophy. This strategy has focused on building understanding, developing internal capability, and identifying use cases through experimentation and iteration.

For example, our internal claims and loss prevention insight solution "ChatNS" moved from pilot to production, while two agentic AI solutions progressed through proof-of-concept successfully. Our agentic AI solution for sanctions screening is already in production, and a second agentic AI solution for certain low-value claims handling is due to go-live mid-2026. We have also scaled adoption of AI tools across the workforce, most notably through the rollout of Microsoft Copilot where we see extensive usage across a large proportion of our colleague base.

How do you balance being a mutual owned by Members with the need to invest heavily – in people, systems and technology?

As a mutual club, our unrelenting focus is on the long-term interests of the membership. We invest resources to create real value for our Members. An example of this approach was in our move into Energy in September 2025. We invested in acquiring a new team with a strong operational fit in a sector that can generate significant and sustained value. A number of our recent Loss Prevention partnerships, including our upfront subsidy for Members adopting the Orca AI situational awareness product also highlight our balanced approach to investing in people, systems and technology.

Given the growth in free reserves, are you in a position to start giving capital back to Members?

Capital strength matters because it underpins everything our Members rely on us for – stable pricing, dependable cover and the ability to support them through volatile times. We hold free reserves not as an end in themselves, but to ensure we can absorb shocks, avoid unplanned calls, invest sensibly for the long term and retain more underwriting risk in a way that ultimately benefits the mutual Members over time. That capital also gives us the confidence to continue investing in the core P&I business and in specialty lines that improve resilience and reduce volatility across the cycle. While our free reserves and capital buffer over regulatory and S&P capital requirements have grown over the last year, the high level of pool claims experienced during 2024/25 and volatility in investment markets in recent months demonstrate the need to maintain and grow that buffer.

Looking ahead, what gives you confidence about NorthStandard's position in what remains an uncertain environment?

It's all about our people and their incredible dedication to our Members' interests. Time and again, our teams show that they are genuinely on Members' side — not simply executing instructions, but actively fighting their corner.

That commitment shows up in the advice we give. We are candid, even when that advice is uncomfortable. We challenge assumptions where necessary, with expertise and care, because helping a Member make a safer, stronger decision in the long run matters more than offering an easier answer in the moment. That willingness to speak plainly, and to put long term outcomes ahead of short term expediency, is something Members consistently recognise and value.

Crucially, this mindset extends beyond any single account. As a mutual, our responsibility is to the membership as a whole. Our people understand that balance intuitively — supporting individual Members robustly, while always protecting the collective strength of the club. That discipline, applied calmly and consistently, is what allows us to remain dependable through uncertainty rather than exposed by it.

Financial management

Key results summary	9
Our results – commentary	10
Reinsurance	11

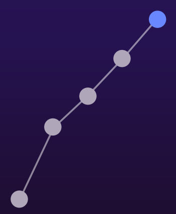
Key results summary 2025/26⁺

NorthStandard, with our enhanced 'A' stable rating from S&P Global, is one of the world's largest providers of mutual maritime cover with annual premium income of US$938 million, free reserves of US$923 million, a net combined ratio of 105.5% and mutual poolable tonnage exceeding 270m GT.

Premium income (US$)

938m

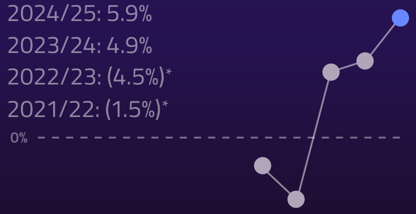
2024/25: 886m
2023/24: 836m
2022/23: 796m*
2021/22: 700m*



Investment return

9.5%

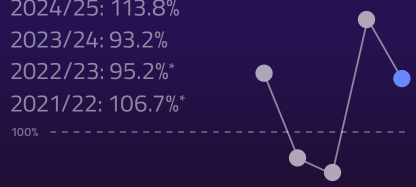
2024/25: 5.9%
2023/24: 4.9%
2022/23: (4.5%)*
2021/22: (1.5%)*



Net combined ratio

105.5%

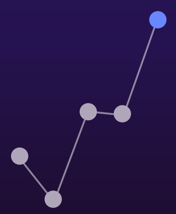
2024/25: 113.8%
2023/24: 93.2%
2022/23: 95.2%*
2021/22: 106.7%*



Free reserves

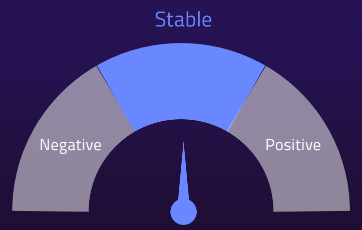
923m

Feb 2025: 800m
Feb 2024: 803m
Feb 2023: 686m*
Feb 2022: 744m*



Financial rating (S&P Global)

A AAA Capital Strength



Combined summary

Income statement (US$ millions)

	2021/22*	2022/23*	2023/24	2024/25	2025/26
Premium income	700	796	836	886	**938**
Underwriting result	(37)	30	46	(96)	**(39)**
Investment result and foreign exchange	(30)	(80)	85	93	**162**
Increase / (decrease) in free reserve	(67)	(58)	117	(3)	**123**

Balance sheet (US$ millions)

	Feb 2022*	Feb 2023	Feb 2024	Feb 2025	Feb 2026
Net assets	1,971	1,951	1,984	2,070	**2,224**
Net outstanding claims	(1,227)	(1,265)	(1,182)	(1,270)	**1,301**
Free reserves	744	686	803	800	**923**
Combined ratio	106.7%	95.2%	93.2%	113.8%	**105.5%**

⁺as at 20 February 2026 *based on combined legacy club figures

Our results - commentary

Operating results

NorthStandard has seen a significant improvement in its combined ratio, reducing from 113.8% in 2024/25 to 105.5% in 2025/26. This reflects a range of different factors. The club has benefited from a reduction in the number and value of the club's own large claims (from a record high in 2024/25) and a strong performance from our Specialty sectors, however this has been partly offset by continued activity on the 2024/25 pool year. The 2025/26 pool year has seen a reduction in claims from 2024/25, but is still considerably higher than the previous two policy years.

Investments

The Club's investments had another strong year, returning 9.5%, compared with 5.9% in the previous year. NorthStandard has a prudent investment policy which matches claims liabilities with government and corporate bonds. This matching strategy limits the impact of fluctuating interest (and exchange rates) as while increased interest rates reduces the value of our government and corporate bonds, this is offset by an increase in the discount applied to our claims liabilities (in our regulatory and S&P capital calculations). A portion of the surplus is invested in Growth assets such as equities, property, loans and private securities. During the year we completed a full review and restructuring of our investment portfolio. The club's improved capital position supported a higher allocation to growth assets which can be expected to produce higher returns over the longer term.

These growth assets performed strongly during the year, producing double digit returns. Equities led the way, with performance supported by continued momentum in AI related investments and expectations of stable or easing interest rates, which more than offset the dampening effects of tariffs. The club remains prudent in its allocation of surplus investments to avoid being overexposed to short term market volatility (such as that seen in recent months). The matching assets also performed well, recording capital gains on top of a healthy yield.

Capital position

The combined effect of this performance is that free reserves have increased by US$123 million to US$923 million, strengthening our capital coverage above the Standard & Poor's "AAA" level. While this is positive news, the IG pool continues to see a growth in the average value of pool claims, and experience over recent years shows that the number of these claims can fluctuate significantly year on year. Along with the uncertain geo-political environment and resulting volatility in investment returns seen in recent months, this demonstrates the importance of holding a sizeable capital buffer.

Combined ratio fell to

105.5%

Investment return increased to

9.5%

Free reserves increased to

923m

Investment asset allocation

Government bonds: 30.9%
Corporate bonds: 46.4%
Equities: 14.3%
Alternatives: 8.1%
Cash: 0.4%

Reinsurance

International Group GXL Reinsurance

Following a relatively benign Pool claims environment for the 2022/23 and 2023/24 Policy Years, the 2024/25 and 2025/26 policy years have seen a move back towards a higher level of pool claims activity, more consistent with the 2019-2021 period.

As ever, the General Excess of Loss and Collective Overspill ("GXL") programme underpins the extensive scope of cover that the Club offers, providing a unique level of security to the majority of the world's shipowners.

