

Cardif Pinnacle Insurance Management Services PLC

The following disclosures describe how the directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the directors' statement required under section 414CZA of the Companies Act 2006.

The table sets out who the material stakeholders are and the reasons why engagement with them is important, how the directors seek to engage and the key outcomes and actions.

Stakeholder Group	Why it is important to engage	How the directors engaged	Key topics of engagement	The impact of the engagement including any actions taken
Shareholder	We seek to create value for our ultimate and intermediate shareholders by creating strong and sustainable results	Regular financial updates are provided as well as key reports into each area to head office Ongoing engagement between the directors and the shareholder representative at the board and with members of the executive committee	Engagement on governance and performance	Further engagement on strategy and performance will be undertaken
Customers	The company provides management services for companies in the Cardif Pinnacle Insurance Group and other services provided to external parties. It is important to ensure the service provided meets with customer expectations whilst being as efficient as possible	The directors review the budget and performance against this during the year to ensure services are delivered in line with projected cost Any issues in performance or customer outcome are escalated to the directors through the various committees in the Cardif Pinnacle Insurance Holdings group	Routine engagement on service delivery, customer outcome and cost	No action taken as a result

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<p>Workforce We define workforce as employees, contractors and agency staff</p> <p>Key metrics: - Employee satisfaction survey - Employee turnover rate</p>	<p>The company's success is predicated on the commitment of our workforce to deliver the company's objectives</p> <p>We engage with our workforce to ensure that we are fostering an environment that they are happy to work in and that best supports their well-being</p>	<p>The directors provide guidance and support to management to ensure effective engagement with the workforce. Communication is through formal and informal meetings, newsletters and journals which are regularly published on the company's intranet. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests</p> <p>Employee turnover is reported and measured against a target ratio to senior management on a monthly basis and quarterly to the board</p> <p>All employees take part in the annual group-wide staff satisfaction survey which measures staff satisfaction against a number of criteria including wellbeing, employee engagement, corporate social responsibility, respect and conduct and others</p>	<p>The key themes from the engagement with the workforce were around change, digitalisation, compensation and innovation</p> <p>The directors regularly review the Global People Survey results and provide advice to management.</p>	<p>The company has taken action to engage with and empower the subject matter experts across the business to drive the change programme</p> <p>Individual objectives are recorded on a digital platform to ensure they are transparent. Each manager has been tasked with ensuring employee objectives are linked to delivery of the change programme to ensure the company's future success. We are seeking to link more overtly the reward structure to delivery of the change programme</p> <p>We are monitoring the views and attitudes of our recently hired staff to understand what motivates them, how they feel about the company and to ensure continued engagement and retention</p>

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Suppliers	Our suppliers are fundamental to the quality of the services we provide and to ensuring that as a business we meet the standards of conduct expected of us	The directors provide support for managers who are responsible for their ongoing relationship with their key suppliers. These relationships are regularly reviewed by the Outsourcing Committee with issues eventually escalated to the Risk and Audit Committee.	Through the Risk and Audit Committee the directors ensure that all relationships entered into conform to company standards on code of conduct and security and that eventual issues are solved	No action taken as a result
Our communities and the environment	<p>We have a responsibility to help address the challenges facing our society, which is why our CSR strategy aims to support the United Nations' 17 Sustainable Development Goals (SDG's)</p> <p>Our focus is on our people, our community and the environment</p> <p>With that in mind, the company has chosen three SDG's in particular, which we see as core to our CSR agenda:</p> <ul style="list-style-type: none"> • Good health and well-being • Quality education • Climate action 	The directors support management in the establishment of a CSR Action Group with representatives from a broad cross section of the company for the support, development and implementation of key CSR initiatives	<p>The directors support management in their engagement with staff to support charitable initiatives within the local community</p> <p>Review of charitable affiliations</p> <p>Development of environmental policies</p>	<p>The company:</p> <ul style="list-style-type: none"> • Provides 2 days for each employee to volunteer and so contribute towards the 1million hours target set by the ultimate parent for volunteering in 2020 • Supports specific initiatives including working with selected local charities in order to raise awareness and help those in need in the local community • Is targeting a reduction in the use of single use plastic and in general waste being sent to landfill • Commenced research into the development of products and services designed to reduce carbon emissions

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<p>Regulator The company is authorised by the Financial Conduct Authority to provide regulated products and services</p>	<p>The fair treatment of customers is central to the UK group ethos as are compliance with laws and regulations, and good conduct and reputation</p>	<p>The Legal and Compliance functions conduct a regulatory watch service to identify, assess and communicate regulatory developments to the UK business and to the board</p> <p>The board has or no risk appetite in these matters and the directors regularly review the compliance reports to assess the company's level of compliance</p>	<p>Review of requirements under the new Senior Managers & Certification Regime (SM&CR) to ensure compliance</p> <p>FCA guidance and regulation and general compliance matters</p>	<p>Transferred the Current Controlled Function holders to the new FCA Senior Management Functions and ensuring processes reflect the new regime.</p> <p>Appointment of an individual Senior Management Function (SMF) who will be responsible for ensuring there is a plan in place to address and implement the requirements of the Policy Statement</p>