

BRIT INSURANCE HOLDINGS LIMITED

SECTION 172 (1) STATEMENT

31 DECEMBER 2021

Registered No. 03121594

This Section 172 (1) Statement is reproduced from Brit Insurance Holdings Limited's 2021 'Strategic Report, Directors' Report and Financial Statements' document which was approved by its Board on 9 June 2022.

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. 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. For the wider workforce who provide operational services under outsourcing arrangements with other Brit Limited Group companies, there is a comprehensive staff development program 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. Although the Company has no employees, the wider workforce of its subsidiaries is subject to a Code of Conduct setting out the standard we expect from all 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 Limited. The Board is also mindful of the interests of its ultimate majority shareholder, Fairfax Financial Holdings Limited, and wider Brit Limited Group. The Company's ultimate majority shareholder is represented on the Brit Limited board and there is regular contact between Company executives and senior management and those of the ultimate majority shareholder. This engagement helps ensure that the Company's strategy is aligned to and supported by our shareholders.

Key decisions made by the Directors during the year

- On 19 March 2021, the Board approved the transfer of the Riverstone defined benefit pension scheme to the Company.
- On 19 March 2021, the Board approved the exercise of the call option to purchase the remaining 50% of Camargue Underwriting Managers (Proprietary) Limited.
- On 7 June 2021, the Board approved the investment into Brit UW Limited of 100 shares of £1 nominal each and £706,712.79 share premium per share.
- On 16 June 2021, the Board approved that the Company guarantee the obligations of Brit Insurance USA Holdings Inc. in the sale of its subsidiary, Scion Underwriting Services, Inc.
- On 6 July 2021, the Board approved the Company to enter into an amended and restatement deed relating to the revolving credit facility which would result in extending the term to 31 December 2025. The facility is extendable for an additional two years.
- On 21 September 2021, the Board approved the statutory accounts of the Company for the year ended 31 December 2020.