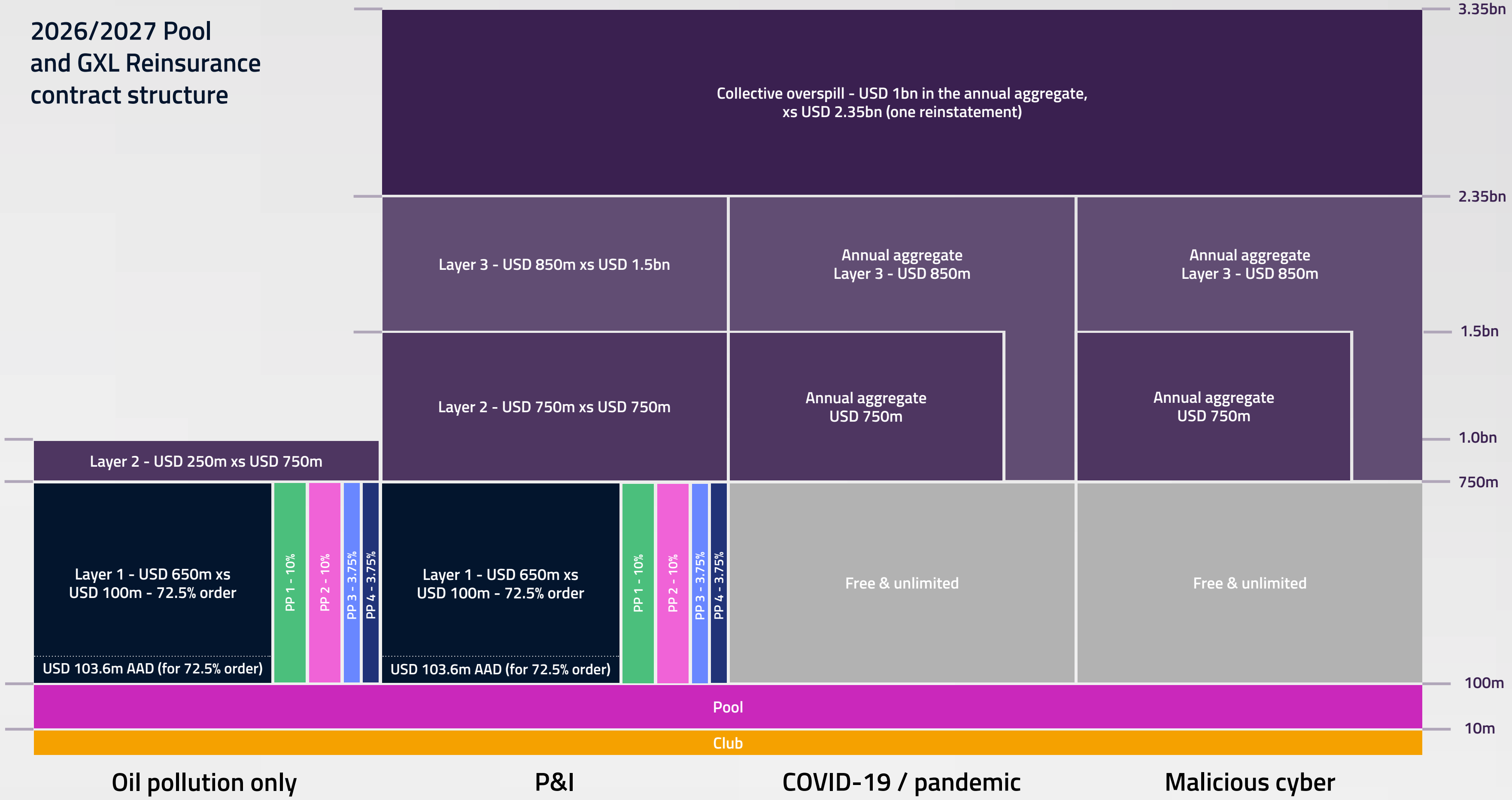
The 2026/27 renewal of the GXL programme saw several structural changes. Layer 3 of the programme has been expanded from US$600 million excess of US$1.5 billion, to US$850 million excess of US$1.5 billion. This in turn means that the International Group ("IG") Collective Overspill cover of US$1 billion is now excess of US$2.35 billion as opposed to US$2.1 billion in 2025/26.

Furthermore, for Layer 1 of the programme (US$650 million excess of US$100 million), the IG has expanded the number of private placements from three to four, amounting to 27.5% of Layer 1 of the programme, reducing the market share of Layer 1 from 75% to 72.5%.

Hydra continues to retain an Annual Aggregate Deductible ("AAD"), which has reduced to USD 103.6m to align with the the 72.5% Market Share in Layer 1.

Significant cover is provided in respect of malicious cyber, COVID-19 and Pandemic risks for which free and unlimited cover is provided to US$750 million with separate annual aggregated cover of US$1.6 billion in excess of US$750 million. MLC cover and excess War P&I cover also continue to be provided within the programme.

2026/2027 Pool and GXL Reinsurance contract structure



USD 100m Pool retention shared pro-rata across P&I and Oil Pollution towers; all reinsurance layers excess of applicable underlying cover

Layers 2 & 3 limited cover in respect of malicious cyber, covid and pandemic

Member support

Claims	13
Loss Prevention	15
A strong voice for shipowners	19
Navigating geopolitical crises	20

Claims

P&I

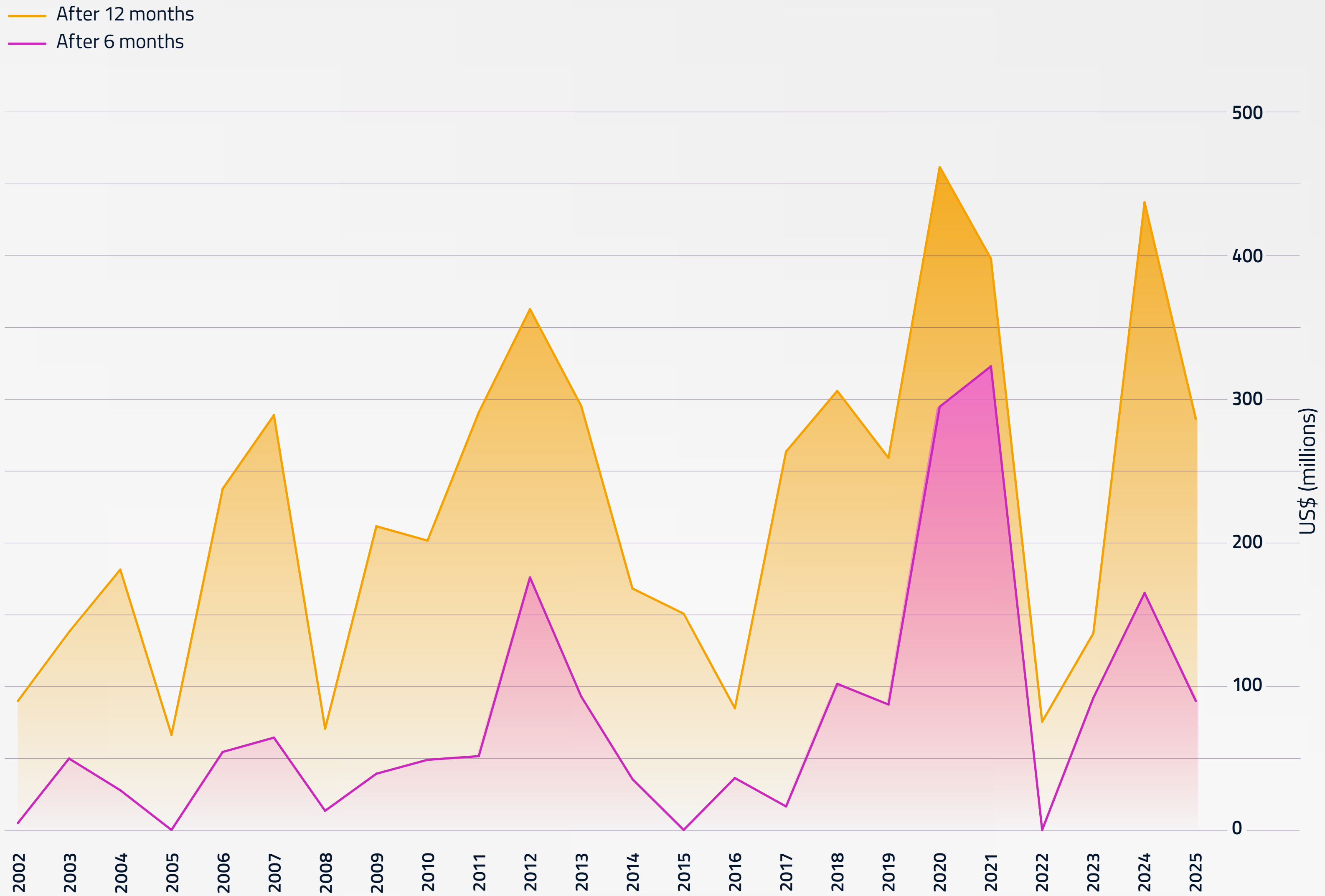
At the twelve month point, the 2025/26 policy year continues the trend of gradual improvement over the last five policy years, although the numbers and overall value of claims are now perhaps showing signs of more consistency. This performance has been achieved despite the emergence of a small number of high value losses, although the impact of these on the club's results continues to be mitigated by comprehensive reinsurance arrangements and capital strength.

