

## 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 2022** which is available from Companies House.

### Statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the 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; and
- Need to act fairly as between members of the Company.

In discharging section 172 duties the Board of Directors (‘the Board’ or ‘the Directors’) consider the factors set out above as well as other factors which they consider 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 2022.

The Company’s culture and values are based on its 4Cs ways of working: 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 practical examples of how the Directors have discharged their duties in 2022.

### Three Year Plan

The Board reviewed and approved the Company’s Three Year Plan annually, 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 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

The Board appreciates the importance of colleague engagement and feedback and suggestions from colleagues are valuable in helping identify areas of improvement. Two 'YourVoice' surveys were conducted in the year providing colleagues with the opportunity to share their thoughts on life at the Company. Results were positive with 87% of colleagues participating in the end of year survey. The Company also achieved its second highest engagement score since the survey began; evidencing that colleagues align to the Company's objectives.

## 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 complies with all of its regulatory obligations. Due consideration was given to:

- how the Company's customers should be treated throughout their interactions with the Company;
- ensuring customers are provided with clear price and product information;
- ensuring customers do not face unreasonable barriers post sale;
- how the Company's products and services are sold and marketed and that these products perform as a customer would expect; and
- how the Company has prepared for implementation of the necessary processes and procedures to comply with the FCA's requirements on Consumer Duty.

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.

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 30 March 2023