
MS Amlin Underwriting Limited S172 Statement

Section 172(1) Statement for the year ended 31 December 2020

Under section 172 of the Companies Act 2006, the directors of a Company must act in the way that 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. In doing so, they should have regard to other factors, including but not limited to: (a) the likely consequences of any decision in the long term; (b) the interests of the Company's employees; (c) the need to foster the Company's business relationships with suppliers, customers and others; (d) the impact of the Company's operations on the community and the environment; (e) the desirability of the Company maintaining a reputation for high standards of business conduct; and (f) the need to act fairly as between members of the Company.

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 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; the Company's regulators; the community; and the environment. The following paragraphs explain how they were considered in principal financial decisions during 2020:

- MSI reorganisation – in November 2019, the company's parent announced a new operating model, where under the new structure, effective from 1 January 2020, the Company is directly owned by MSI. The impact of the above decisions and the new operating model on the Company's stakeholders was considered by the Board. The Directors believe that the above decisions are in the long-term interests of the Company and its stakeholders through building value across MSI and its subsidiaries by increasing efficiency, using talent to greater effect and ultimately driving improved financial performance and growth.
- Investment strategy – the risk committee has outlined the risk tolerance of the company's investment strategy to ensure responsible investing and 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.
- Payment of Dividends – during the year the Company did not declare any dividends to its parent, Mitsui Sumitomo Insurance Company, Limited. The directors ensured they understood the impacts of this decision on the Company's stakeholders. The primary factor was to ensure that all Lloyd's solvency requirements were comfortably

met and the Company would remain liquid and able to meet its financial obligations as they fall due. In the case of 2020, although the Company was profitable, it was decided this would not be a responsible decision and so no dividends were declared during the year.

- 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. Through employee surveys, the employee consultation forum and other engagement actions, such as town halls, the interests of employees are regularly evaluated by the Directors. In addition, the Employee Assistance Programme provides expert and confidential support to employees in difficult circumstances and a comprehensive learning and development programme supports the different development needs of employees. During 2020, in conjunction with MS ACS, the Directors of the Company approved a Speak Up policy and process to complement all of the above.

Approved by the Board and signed by order of the Board

20 May 2021