Overall, twelve claims have been reported to the International Group (IG) Pool for the 2025/26 policy year, and the values reported so far highlight the IG's continued exposure to infrequent but significant losses. NorthStandard has reported four pool claims to date for the 2025/26 policy year.

On the non-pool programme, there were two claims in excess of the club's US$5m reinsurance threshold, the same as in the prior year. Across the NorthStandard P&I bluewater business, there are 27 claims with an estimate in excess of US$1m for the 2025/26 policy year to date, representing a reduction when compared to an average of 33 such claims at the same point in time for policy years 2021-2024.

International Group Pool claims long-term trend

Claims capped US$90 million xs US$10 million

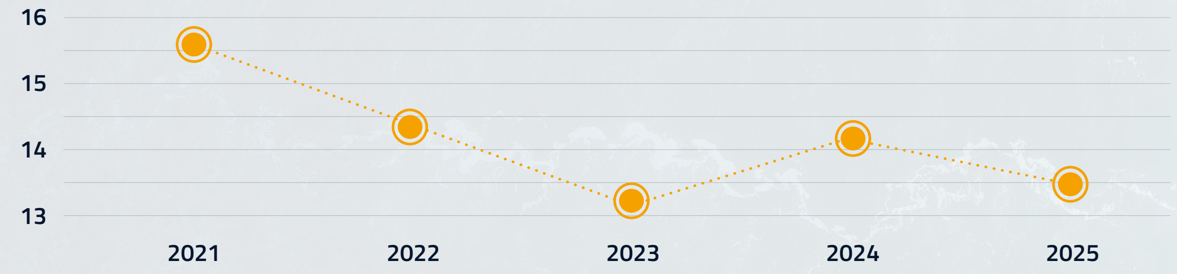


By category, cargo and admiralty claims have both reduced materially, down by 28% and 36% respectively from the previous policy year. Cargo claims have fallen from US$90.6m in 2024/25 to US$58.0m in 2025/26, while admiralty claims have reduced from US$135.2m to US$96.7m. These reductions have contributed significantly to the improved overall claims position for the 2025/26 policy year. In contrast, people claims have increased from US$56.9m in 2024/25 to US$69.5m in 2025/26, largely driven by the inherently volatile nature of people related claims exposures in the United States.

Looking ahead, the claims environment continues to be shaped by geopolitical and industry wide challenges. The ongoing Iran conflict presents heightened risks in key trading regions, including increased physical exposure to vessels and crew and the potential for delay and disruption disputes and liabilities. The conflict is also likely to result in more FD&D claims as disputes crystallise around responsibility for delays or the right to cancel contracts.

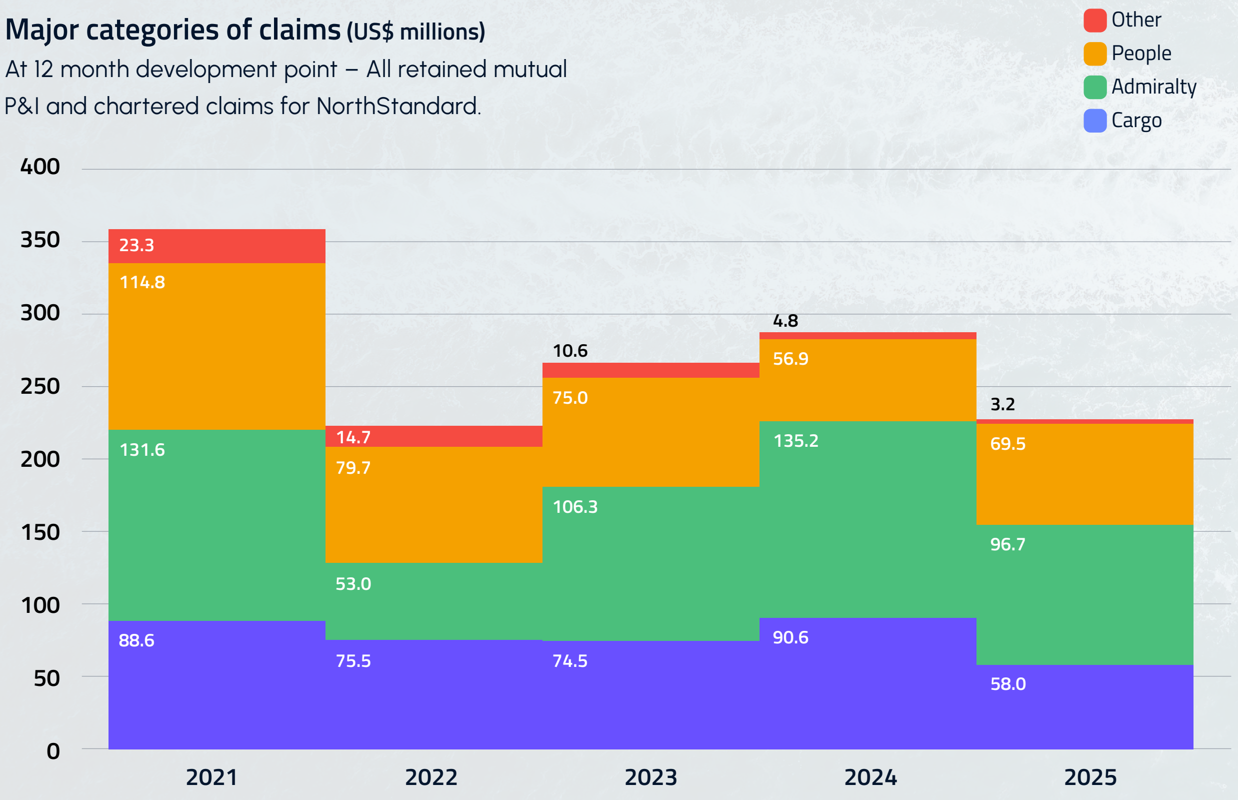
Number of claims (Thousands)

At 12 month development point – All retained mutual P&I and chartered claims for NorthStandard.



Major categories of claims (US$ millions)

At 12 month development point – All retained mutual P&I and chartered claims for NorthStandard.



Loss Prevention

Our Loss Prevention function delivers measurable value to Members — every service we provide contributes to safety improvement, claims reduction, operational effectiveness, or sustainability and is informed by Member feedback, challenges, and claims experience.

The shipping industry is navigating profound change, as technological advancement and the transition to decarbonisation reshape how vessels are operated, crewed, and maintained. Remaining close to our Members through this transformation is fundamental to delivering real value in supporting their operations. Our Loss Prevention services evolve in step, ensuring Members can adopt new fuels, technologies, and operating models with confidence and our expertise alongside them.

As a trusted, forward-thinking partner, we provide our Members with authoritative, curiosity-driven, and data-informed guidance. And this year, we have begun to see clear evidence that our Loss Prevention initiatives are delivering measurable benefits for Members. Early results are encouraging, with data indicating tangible safety gains and improved operational performance across several programmes.

1 Crew Wellbeing

The health and wellbeing of seafarers are fundamental to the safety, efficiency, and success of ship operations.

Read more >

2 GlobeView

GlobeView is our enhanced maritime intelligence platform, offering quick and easy access to comprehensive insights designed to help users navigate potential threats on a global scale and plan voyages with greater confidence.

Read more >

3 ECDIS Training Assessment (ETA) Programme

ETA is a continuous professional development tool designed to enhance the knowledge of bridge teams.

Read more >

4 Orca AI

The Orca SeaPod and FleetView AI platforms offer onboard crew enhanced situational awareness that dramatically improves vessel safety and operational efficiency.

Read more >

5 ShipIn

FleetVision from ShipIn utilises camera technology blended with AI to monitor and report on shipboard operations, automatically identifying and reporting risks and nonconformances.

Read more >

6 BetterSea

Over 20 NorthStandard Members have taken advantage of reduced transaction fees for FuelEU maritime trading using the BetterSea platform.

