



Section 172(1) Statement For the period ended 31 December 2022

The Directors take seriously their obligations under s.172 (1) (a)-(f) of the Companies Act 2006 ("s.172 Duties") to act in a way they consider, in good faith, would be the most likely to promote the success of the Company for the benefit of its members as a whole consistent with s.172 Duties.

Below is an explanation of how the Board engages with its stakeholders and how their views inform Board decision making.

Shareholders and Bondholders

Ongoing engagement with our bondholders is primarily exercised through the use of investor presentations and quarterly bondholder calls, which include a Q&A session with the Group CEO and CFO. Their views and debt market sentiment are discussed at Group Board meetings. Our two main shareholders, MDP and HPS, have representatives on the Group Board who articulate their views during Board discussions.

Employees

Our employees are central to the success of the Ardonagh Group and the remuneration structures across Ardonagh are designed to reward good performance at the individual and business level and support our values. In addition, our businesses focus on providing long-term career prospects for staff with opportunities to up-skill through training, providing career progression paths and study support and, if appropriate, movement across different Ardonagh businesses.

The Group has in place an Equality and Diversity Policy and the Board believes that equality, diversity and inclusion strengthen the Group, contribute to long-term business performance, and support the Group in attracting key talent. Our Platform boards have taken time to consider management actions and initiatives regarding diversity and inclusion, and they support and monitor management actions to increase the proportion of senior leadership roles held by women and other under-represented groups across Ardonagh.

An annual Groupwide employee pulse survey has been conducted since 2019 in addition to pulse surveys conducted by some of our businesses. 6,602 or 75% of all employees participated in the 2022 pulse survey. The Group achieved an average score of 7.5 (out of 10) across all questions, with positive trends across the Group regarding creating a sense of belonging and purpose, fostering cultures of inclusion and respect, and building strong team and line manager relationships. Ardonagh-wide, the survey highlighted that there is also work to do on recognition and inter-department/brand collaboration. Actions to address issues highlighted by the survey are agreed on a Platform-by-Platform basis, recognising each of their unique challenges, and these are reviewed by the Group and Platform Boards.

Customers

Seeking good customer outcomes is central to the success of the business. Management continues to seek customer views and improve how we track our customers' perceptions of our businesses and bring the voice of our customers into Board and Committee reporting. Our products and services are periodically reviewed to ensure they continue to meet the needs of our customers.

In response to the cost-of-living crisis, management has reviewed and enhanced how we support our vulnerable customers, including dedicated call lines staffed by colleagues who have received specific training and given tools and solutions to help our customers.

In preparation for the new UK Customer Duty launched by the FCA, our UK Segment Boards have each selected an independent non-executive director to act as a Customer Champion who regularly meets with management to discuss and challenge performance against customer related metrics and helps facilitate the voice of the customer to be heard in the Boardroom.

Regulatory relationships

The Board prioritises positive, open and transparent engagement with all our regulatory relationships. Our Boards and Risk Committees receive regular updates on regulatory interactions and new regulatory rules and guidance and how they impact our businesses. We participate in thematic reviews and believe that strong regulatory relationships are a source of competitive advantage.

ARDONAGH GROUP HOLDINGS LIMITED

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www.ardonagh.com



Insurers

Our insurance partners are fundamental to the success of the business. Senior leaders regularly meet with key insurance partners, supported by increasingly sophisticated data, to discuss performance and ways in which we can continue to meet customers' needs.

Our Suppliers

Management aims to treat all our suppliers fairly and to pay them in accordance with contractual terms. Our key suppliers are defined by the Group Outsourcing and Procurement Policy which ensures that all key suppliers are identified and subject to appropriate monitoring and engagement. Management ensures appropriate due diligence is performed on key suppliers before they are engaged. We require that our suppliers have ESG and modern slavery policies that are at least as stringent as our own.

Community

Ardonagh contributes to the communities in which we operate through the Ardonagh Charitable Trust. Further details on how we interact with communities are set out in the Sustainability Report available on the Ardonagh website.

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