

Section 172(1) Statement (“Statement”) for Hastings Insurance Services Limited (“the Company”)

As required by the Companies (Miscellaneous Reporting) Regulations 2018 the Company has published its Statement within its Annual Report for the **financial year ended 31 December 2024** which is available from Companies House.

Statement

Section 172 of the Companies Act 2006 requires a director of a company to act in a way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole. In doing so, they should give regard to the:

- Likely consequences of any decisions in the long-term;
- Interests of the Company’s employees;
- Need to foster the Company’s business relationships with suppliers, customers and other stakeholders;
- Impact of the Company’s operations on the community and environment;
- Desirability of the Company maintaining a reputation for high standards of business conduct;
- Need to act fairly as between members of the Company.

In discharging Section 172 duties the Board considers the factors set out above as well as other factors which it considers relevant to the decision being made, for example, the interests and views of regulators, and the overall strategy of the Company. The Directors seek to ensure that their decision-making process not only takes into account the Company’s purpose, vision and values, together with its strategic priorities, but also reflects, as far as practical and possible, the interests of all stakeholders.

This statement sets out how the Board has discharged its duties required under Section 172 of the Companies Act 2006 during 2024.

The Company’s culture and values are based on its 4Cs cultural framework: serving and investing in Colleagues, Customers, Community, for the benefit of the Company. The Directors use the 4Cs to identify the Company’s key stakeholders and as a basis for a clear, consistent and balanced approach to measuring the Company’s performance and success from the perspective of all of its key stakeholders.

The Board delegates authority for day-to-day management of the Company to executives and engages management in setting, approving and overseeing execution of the business strategy and related policies. The Directors review and monitor health and safety, financial and operational performance, legal and regulatory compliance, and other key risks at Board or Board Committee meetings. The Board sets the Company’s risk appetite and makes decisions in respect of mitigating actions proposed by management. The Directors also review the Company’s performance, its business strategy, conduct matters, customer outcomes, internal and external audit reports, colleague engagement, corporate responsibility, and environmental, social and governance matters. Papers presented to the Board and its Committees, supported by relevant presentations by management, are prepared in a manner which enables the Board to review the impact of its decisions on the business and all key stakeholders where relevant and appropriate. Although not an exhaustive list, below are some examples of how the Directors discharged their duties in 2024.

Three Year Plan

The Board reviewed and approved the Company's Three Year Plan, which included its strategy, commercial and operational performance projections, capital and cash management plans, and the sensitivities and assumptions applied. As part of the review, the Board considered the 4Cs context and the implications for all stakeholders over the short and medium term, including colleagues and their welfare, supply partners, customer outcomes and the wider community. During the year the Board received reports on business performance in the context of its Three Year Plan reflecting commercial and operational matters; strategic initiatives and investment; its environment, social, and governance strategy; colleague welfare and engagement; diversity and inclusion; and internal control, risk management and compliance matters.

Employee Engagement Surveys

Culture and colleague engagement is critical to the Company's success and 2024 was a positive year with continued high engagement. The Company's annual survey achieved one of the highest ever engagement scores with 84% of colleagues taking part. The Company was voted as the Best Biggest UK Company to work for, including winning best UK Insurance company to work for. This was, in part, voted for by colleagues.

Customer Outcomes

During the year, the Directors considered matters that provided management with clearly defined expectations to ensure that the business continues to place customers at the heart of its operations and it complied with all of its regulatory obligations. Due consideration was given to:

- How customers are expected to be treated throughout their interactions with the Company;
- Ensuring customers are provided with clear price and product information so they can make timely and informed decisions about the products and services;
- Supporting customers in realising the benefits of the products and services they buy without unreasonable barriers post-sale;
- How the Company's products and services are sold and marketed and ensuring that they are designed to meet customers' needs and provide fair value;
- Monitoring and regular review of customer outcomes to address any risks to good customer outcomes;
- How the Company has complied with the FCA's requirements on Consumer Duty and embedded the interests of good outcomes for customers into its culture and purpose and aligned to the cross cutting rules.

These outcomes provide the basis against which the Directors track and monitor management's performance in relation to the fair treatment of the Company's current, and potential, customers, and in the context of achieving good customer outcomes in line with regulatory obligations.

Sustainability

The Board recognises the importance of considering the impact of the Company's operations on the community and the environment. During the year, the Board received reports on the Company's work regarding progress against its ESG and sustainability strategy. Key achievements for 2024 included the Company's two main offices in Bexhill and Leicester being powered by 100% renewable energy supporting an 84% reduction in our Scope 1 and 2 emissions, colleagues raising over £78,000 for 35 charitable causes close to them, and over 37,000 kgCO₂e saved through fitting some form of recycled parts in vehicle repairs on behalf of Advantage Insurance Company Limited ('AICL').

Further information on how the Board and the Company take other stakeholders into consideration when making decisions can be found in the Directors' Report and the Governance Statement.

Approved by the Board on 18 March 2025