Read more >

7 Fuel Insights (by VPS)

Biofuel use and test analysis has now increased significantly. NorthStandard is the only IG club to provide Members with VPS fuel test data for biofuels and other alternative fuels at no additional cost.

Read more >

8 Signol

NorthStandard partnered with Signol, a behaviour change platform that helps maritime crews reduce fuel consumption by engaging and motivating them to implement fuel saving practices on board more frequently.

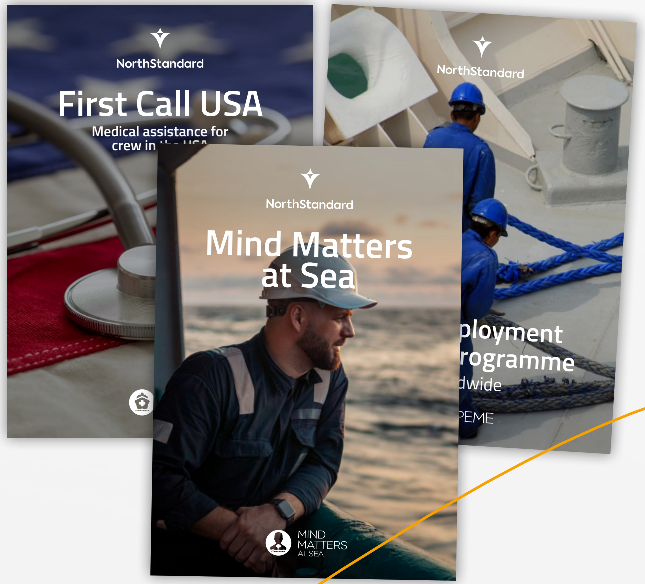
Read more >

1 Crew Wellbeing

The health and wellbeing of seafarers are fundamental to the safety, efficiency, and success of ship operations. While some illness and injury claims are inevitable, many can be prevented with proactive measures. NorthStandard's enhanced PEME (Enhanced Pre-Employment Medical Examination) programme is now available in the Philippines, India, and Ukraine. This initiative is designed to minimise incidents and protect crew health, offering Members assurance that seafarers are fit for duty before boarding.

NorthStandard's First Call service, which has been established in the USA for several years, has proven highly effective in reducing the overall cost of treatment and care for seafarers requiring medical attention. This service has now been extended to Brazil.

We have long been an advocate for seafarer wellbeing and remain dedicated to raising awareness and exploring innovative ways to support seafarers, thereby contributing to a safer shipping industry. NorthStandard is principal sponsor of the Safety4Sea SeaFit survey, which highlights that seafarer welfare remains on a solid footing (SEAFiT Index 70.1%) and points to clear opportunities to further strengthen wellbeing – particularly through better support for mental health, rest and recreation. This year, we are planning to launch a new initiative focused on mental health, aiming to equip seafarers with the skills to recognise early symptoms and provide mental first aid to their colleagues. **Read more >**



PEME

FIRST CALL

2 GlobeView

GlobeView is our enhanced maritime intelligence platform, offering quick and easy access to comprehensive insights designed to help users navigate potential threats on a global scale and plan voyages with greater confidence. Following consultation with Members and users, we developed and launched a new feature – GlobeView PRO (Port Risks Online).

The PRO functionality allows reports containing information on claims trends, as well as trading and security risks to be automatically sent to the Member for the next port of call based on the destination port entered into the vessel's AIS system.

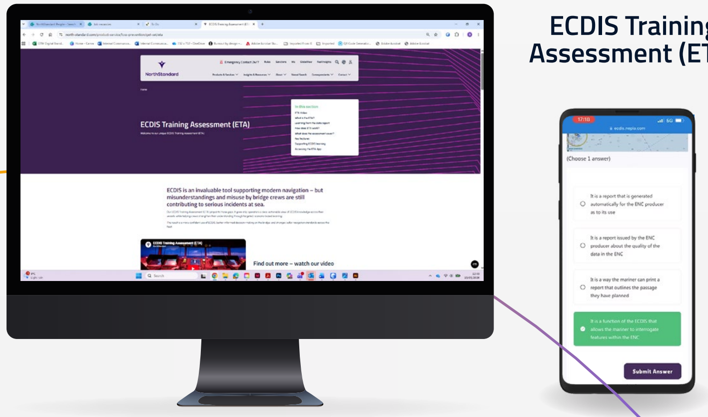
Analysis of our internal claims data has revealed the most frequent claims types for specific ports and the GlobeView PRO platform provides detailed loss prevention advice for preventing or mitigating the most common risks. Advice on trading or commercial risks at the port, in addition to advice for preventing or mitigating these risks, is provided by our global network of correspondents.

By automatically generating these easy accessible reports, GlobeView Pro provides key port and risk information to Members and their crews, enabling them to take early proactive measures to prevent or mitigate claims, reducing the impact on their operations and any associated costs. **Read more >**

GlobeView

3 ECDIS Training Assessment (ETA) Programme

ETA is a continuous professional development tool designed to enhance the knowledge of bridge teams. The programme continues to see strong member uptake, with nearly 7,000 crew assessments completed to date. Collaborating with the UK Hydrographic Office (UKHO), our assessment data has helped identify common ECDIS knowledge gaps and informed targeted safety insights shared with Members and the wider industry. Repeat participation has demonstrated measurable improvements in bridge team ECDIS competence, reinforcing the programme's value. The latest version of the ETA platform was launched during the year, featuring, an AI powered ECDIS knowledge base for crews, a new survey enabling Members to better understand ECDIS specific operational challenges on board, combined with enhanced reporting tools and an upgraded user interface. The annual ETA data report, providing further detail on trends and insights, is available to Members. **Read more >**



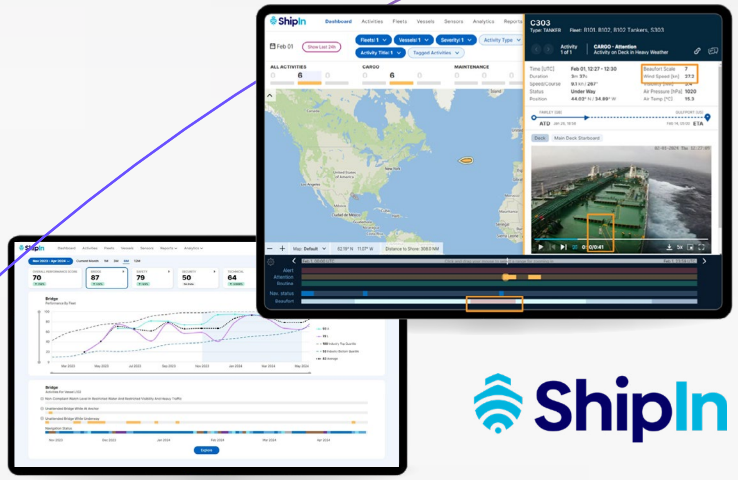
ECDIS Training Assessment (ETA)

4 Orca AI

The Orca SeaPod and FleetView AI platforms offer onboard crew enhanced situational awareness that dramatically improves vessel safety and operational efficiency. Member engagement with our partnership with Orca AI has been strong. Encouragingly, Orca AI's recently published safety report indicates tangible safety gains, reflecting consistent use by bridge teams during high-traffic navigation and a significant reduction in close-quarters encounters. **Read more >**

5 ShipIn

FleetVision from ShipIn utilises camera technology blended with AI to monitor and report on shipboard operations, automatically identifying and reporting risks and nonconformances. In 2025 we relaunched our partnership with ShipIn, with a renewed focus on supporting Member trials and adoption. The relaunch has generated strong interest, and ShipIn's analysis indicates a sustained reduction in non-conformities over time following implementation. The data also suggests that approximately 30% of vessels account for around 60% of identified non-conformities, enabling Members to target improvement activity where it will have the greatest operational impact and return on investment. **Read more >**



6 BetterSea

Over 20 NorthStandard Members have taken advantage of reduced transaction fees for FuelEU maritime trading using the BetterSea platform. Furthermore, a joint webinar with BetterSea helped Members prepare for their FuelEU surplus and deficit trading. The NorthStandard team is working closely with BetterSea on a range of service enhancements for launch later in 2026. **Read more >**

