

MS Amlin Corporate Member Limited

Section 172 (1) Statement for Year Ending 2023

The directors of the Company are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006. Management ensure that the Board are assisted in considering key stakeholders as part of the process for setting strategy and making decisions by considering relevant stakeholder considerations as appropriate, for inclusion in board papers and in the information provided to the Board before Board meetings. The directors understand stakeholders needs when making decisions by ensuring rigorous forecasts are undertaken before key decisions are made and any potential issues are resolved.

The directors acknowledge that effective and meaningful engagement with stakeholders and the positive performance against the Company's KPIs were key to promoting the success of the Company. Given the activities of the Company (and the fact that it has no employees), our key stakeholders are identified as Mitsui Sumitomo Insurance Company, Limited (the Sole Shareholder); our suppliers; our employees; the community; and the environment. The following paragraphs explain how they were considered in principle financial decisions during 2023:

- Legacy reserves – 2023 saw a major development in the sale of historic liabilities of 2018 and prior years of account together with discontinued class reserves in later years, transferring over £1bn of loss reserves to RiverStone International, a recognised leader in the legacy market. The sale of these liabilities included the largest ever transaction of its kind in the Lloyd's market. It conveyed a powerful message about the strength of our resolve to deliver a solution that removed prior year volatility and ensuring client service was maintained, by working with a partner who shared our values and service standards.
- Long Term Incentive Plan – the managing agent has a Long-Term Incentive Plan eligible on a discretionary basis to all staff working for the benefit of the Syndicate and the Company. Subject to performance and service conditions, participants are entitled to receive an award in MS&AD shares or an equivalent in cash. This will ensure that the Company will continue to retain leading talent throughout its teams to be able to lead and drive future sustainable growth of the Company and the Syndicate. An independent Employee Benefit Trust exists as a vehicle to hold shares in MS&AD to facilitate employee share incentive arrangements.
- Investment strategy – the managing agent has outlined the risk tolerance of the Company's and Syndicate's investment strategy to ensure responsible investment decisions are made. They understand the importance of investing responsibly to ensure both risk and reward are optimal to meet the Company's financial requirements, which is formalised within the Company's Responsible Investment Principles as part of the Investment Policy.
- Employees – as the Company has no employees, it relies on employees of MS Amlin Corporate Services Limited ('MS ACS') for the management and execution of its operations. Therefore, the directors understand that the decisions they make will have a significant impact on the employees of MS ACS. The directors recognise that these employees are fundamental to its long-term success and seek to promote the interests of all employees.
- Capital – the Board operates a Capital Management Policy, to ensure it meets the capital requirements applicable to it and the Syndicate, as well as it is able to respond to reasonably severe but plausible scenarios as set out in the going concern assessment. It does this by holding excess capital, having access to letter of credit facilities, and arrangements with its parent MSI.

Approved by the Board and signed by order of the Board.

A J Carrier
Director
1 May 2024