

BRIT GROUP FINANCE LIMITED

SECTION 172 (1) STATEMENT

31 DECEMBER 2019

Registered No. 06201255

This Section 172 (1) Statement is reproduced from Brit Group Finance Limited's 2019 'Strategic Report, Directors' Report and Financial Statements' document which was approved by its Board on 24 September 2020.

Introduction

As Directors, our key responsibility is to promote the success of the Company. This principle is the cornerstone of our discussions and our decision making. Each Director is cognisant that in discharging this key responsibility, they must have regard to matters set out in s172(1)(a-f) of the Companies' Act. The Directors consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company.

Our strategy

The Board is responsible for a number of key strategic decisions and on-going performance monitoring. The Directors' assessment of long-term value creation considers the Company's resilience. They determine and monitor risk appetites and tolerances, and they ensure the Company has an effective risk management framework in place.

Board information

The Board receives information on a range of relevant topics, and receives information on other areas as requested by the Directors from time to time.

Our policies and practices

All relevant factors are appropriately addressed by the Board when considering matters reserved for it, as set out in its terms of reference. It ensures that all relevant considerations to assist it discharge its responsibilities are embedded in the key operations of the business, in order to help promote the long-term success of the Company.

Training

To assist the Directors discharge their responsibilities, they are provided with on-going training and development opportunities. They have received a number of in-depth briefings on specific relevant issues. For the wider workforce, there is a comprehensive staff development programme tailored to meet individual needs. Elements of this training are mandatory, with all staff required to successfully complete e-learning modules on key areas such as money laundering, bribery and corruption, data protection, fraud and cyber risk.

Our culture

Building and maintaining the Company's reputation and its high standards of business conduct are essential to the future success of the Company. This is embedded in our culture and in our new brand purpose, launched in October 2019. The wider group also maintains a 'Code of Conduct' setting out the standard we expect from all of our staff. This is regularly reviewed and updated, and compliance is attested to by each employee on an annual basis.

Our stakeholders

The Board recognises the importance of engaging with its broader stakeholder base. The Company's primary stakeholder is its sole shareholder, Brit Insurance Holdings Limited. The Board is also mindful of the interests of the wider Brit group.

Key decisions made by the Directors during the year

The key decisions made by the Directors during the year were:

- Agreeing to a capital restructure of another Brit subsidiary, Brit Insurance Services USA Inc. (BISI), as a result of which the Company received full repayment of the medium-term and short-term loans that it had advanced to BISI.
- Agreeing that the loan the Company had made to Brit UW Limited should be extended by one year to 9 December 2020.
- Agreeing to an extension of the terms of the Company's borrowings from its immediate parent, Brit Insurance Holdings Limited, until 31 December 2019.

In making these decisions, the Directors considered the Company's immediate and longer-term strategic priorities, together with the needs and expectations of its stakeholders and the wider Brit Group. The Directors concluded that the decisions were in the Company's and its key stakeholders' best interests, met its overall objectives and were consistent with their key responsibility of promoting the success of the Company.