

MS Amlin Underwriting Limited

Section 172 (1) Statement for Year Ending 2023

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, our key stakeholders are identified as Mitsui Sumitomo Insurance Company, Limited (the Sole Shareholder); the people working for the benefit of the Syndicate; the Company's regulators; our suppliers; the community; and the environment. The following paragraphs explain how they were considered in principle financial decisions during 2023:

- **People and Culture** – the directors of the company have pursued many Culture, Engagement and Inclusion priorities during the year. Most notably by the end of the year, 30% of our leadership team were women, which is the second consecutive annual increase. Additionally, September 2023 saw the largest intake of young people through our Early Careers programmes with 6 graduates and 11 apprentices now working in various functions across the organisation. The directors have continued to shape Employee Value Proposition to suit the changing needs, experiences, and expectations of our people. For example, we launched our Growing Family Policy, a truly market leading benefit that supports families of all shapes.
- **Long Term Incentive Plan** – the Company has entered into the fourth year of the Long Term Incentive Plan which is 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.
- **Sustainability** – the Board has overall responsibility for setting and overseeing the implementation of the Sustainability Strategy. Our sustainability strategy is centred around the desire to do the right thing, which we believe will create long term enterprise value, and designed to support: profitable growth through commercial and responsible opportunity optimisation; balance sheet and reputational risk management i.e. protect franchise value and fair and inclusive transition that reflects the needs of our clients, shareholder, employees and communities.
- **Climate change** – the Board recognises the impact of climate change and the threat it has on the global economy and ultimately the company's operations. As such, the company has been a signatory to the ClimateWise initiative since its inception in 2007. Our membership offers us a platform to collaborate and actively contribute towards the insurance industry's

response, identifying new ways and approaches to confront climate change challenges. The board are pleased to note an improvement in our ClimateWise score from prior years to 93% (2022: 85%; 2021: 60%).

- Investment strategy – the Board has outlined the risk tolerance of the Company's and the 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.

Approved by the Board and signed by order of the Board

A J Carrier
Chief Executive Officer
28 March 2024