

BRIT UW LIMITED

SECTION 172 (1) STATEMENT

31 DECEMBER 2024

**Registered No. 03217775**

***This Section 172 (1) Statement is reproduced from Brit UW Limited's 2024 'Strategic Report, Directors' Report and Financial Statements' document which was approved by its Board on 22 July 2024.***

### ***Introduction***

As Directors, our key responsibility is to promote the success of the Company for the benefit of members as a whole. In order for that success to be sustainable, the Directors recognise the importance of considering the long-term consequences of decisions, the need to foster business relationships, the preservation of a positive reputation, and the Company's ongoing impact on the community and environment (the "Relevant Matters"). In relation to the remaining considerations under Section 172(1)(a)-(f) of the Companies Act 2006, the Directors do not believe it is necessary to (1) have regard to the interests of employees, on the basis the Company has no employees, with all business functions being performed by employees of the group service company (Brit Group Services Limited) and (2) the need to act fairly between the members of the Company, on the basis the Company has only one shareholder (Brit Insurance Holdings Limited).

### ***Decision-making***

The Board is responsible for monitoring the performance of the Company and reviewing its strategy. To ensure the Relevant Matters can be duly considered in such decision-making, the Directors promote the receipt of timely and accurate information pertaining to the Relevant Matters at meetings of the Board. Furthermore, it is recognised that the Directors and the staff engaged in the business remain appraised of such information outside of Board meetings through the performance of their duties as employees within the Brit Group.

### ***Training & Culture***

Through their employment within the Brit Group of companies, the Directors and the staff engaged in the business receive ongoing training and development opportunities which are both general and tailored to their individual needs. They also contribute to and embody the culture promoted by the Brit Group, which fosters openness, inclusiveness and collaboration. Together, the Directors believe that these qualities and arrangements are pivotal to maintaining strong business relationships and a positive reputation for the Company.

### ***Our stakeholders***

The Board recognises the importance of engaging with its broader stakeholder base, as outlined in the 'Stakeholder Engagement' paragraph below.

The Board recognises the importance of engaging with its broader stakeholder base. Key stakeholders are set out below, together with why and how we engage with them and the outcomes of that engagement.

<b>Why we engage</b>	<b>Form of engagement</b>	<b>Impact of engagement</b>
<b><i>Members and the wider Brit Group</i></b>  Brit UW Limited is owned by Brit Insurance Holdings Limited, and ultimately by Fairfax Financial Holdings Limited. Our aim is to provide long term sustainable value for our shareholder and the wider Brit and Fairfax Groups. Engagement ensures that our objectives are aligned and that our strategy, operating	There is common membership on the Board of Brit UW Limited, the Board of Brit Insurance Holdings Limited (the immediate parent) and the Brit Executive Committee (the body responsible for executive management of the Brit Group). There is also regular contact between Brit executives and senior	This engagement helps ensure that Brit UW Limited's strategy is aligned to and supported by our shareholder and the wider Brit Group. Such engagement also presents us with underwriting and investment opportunities, and can result in favourable collaboration with other members of the Fairfax Group.

environment and performance are clearly understood.	management and those of our ultimate shareholder.	
<b>Investment managers</b>  We implement our investment strategy using the expertise of investment managers. We engage with them to monitor performance and to ensure guidelines are adhered to.	Brit UW Limited is supported by the Brit Investment Department and is represented on the Brit Investment Committee. Brit has regular discussions with its managers to monitor performance and assess market outlook, and receives regular reports.	Such engagement ensures assets are managed within risk tolerances and guidelines and that any changes are implemented in a timely fashion. Insights from our managers enhance our investment strategy and performance.
<b>Reinsurers</b>  Brit UW Limited purchases a fully collateralised material reinsurance contract from another Group company, Brit Reinsurance (Bermuda) Limited. Engagement ensures the terms of the contract meets our needs and that an appropriate premium is charged.	Brit UW Limited, in conjunction with the Brit outwards reinsurance team, engages directly with Brit Reinsurance (Bermuda) Limited. We also employ the services of third party experts to validate the terms and cost of the policy.	This engagement allows us to ensure we have the appropriate level of protection purchased at an appropriate price.
<b>Key suppliers</b>  We rely on a number of key suppliers to help us meet the needs of our customers and those of other stakeholders. On-going engagement helps us ensure that those needs are met and standards are maintained. Such suppliers include Brit Group Services Limited.	Brit has a rigorous on-boarding process for new suppliers. Partnerships with critical suppliers are fostered by a range of activities including ongoing dialogue and face to face meetings. We also engage in areas such as technical and product roadmaps, integration planning and disaster recovery.	Such engagement helps us to: <ul style="list-style-type: none"> <li>• Provide a better service to and satisfy stakeholders needs;</li> <li>• Enhance operational processes, leading to efficiencies and increased competitive advantage;</li> <li>• Comply with laws and regulations;</li> <li>• Improve technological resilience;</li> <li>• Ensure supplier robustness and integrity.</li> </ul>
<b>Brit Syndicates Limited (BSL) and its syndicates 2987 and 2988</b>  BSL is the managing agent for the syndicates 2987 and 2988 and is responsible for monitoring the returns to Lloyd's and for providing the annual Lloyd's solvency statement.	The Brit UW Limited board engages with BSL as required, and G Wilkinson is a director on the board of both companies.	This engagement allows us to ensure that Lloyd's requirements are met.

### ***Key decisions made by the Directors during the year***

- Through Lloyd's capital setting processes (specifically the Lloyd's 'coming into line' process and the Lloyd's quarterly corridor tests), surpluses in the Company's Lloyd's capital requirement were identified in May, September and November 2024. For each occasion, the Board agreed to release either the entirety or majority of those surpluses for the purposes of reducing the Company's cost of capital or otherwise creating flexibility in the Company's ability to fund future capital requirements.
- In June 2024, the Company appointed Hamblin Watsa Investment Counsel to manage a portfolio of Company assets.
- In July 2024, the Board approved the statutory reports and financial statements of the Company for the financial year ended 31 December 2023. In doing so, the directors believed that those financial statements provided a true and fair view of assets, liabilities, financial position and performance of the Company.
- In November 2024, the Board approved the issuance of a further 100 Ordinary Shares in the Company to the Company's sole shareholder, Brit Insurance Holdings Limited. The issuance allowed the Company to reduce borrowing on a loan from Brit insurance Holdings Limited and therefore reduce its ongoing cost of capital. Further, the transaction supported a series of wider transactions within the group to rationalise intercompany balances in preparation for a group restructuring (which achieved operational separation between the Brit and Ki businesses).
- In December 2024, the Board approved an amendment to the Revolving Credit Facility to which it is party. The amendments relating to the group restructuring referred to immediately above.