



## S172 Statement Year Ended 31.12.2022.

*Extracted from approved annual report and financial statements*

The individual directors are aware and mindful of their duty under s.172(1) of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the likely consequences of any decision in the long term, the interests of the Company's employees, the need to foster the Company's business relationships with suppliers, customers and others, the impact of the Company's operations on the community and the environment, the desirability of the Company in maintaining a reputation for high standards of business conduct and the need to act fairly as between members of the Company (together, the "S.172(1) Matters").

Induction materials provided to directors on appointment include an explanation of directors' duties, including the S.172(1) Matters, and the Board is periodically reminded of the S.172(1) Matters, particularly when a strategic decision is due to be taken by the Board.

The Board recognises that difficult decisions must sometimes be taken which require each director to exercise independent judgment and apply reasonable care, skill and diligence in the decision-making process. In doing so, the Board recognises its responsibilities to the Company's different, but mainly interrelated, stakeholder groups.

The Board has determined the Company's key stakeholder groups to be Customers, Business Partners (including clients, suppliers and others in a business relationship with the Company), People, Regulators, Shareholders and the Community (together, the "Stakeholder Groups"). Each Stakeholder Group plays an important role in the ability of the Company to execute its strategy and deliver on its unwavering purpose; to protect what matters most in accordance with Assurant's uncompromising values.

The Company has processes in place to capture and consider the views of its Stakeholder Groups and share their views at relevant levels within the business, including with the Board, to ensure that regard is given to these views in decision-making processes. Examples are provided below of typical methods of engagement with the Stakeholder Groups and how the Board stays apprised of their views to inform its decision-making.

### Customers

***The Company prides itself on anticipating the needs of the people it serves so it can deliver a differentiated customer experience. Various methods are utilised to understand customer needs and feedback including Net Promoter Scores, Customer Effort Scores, complaints information and feedback shared by customers directly with contact centre operatives.***

Views gathered from customers are reported, discussed and utilised at all levels of the governance framework. Within the Customer Experience Forum, Management reviews product performance, key customer metrics and root cause analysis of complaints and claims. A Board-level committee reviews reports as to these matters on at least a quarterly basis, ensuring the Board takes customer interests into account in its decision-making.

In 2022, the Company implemented a number of enhancements to the customer experience as a direct result of customer feedback, including real time call resolutions for fraud referrals and complaints handling.

## Business Partners

*The Board recognises the need to foster the Company's business relationships with suppliers, clients and others and ensures that the Company has processes in place to engage and consult with its business partners on a regular basis to develop and maintain lasting and meaningful relationships.*

The Company conducts regular strategic reviews with key clients to understand their strategic agenda, key strategic initiatives and identify opportunities for collaboration. Agreed opportunities are documented in a joint annual plan with key initiatives, milestones and dependencies. Progress against the plan is reported and discussed at appropriate levels of the governance framework, including key strategic updates to the Board by the President, Europe (Chief Executive).

Regular market and customer insight events are held with clients to identify key trends that may impact the business over the medium term. Ongoing research is undertaken with our clients' customers via a variety of methodologies to understand the evolving needs of customers. This is supplemented with proprietary market research to develop and refine the Company's product strategy with a detailed roadmap for delivery. During the year the Company upgraded the Barclays and NatWest Traveller app, in light of client feedback, which resulted in an enhanced customer experience and an extension of the relationship with two of the Company's major clients.

The Company proactively engages and consults with its suppliers as required to understand their views and needs. The Company is mindful of its payment policies, practices and performance with respect to its suppliers and takes steps to ensure that agreed payment terms are adhered to so as not to adversely affect supplier cash flows and ability to trade.

## People

*The Company utilises the services of employees of affiliated companies within AEG and, as such, benefits from the methods employed by such companies to seek and utilise the views of the workforce including via informal feedback, Employee Forums, periodic Employee Surveys and formal reporting through the governance framework.*

During the year, the Company's HR Director kept the Board directly informed as to people and culture matters via a standing agenda item at quarterly Board meetings. During 2022, such reporting and related decision-making focused heavily on financial wellbeing, specifically the impact of the cost-of-living crisis, and ways in which to retain staff given challenges within the labour market. Other topics included challenges around future ways of working and other initiatives to support the workforce.