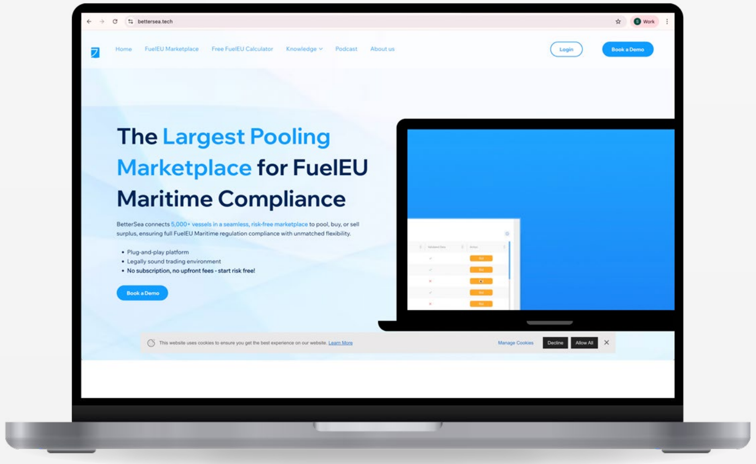
7 Fuel Insights (by VPS)

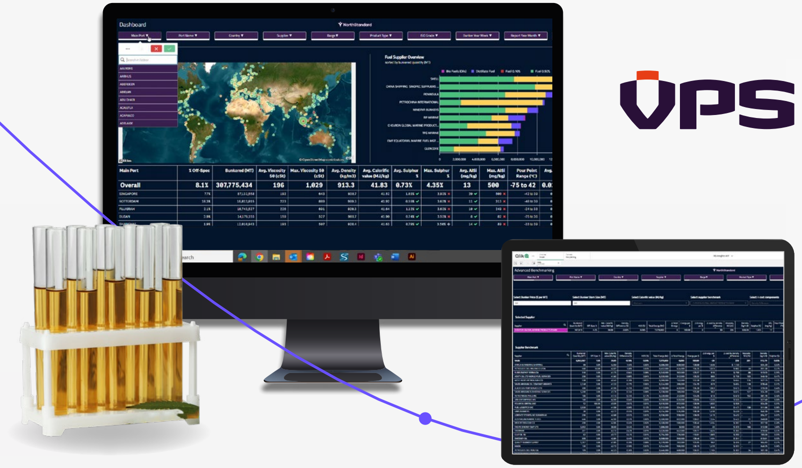
Biofuel use and test analysis has now increased significantly. NorthStandard is the only IG club to provide Members with VPS fuel test data for biofuels and other alternative fuels at no additional cost. NorthStandard has also worked with VPS and World Fuel to author a biofuel whitepaper to guide Members on quality controls and sustainability criteria. **Read more >**

8 Signol

NorthStandard partnered with Signol, a behaviour change platform that helps maritime crews reduce fuel consumption by engaging and motivating them to implement fuel saving practices on board more frequently. This partnership offers an exclusive discount to NorthStandard Members. By providing personalised goals and insights through a web app and email, Signol empowers captains and chief engineers to improve efficiency without additional workload or retrofitting hardware. **Read more >**

BetterSea





VPS

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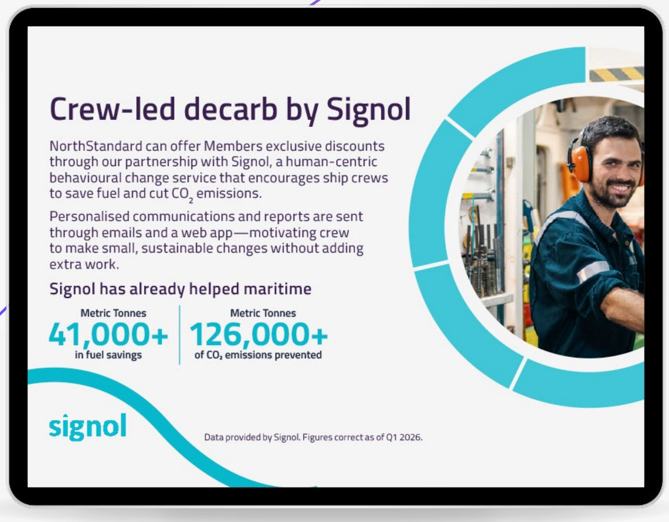


A strong voice for shipowners

World events have emphasised the importance of the shipping industry to global prosperity as never before.

Our External Affairs team has secured influential access to policymakers and legislators and is uniquely placed to highlight relevant maritime issues and support better, more informed policy choices. The team collaborates across the world with governments and policymakers to communicate directly with the shipping industry.

NorthStandard is increasing our participation in some of the most influential policy fora to improve and shape the delivery of new policy across the three megatrends of geopolitics, maritime decarbonisation and new technology. For example, our collaboration with the Royal United Services Institute has allowed us to highlight the consequences of EU / G7 sanctions' policies which have created a growing fleet of sanctioned, elderly, commercially impaired vessels which cannot be scrapped. This unintended consequence raises profound issues around seafarer welfare and of course the environment. We are also working with the Global Maritime Forum which has established a Maritime Governance Taskforce to consider how best to reconcile the need for rules, when the existing conventions are unable to address the geopolitical and environmental challenges posed by today's world.

Our expertise is widely sought after, be it to support US Government sanctions training in Asia or being invited to join the likes of Rolls Royce, Babcock and Lloyds Register as part of the UK Maritime Nuclear consortium - the purpose of which is to accelerate understanding of the deployment of nuclear technology at sea.

NorthStandard has never been better placed to promote Member's interests. Ongoing projects with the likes of the world-renowned foreign policy institute Chatham House will allow the club to further increase shipping's profile, highlighting its importance and the support it needs to address the challenges of the future.

> "As geopolitics, decarbonisation and technology reshape shipping, informed advocacy has never mattered more"

Navigating geopolitical crises

P&I clubs operate at the intersection of commerce, law and geopolitics – and NorthStandard works intensively with Members when the risk environment changes at short notice, as illustrated by developments in relation to the Strait of Hormuz.

Guidance and advice

Following the outbreak of hostilities, a vast amount of guidance, largely FD&D, was provided to Members on a wide range of claims and enquiries. The claims teams supported Members on issues such as the validity of charterparty orders to proceed into or out of the Persian Gulf, the impact of war risks clauses, whether charterparties might be frustrated, and who is liable for any additional costs incurred (including additional war risks premium). In addition to Member-specific advice, the claims teams were active in providing general guidance on the club's well-populated Iran Conflict page of the NorthStandard website. In terms of substantive claims, the club has been notified of a limited number of War matters related to the situation in and around the Strait of Hormuz but is not anticipating significant exposure, as the club is well protected by reinsurance.

Hull War

With our enhanced War risks capability providing limits of up to $350m, NorthStandard has continued to provide cover for operations within the Persian Gulf, and was amongst the first carriers to support transits through the Strait of Hormuz, doing so on a 100% lead basis. NorthStandard remains committed to supporting Members' trading activities, including voyages exiting the region, while maintaining prudent underwriting discipline.

War Liabilities

Following receipt of Notice of Cancellation from reinsurers in respect of certain war risks that are reinsured by the club in the commercial market, on 1 March the club issued corresponding Notice of Cancellation in respect of those same war risks, specifically war risks arising for vessels and/or entries in the Persian/Arabian Gulf. NorthStandard has, through a selection of reinsurances, provided support to those Members wishing to buy-back cover now otherwise excluded up to limits of US$500m, with both cover and rates remaining under continual review given the fluidity of events in the Middle East. Both coverage terms and rating levels remain under continuous review, reflecting the evolving and uncertain nature of the situation in the Middle East.

> "Even in the most volatile environments, our focus remains enabling Members to trade – through practical guidance and support"

People & governance

NorthStandard in action through the year	22
Supporting our teams	23
Changes in our Board leadership	23

NorthStandard in action through the year

NorthStandard's award-winning Corporate Social Responsibility (CSR) Programme reflects our commitment to generating positive social and environmental impact worldwide.

Through volunteering, support for local projects, match funding, and staff nominated charitable donations, we focus on making a meaningful difference in each of the communities where we live and work. Find out more about our global CSR activities, the causes we support and the impact we have achieved in our **Sustainability Report.**

NorthShipping Regatta, Team NS sailing in the inner Oslo Fjord, June 2025

Celebrating International Day of the Seafarer with charity partner Stella Maris

Winner of Trainee Fisherman of the Year 2025, sponsored by Sunderland Marine

Volunteering at a community farm in Newcastle upon Tyne

NorthStandard's People-powered CSR Wins at Maritime Innovation Week 2025

Our team litter picking at Pasir Ris Beach, Singapore, with 28.5kg of waste collected

Office blood drive in Greece, involving our team alongside Members and brokers

Foodbank volunteering in Melbourne, serving up 2,250 meals to the local community

Supporting our teams

We are committed to supporting our remarkable global talent, recognising that their wellbeing and professional development are fundamental to our success. By providing the right resources, an inclusive and supportive environment, and meaningful opportunities to grow, we empower our people to deliver outstanding support to our Members, both now and in the future.

