



## ***DAS UK Holdings Limited's Section 172(1) Statement for year end 2019***

*The below Section 172 (1) Statement was approved by the Board of DAS UK Holdings Limited ("the Company") for disclosure on the Company's website on 2 April 2020 in respect of the 2019 year end.*

### **Section 172(1) Statement**

The Directors of the Company must act in accordance with a set of general duties. These duties are detailed in section 172 of the Companies Act 2006, which is summarised as follows:

*'A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so have regard (amongst other matters) to:*

- *the likely consequences of any decisions in the long-term;*
- *the interests of the company's employees;*
- *the need to foster the company's business relationships with suppliers, customers and others;*
- *the impact of the company's operations on the community and environment;*
- *the desirability of the company maintaining a reputation for high standards of business conduct; and*
- *the need to act fairly as between shareholders of the company.'*

All members of the Board recognise their duty to the Company and the following paragraphs summarise how the Directors fulfil their duties:

### **Consequences of any decisions in the long term**

Each year, the Board undertakes a review of the Company's strategy and the business plan for the following four years. Once approved by the Board, the plan and strategy form the basis for financial budgets, resource plans and investment decisions, and also the future strategic direction of the Company. In making decisions concerning the business plan and future strategy, the Board has regard to a variety of matters including the interests of various stakeholders, the consequences of these decisions in the long term and its long-term reputation.

The Chief Executive is responsible for delivering the plans and strategy agreed by the Board, with authority delegated to executive managers but subject to all decisions being made on the basis of the values and standards mandated. The Directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making to employees of the DAS UK Group.

The primary objective of the Company's risk and financial management framework is to protect the Company from events which hinder the achievement of strategic objectives, including the delivery of good customer outcomes, and operational financial performance targets. Management recognises the critical importance of maintaining efficient and effective risk management systems.

## **Interests of the Company's employees**

There are no individuals employed directly by the Company; all staff within DAS UK Group are employed by a subsidiary, DAS Services Limited. DAS UK Group is committed to being a responsible business and doing the right thing for its employees. People are at the heart of its business.

For the Company's business to succeed it needs to manage its people's performance and develop and bring through talent whilst ensuring it operates as efficiently as possible. The DAS UK Group also ensures it shares common values that inform and guide the employees' behaviour so the Company achieves its goals in the right way.

Bi-annual town halls are held for all employees of the DAS UK Group where an update is given regarding the current performance and any strategic decisions which have been made.

The Company has a well-developed structure through which it engages regularly with trade union officials to understand matters concerning DAS UK Group employees. The DAS UK Group also has an Employee Engagement Forum ('EEF') which acts as a method of communication between the Directors of the Company and the employees.

The EEF meet on a quarterly basis to discuss a range of different topics affecting the business.

There are regular engagement surveys which are rolled out across the group in order to gauge the current engagement levels of employees and to determine areas needing improvement.

## **Business Relationships**

DAS UK Group is committed to being a responsible business and doing the right thing for its customers and business partners.

DAS UK Group's strategy prioritises organic growth, driven by cross-selling and up-selling services to existing clients and bringing new clients into the Group. To do this, DAS UK Group needs to develop and maintain strong client relationships. DAS UK Group values all of its suppliers and has multi-year contracts with its key suppliers.

DAS UK Group's reputation with stakeholders, employees, customers and business partners is critical to the continued success of its business. The DAS UK Group uses the AIRMIC ("Association of Insurance and Risk Managers in Industry and Commerce") categorisation of reputational risk and identifies some of the key controls in place against each attribute.

## **Community and Environment**

DAS UK Group is committed to being a responsible business and doing the right thing for its community and the environment.

DAS UK Group's approach is to use its position of strength to create a positive change for the people and communities with which the Company interacts. The DAS UK Group wants to leverage its expertise and enable employees to support the communities around us.



## Business Conduct

All members of the Board recognise their duty to the Company, however the Company and its subsidiaries are managed by the Board on a unified basis. DAS UK Group includes an insurance company, which is regulated by the Financial Conduct Authority, and a legal company, which is regulated by the Solicitors Regulation Authority. Both authorities regulate the conduct of the companies. Robust controls are in place to ensure that the Company meets the necessary conduct standards.

## Acting fairly between shareholders

The Company only has one shareholder, its intermediate parent undertaking, ERGO Versicherung AG. The Company's parent company and the wider ERGO and Munich Re Groups are considered in business decisions, although all members of the Board recognise their duty to the Company.