To inform the Board's decision-making throughout 2022, feedback was sought from the workforce through various channels. The key themes that emerged related to financial challenges arising from the cost-of-living crisis as well as workload and work life balance. As a consequence of the feedback, the business continued to provide a wide range of initiatives and activities designed to support wellbeing including:

- A monthly wellbeing programme using a variety of tools and resources to support mental, physical, financial, and social wellbeing in the workplace designed to improve resilience.
- The creation of a Wellbeing Network with representatives from across the business whose responsibility it is to support colleagues through signposting tools and resources and to encourage engagement and participation in activities.
- The re-training of circa 40 Mental Health Supporters to provide first line support and guidance.
- A dedicated week of activities to reduce the stigma of mental health in the workplace.
- Holding of a 5K event to encourage physical wellbeing, social interaction, and community support by raising funds for MIND.
- Provision of an additional day of annual leave to celebrate diversity in the workplace.

- The EU Women’s Network hosted a series of activities focused on supporting women’s health and launched Assurant’s first menopause policy. Line manager training was also provided.
- The annual engagement survey evidenced great improvements in wellbeing scores and engagement in general.
- Enhancements to employee benefits included the introduction of holiday trading to a wider population and a hardware stock purchase scheme to help with the cost of living.
- A dedicated cost of living campaign highlighted the ways in which our employees could save money.
- Participation in the Great Place to Work accreditation resulted in certification for the UK business and recognition as a Great Place to Work for Wellbeing.
- Investors in People Silver accreditation.

## Regulators

***The Company proactively participates in periodic meetings and interactions with its regulators as appropriate to fully understand regulatory views and feedback, including full and active participation in industry thematic reviews and application of any resulting learnings to drive business improvements.***

The Company operates a horizon-scanning process to ensure that upcoming regulatory change, consultations, guidance and “hot topics” are known and understood by the business, enabling any resulting internal actions to be taken.

Regulatory matters are reported, discussed and actioned at all levels within the Company’s governance framework. The Chief Compliance Officer reports regulatory matters directly to a Board-level committee on at least a quarterly basis and Board-level deep dives and briefings into regulatory topics are held as and when required. This ensures that directors are kept informed of regulatory views and matters to enable the Board to make decisions that are aligned with regulatory objectives and views and the Company’s Senior Managers and Certification Regime framework.

During the year, the FCA’s new Consumer Duty requirements were, and continue to be, a key focus, with various Board briefings and Board scrutiny taking place. The Board Chair (an independent non-executive director) was appointed by the Board as Consumer Duty Champion and has been heavily involved, along with other directors, in ensuring that the Consumer Duty implementation plan was approved by the Board in October 2022 and that appropriate resources are in place to ensure delivery by 31 July 2023 for current products.

## Shareholders

***AIZ, the Company’s ultimate parent company, has ongoing engagement with its stockholders on a wide range of topics of particular importance including, but not limited to, company strategy, financial performance and objectives, Enterprise’s environmental, social and governance (ESG) policies, practices and initiatives, executive compensation, diversity, equity and inclusion and climate risks.***

A senior employee of AIZ serves on the Board as a group non-executive director with a specific mandate to keep the Board informed as to shareholder (AIZ) views and provide alignment with AIZ. This is facilitated via a standing agenda item at quarterly Board meetings.

## Community

***Assurant’s core values - common sense, common decency, uncommon thinking, uncommon results - guide the Company’s actions and inspire its commitment to be a responsible corporate citizen. As part of Assurant’s Social Responsibility Framework, the Company actively engages in strengthening its local community, while operating its business with a meaningful environmental commitment.***

For example, the Company participates in local business community groups to better understand what matters to those in its community and how the Company can utilise its expertise and support to add value.

In 2022, the Board continued to oversee the development of a local Enterprise, Social and Governance Framework, aligned to that of the ultimate parent company, AIZ. The Framework includes specific oversight of Impact on Society, which will focus on the Company's involvement in responsible investing, climate action, environmental matters and giving and volunteering.