Key developments during the 2025/26 year included:

- Significant improvement again to employee engagement that outperformed both global and UK benchmarks, demonstrating that we are a good place to work and that employees are proud of our culture
- Expanded our office in Ireland, strengthened our Technology team, recruited and promoted a wide range of talented colleagues
- Successfully launched our global learning management system delivering online, micro and personalised learning and an effective solution for mandatory training administration
- Simplified and improved our performance management with employees reporting better quality feedback and fairer performance evaluation, with completion rates exceeding benchmarks

- Introduced a range of innovative and market leading benefits including carers leave, neonatal care fertility leave, menopause support, senior care concierge and later life coaching to attract and retain employees

Festival of the Girl, Newcastle

Inclusion

We are committed to creating an inclusive workplace where diverse perspectives are valued and everyone has equal opportunity to succeed. Key initiatives include:

- Shadow Leadership Team, Reverse Mentoring programme and Women's Mentoring Network, supporting diverse perspectives and future leadership capability
- Sponsorship of Festival of the Girl – giving girls aged 7-11 in Newcastle a chance to break down stereotypes, build confidence and show the next generation all the incredible opportunities available to them
- Story telling campaigns where colleagues shared their stories about invisible disabilities, black culture and local culture
- Creation of interactive diversity dashboard improving transparency and reinforcing our inclusive culture
- Raising awareness through celebrating events such as Pride, Neurodiversity, Wellbeing, International Women's and International Men's Day

Changes in our Board leadership

Ioanna Procopiou stepped down from her position as Vice Chair of the NSUK Board in November 2025, as she moves on to a new role at BIMCO. Having joined in 2018, Ioanna brought with her a wealth of expertise in the international shipping sector – and, during her tenure, she served on the Group Audit Committee and the Group Nominations & Remuneration Committee, while also playing a key and instrumental role in ensuring the success of the merger. Ioanna will remain on the Members Board where we look forward to continuing to benefit from her insight. The Board would like to thank Ioanna for her significant contribution and commitment during her time as a director.

In February 2025 we welcomed Lars Henneberg (A.P. Moller Maersk) to the Board of Directors, bringing vast industry knowledge and experience. Lars has already contributed to the Club through his role on the Members Board and, prior to the merger, as a Standard Club Director. Lars holds a number of industry appointments and we look forward to benefiting from his expertise as we continue to develop.

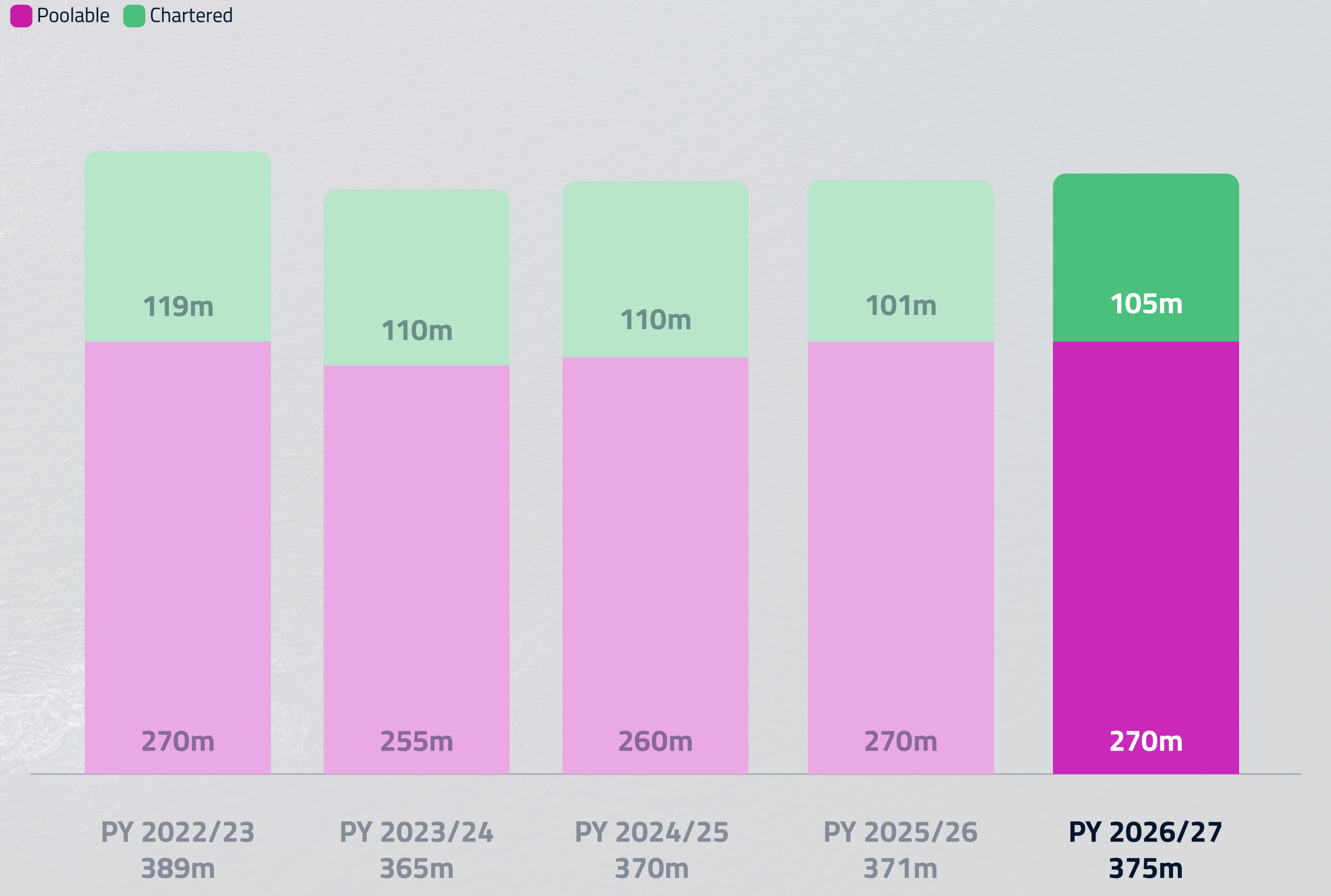
Strategic delivery

Our business today	25
Our strategy	27
Strategic developments in 2025 by line of business	27
Technology	29
Merger benefits realised	30
Sustainability	33

Our business today

NorthStandard maintained poolable tonnage at 270M GT, following a renewal focused on rebalancing our global risk portfolio.

Tonnage development at 20 February



P&I GT combined

375m

Global P&I entered tonnage and breakdown by ship type and sector

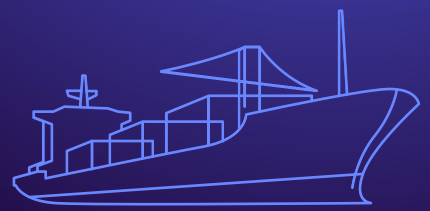
Global P&I entered GT

375m

Poolable: 270m | Chartered: 105m

2025/26: 371m
2024/25: 370m
2023/24: 365m
2022/23: 389m*

*based on combined legacy club figures



P&I entered GT by ship type

Weighted percentage of respective total tonnage

Ship type	Poolable	Chartered
Bulk carriers	29%	42%
Container ships	30%	24%
Tankers	30%	26%
Others	11%	8%

P&I entered GT by region

Weighted percentage of respective total tonnage

Poolable Chartered

Region	Poolable	Chartered
Americas & UK	12%	10%
Asia Pacific	33%	26%
Greece	17%	1%
Mediterranean & Ireland	15%	10%
Middle East, India & Africa	10%	18%
Nordics & Northern Europe	13%	35%

Our strategy

NorthStandard's vision is to be the marine insurer of choice.

