

Duty to Promote the Success of the Company in accordance with s172(1) Companies Act 2006

Section 172 of the Companies Act 2006 requires the Board of Directors (the Board) to promote the success of the company for the benefit of its members as a whole and, in doing so to have regard to the interests of stakeholders including shareholders, customers, employees, suppliers, regulators and the wider society in which the company operates.

The company is a wholly owned subsidiary of Zurich Insurance Group Ltd (the Group) and is subject to policies and governance arrangements set by the Group as well as local statutory and regulatory requirements. The Board derives its collective authority by direct delegation from its shareholder. Its key purpose is to ensure the company's prosperity by collectively directing the Company's affairs whilst meeting the appropriate interests of its shareholder and relevant stakeholders.

The Board's principal aim is to ensure the fair treatment of the company's customers whilst enhancing the company's long-term value to its shareholder through the sustainable and compliant delivery of financial performance targets and the fair treatment of its customers within a framework of prudent and effective controls.

When making decisions to further the company's strategic purpose, the Board has a duty to promote the success of the company under s.172 of the Companies Act 2006. During the financial year, the Board has given consideration to this duty when making decisions, including the:

- Likely consequences of any decision in the long term;
- Interests of employees
- Company's business relationships with suppliers, customers and others;
- Impact of the company's operations on the community and the environment; and
- maintaining the company's reputation for high standards of business conduct

As a wholly owned subsidiary of the Zurich Insurance Group Ltd the company only has one member and therefore the Board do not need to consider the fairness between members.

Long-term decisions

The Board continually assesses the long-term strategy of the company and the integration into the Zurich business. Regular updates are provided on the progress of the strategy and integration.

As the company has now ceased to trade following the transfer of all its business to ZIP and the company's services as an underwriting agent will no longer be required it is the Directors' expect a solvent wind down of the company to a dormant position.

Business conduct

The Board regularly considers the performance of the business and how to ensure this in the long term. The Board is informed when any strategy changes are implemented, such as pricing, and how customers have been considered in these decisions.