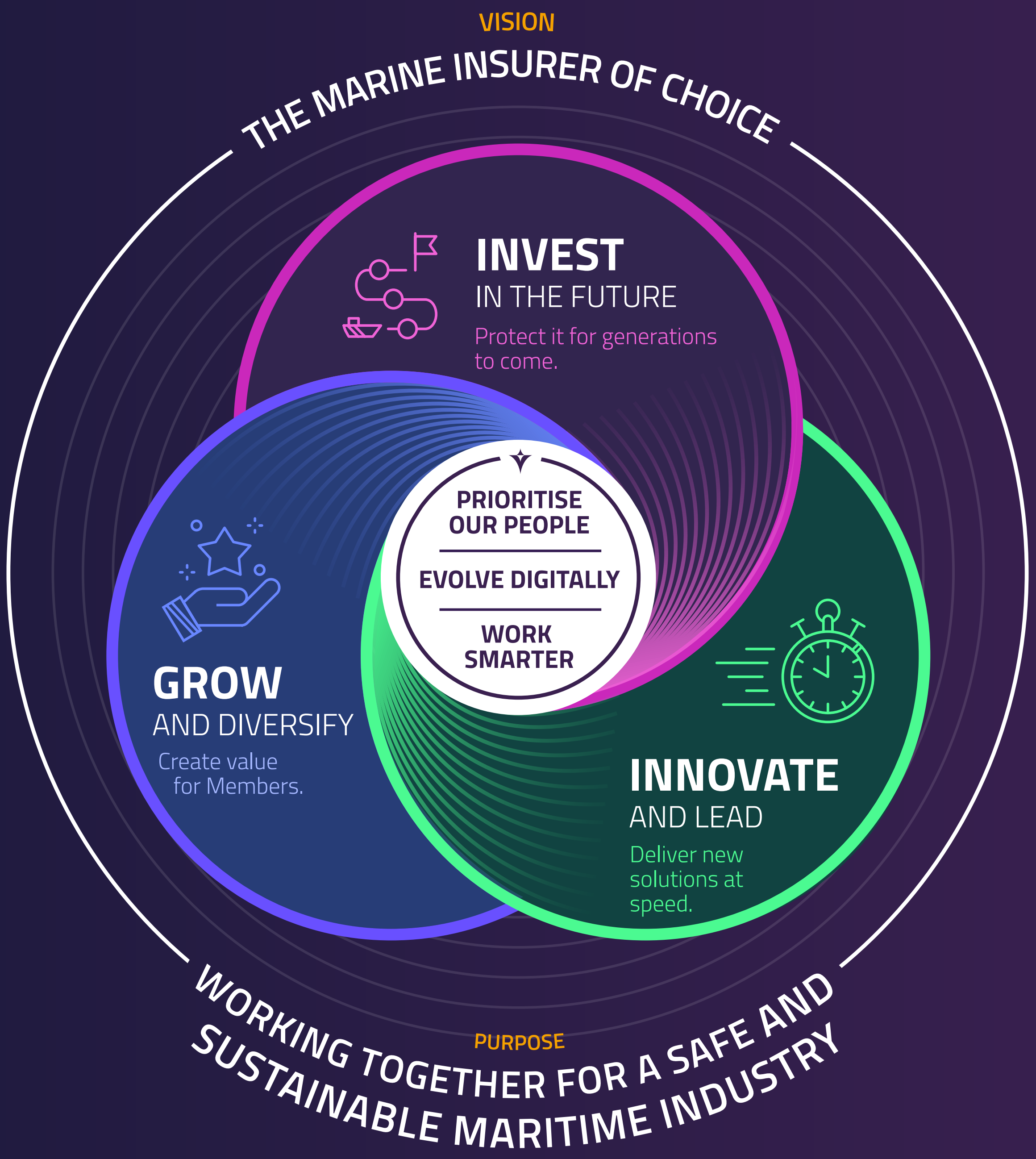
We create value for Members by growing and diversifying, innovating and leading, and investing in the future.

Strategic developments in 2025 by line of business

Bluewater

Across our core P&I business, we have continued to grow, welcoming a number of new Members during the year from Singapore, China, Japan, Korea, the US, Brazil, India and the UAE. We have established NorthStandard as a leading choice for shipowners across various segments when considering their options for a new club. Our service proposition remains a key differentiator, allied to our strengthening financial position and diversified product offerings.

Alongside this new business growth, we enjoy the continued commitment and support of our existing Members, as evidenced through renewal outcomes and expected growth arising from fleet expansion and new acquisitions committed during the year.



Coastal & Inland and Sunderland Marine

Within our Coastal & Inland and Sunderland Marine sectors, we continue to offer well established propositions for small and specialised vessels operating in a strong mutual environment. During the year, we consolidated the two teams under common leadership, strengthening collaboration and sharing Member and broker relationships, pipelines and market insight. This integration supports a clearer 'One Stop-Shop" proposition, bringing P&I and H&M together in one place to make doing business simpler for brokers and Members, while providing greater certainty of cover.

Alongside these structural changes, we undertook a focused portfolio review to further strengthen the underlying business, maintaining strict underwriting discipline, high service standards and a sustainable approach to supporting our Members.

Offshore & Renewables

The 2025 policy year marked 50 years since the first offshore risk was entered in the club and was focused on consolidating the growth achieved in recent policy years, embedding the relationship with NIORD, a key partner in offshore renewables, and working closely with our new colleagues in the Upstream Energy and Marine & Energy liability sectors. 2026 is another exciting year for the sector as it marks 20 years since we set-up a specialist offering in this space.

Aquaculture

We took a strategic decision during the year to exit the aquaculture sector, due to a deteriorating outlook. This move allows us to redeploy capital and management focus toward areas that are more closely aligned with our core Members' needs and where we can deliver stronger, more sustainable value.

Strike & Delay

We are fortunate to be market leaders in the maritime delay space, and our position has strengthened further this year as we continued to sustainably grow the book. Strike & Delay is a discretionary cover taken up by owners and charterers who say that it unlocks new trading opportunities, provides balance sheet protection and releases capital for other initiatives.

Hull & War

Hull & War remains an important and well-established part of NorthStandard's portfolio, having delivered consistent, profitable performance over time. During the year, we made strong progress in developing our War offering for clients, in response to heightened geo-economic tensions and increased demand for specialist cover. Activity in the War market remained high and conditions continue to be unpredictable. In this environment, we have focused on disciplined underwriting, technical expertise and responsive support for Members and brokers, ensuring that the Hull & War business is well-positioned to meet evolving risks.

Upstream Energy and Marine & Energy Liabilities

We continue to advance our diversification strategy, establishing two new sectors during the year: Upstream Energy and Marine & Energy Liabilities. Building on our capabilities and experience within Offshore & Renewables, these sectors are designed to offer meaningful capacity and support to Members and brokers across a broader range of marine and energy related risks. Whilst there is natural overlap with our Offshore & Renewables membership, both Upstream Energy and Marine & Energy Liabilities also write business that sits independently of this, extending our relevance across the wider value chain. Together, these sectors enhance our ability to meet Members' and brokers' evolving needs.

Combined specialty premium income (US$)

309m

Technology

NorthStandard's people are our greatest strength. Our teams' expertise and deep understanding of our Members underpins everything we do. We continue to invest in AI-enabled solutions to support this expertise - enhancing efficiency, improving insight and strengthening the service we deliver.

These tools are designed to complement, not replace, human decision-making, ensuring our Members benefit from both experience and innovation.

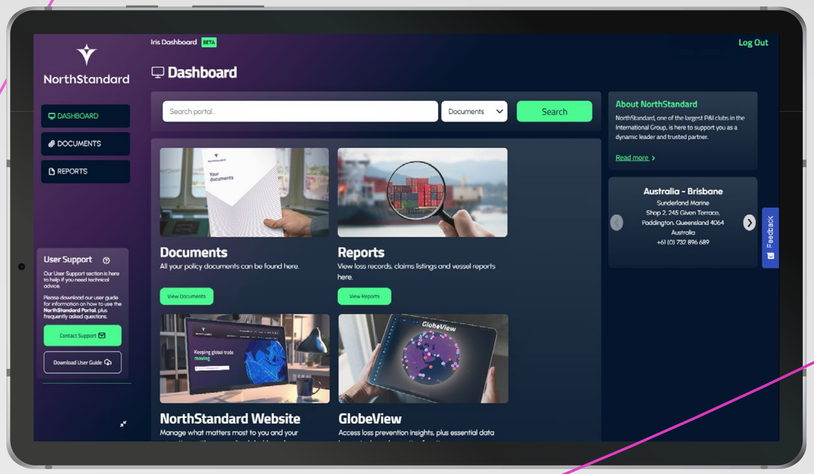
Over the past year, NorthStandard has made significant progress in establishing Artificial Intelligence as a core strategic capability, moving from early experimentation to production deployment.

We have launched several internal AI tools, with our greatest focus on how we share claims and loss prevention insight and how we improve critical processes.

We have executed against our "test and learn" approach - building foundational skills and piloting use cases - while beginning the transition towards scaling AI across the organisation in production. This has ensured that AI is not treated as isolated innovation, but as an integrated part of our broader digital evolution.

A key achievement has been the successful delivery of AI solutions into production, demonstrating tangible business application beyond proof of concept. Our internal claims and loss prevention insight solution "ChatNS" moved from pilot to production, while two agentic AI solutions progressed through proof of concept (POC) successfully. Our agentic AI solution for sanctions screening is already in production, and a second agentic AI solution for claims handling is due to go-live mid-2026. These initiatives represent an important shift from experimentation to embedded workflow automation, with a clear focus on augmenting core insurance processes and improving operational efficiency.

We have also scaled adoption of AI tools across the workforce, most notably through the rollout of Microsoft Copilot where we see extensive usage across a large proportion of our colleague base. This has driven improvements in day-to-day productivity, while also contributing to a rapid uplift in AI literacy across both business and technology teams. In parallel, developer-focused AI tooling such as Claude Code has been deployed across internal and partner engineering teams, supporting improvements in software delivery speed and quality.



Iris Member and broker portal

Finally, our approach has been shaped by a clear understanding of the wider industry context, where many organisations remain in experimental phases and struggle to realise measurable returns from AI investment. Against this backdrop, NorthStandard has prioritised a focused set of use cases and has begun the process of embedding AI into core workflows. While the full financial impact of AI will emerge over time, the progress made this year—across capability building, production deployment, workforce adoption, and governance—provides a strong foundation for scaling AI-driven value in the years ahead.

Merger benefits realised

We are proud to have delivered against the ambitions we set ourselves at the time of the merger.

Development of specialty lines, expanded resources and new partnerships to improve our service offering for Members

Improved capital position and reduced financial volatility

Successfully integrated two organisations, maintained high service levels and stable employee retention, while reducing operating costs

Development of specialty lines, expanded resources and new partnerships to improve our service offering for Members

Specialty lines development whilst maintaining underwriting discipline

38%
premium growth

38% growth in specialty since the merger **(from US$205 million pre-merger to US$309 million in 2025/26)** with particularly strong growth across Offshore & Renewables and Hull & War.

Launch of **Coastal & Inland and Sunderland Marine joint product** for Hull and P&I.

Renewables partnership with **NIORD / Norwegian Hull Club** generating premium income and access to new expertise.

Recruitment of team to launch **Upstream Energy and Marine & Energy Liabilities** sectors and expecting to write **US$30+ million by 2028/29.**

Consistent performance with 90% or less combined ratio (average 86%) and delivered US$79 million underwriting contribution by end of 2025/26.

Expanded resources

Opened **new offices in Seoul and Imabari** to expand local Member service.

Established a new **External Affairs** function to represent Member interests and shape maritime industry development.

New partnerships to expand the Member service offering

Orca AI partnership rolled out to **12 Members** and 169 vessels.

Platform deal agreed and **25 Members signed** up with BetterSea, data access deal agreed and **640 platform users with VPS.**

Improved capital position and reduced financial volatility

Improved capital position and S&P outlook

At launch, S&P upgraded NorthStandard to an "A" rating with a stable outlook, an immediate improvement from the previous negative outlook.

Improved capital position from a marginal surplus over the AAA benchmark to a more adequate buffer as at 20 February 2026.

Free reserves increased from US$696 million to US$923 million, an **increase of 32.6%**, by 20 February 2026.

Reduced volatility

Transitioned to combined investment portfolio with **more competitive strategic asset allocation returning 9.5% in 2025/26**, with returns of 5.9% in 2024/25 and 4.9% in 2023/24 supporting overall financial position.

Absorbed 5 pool claims + other large claims in 2025/26 with a combined ratio of 114%. The 2026 General Increase was set at an inflationary rate of 5%, demonstrating our ability to manage claims volatility.

Successfully integrated two organisations, maintained high service levels and stable employee retention, while reducing operating costs

Employee engagement and retention

92% staff retention

Brought two teams of people together with **staff retention around 92%** over the last two years.

74% engagement score

Engagement score of +74 in September 2025, up from +69 in the previous year.

Maintained service levels and Member retention

>+50

Maintained very high levels of loyalty and support amongst Members and Brokers, **achieving an 'excellent' Net Promoter Scores in excess of +50 Scores each year**

Despite projections of a 6% membership loss due to concentrated fleet entries in a single club, **we successfully grew poolable tonnage from 255m GT in 2023/24 to 270m GT at February 2026.**

Grew overall premium from US$796 million pre-merger to US$938 million for 2025/26.

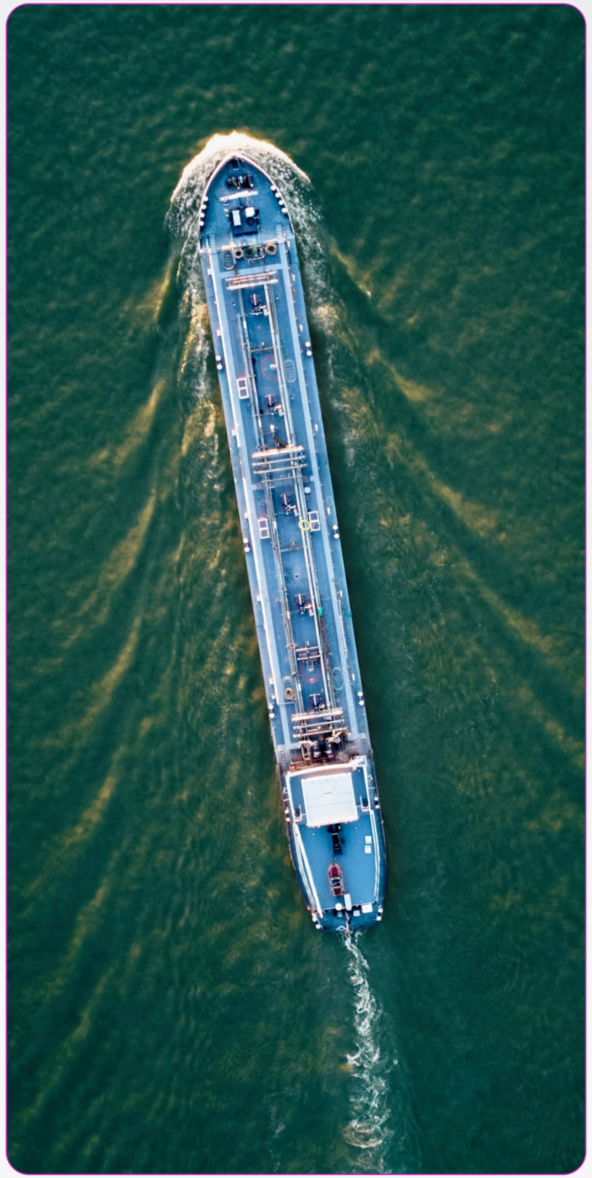
Reduction in costs whilst improving resourcing

Reduced like-for-like reinsurance spend by US$16.4 million

Increased overall efficiency by reducing the expense ratio, resulting in **US$9 million saved in people costs and an additional US$12.5 million saved in other operational expenses**, including offices, legal and professional services, investment management, and technology.

Saved US$2.4 million in technology costs through insourcing strategy whilst maintaining overall level and spread of resourcing to deploy on technology development.

Consolidated data platform providing opportunity to leverage larger dataset and single claims management system to **drive future efficiency.**



Sustainability

We see sustainability as an important driver of long-term success, helping us respond to changing expectations, manage emerging risks and opportunities, and support progress across the industry.

Over the past year we have reviewed and strengthened our overall approach to sustainability. A key catalyst for this was our double materiality assessment which gave us a clearer understanding of the sustainability challenges most relevant to our business and stakeholders. This in turn helped us streamline our sustainability framework into three clear pillars, making it easier to organise our activity, communicate our priorities and explain how sustainability links to our strategy and day-to-day operations. Alongside this, we professionalised our approach through an enhanced governance structure, including establishing a new internal Sustainability Committee, providing stronger oversight and a more consistent basis for decision-making, delivery and reporting. Further information is set out in our **Sustainability Report.**

2025-26 sustainability highlights

Our share of the global alternative fuel capable tonnage
18%

Estimated reach of decarbonisation resources
34m+

Seafarers benefitting from our crew & wellbeing programmes
17,000+

Individual beneficiaries supported through the CSR programme
12,000+

NorthStandard

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