



ARAG UK Holdings Limited's Section 172(1) Statement **for year ended 31st December 2024**

The below Section 172 (1) Statement was approved by the Board of ARAG UK Holdings Limited ('the Company') (formerly DAS UK Holdings Limited)) on 31 March 2025 for disclosure on the Company's website in respect of the 2024 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

On the 2 January 2025, the Company completed the purchase of ARAG PLC.

Each year, the Board undertakes a review of the Company's strategy. Once approved by the Board, the strategy forms 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 ARAG UK Chief Executive Officer 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 ARAG 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 personnel within ARAG UK are employed by a subsidiary, ARAG Services Limited (formerly DAS Services Limited). ARAG UK is committed to being a responsible business and doing the right thing for its customers and 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 development and bringing through talent whilst ensuring it operates as efficiently as possible. ARAG UK also ensures it shares common values that inform and guide the employees' behaviour so the Company achieves its goals in the right way.

Monthly town halls are held for all employees of ARAG UK where updates are given as required regarding business developments, current performance and any strategic decisions that have been made.

ARAG UK has a well-developed structure through which it engages regularly with trade union representatives to understand matters concerning its employees. ARAG UK 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 meets on a quarterly basis to discuss a range of different topics affecting the business.

Following the acquisition of the Company by ARAG SE, there were engagement surveys to determine employee engagement in respect of the integration activities and to help determine areas needing improvement.

Business Relationships

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

ARAG UK 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, ARAG UK needs to



develop and maintain strong client relationships. ARAG UK values all of its suppliers and has multi-year contracts with its key suppliers.

ARAG UK's reputation with stakeholders, customers, business partners and suppliers are critical to the continued success of its business. ARAG UK has set an appetite for threats to its reputation and the measures it will take to uphold its stakeholder's expectations.

Community and Environment

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

ARAG UK's approach is to use its position of strength to create positive change for the people and communities with which the Company interacts. ARAG UK 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. ARAG UK includes an insurance company, which is authorised by the Prudential Regulatory Authority ('PRA') and regulated by the Financial Conduct Authority ('FCA') and PRA, and a law firm, which is regulated by the Solicitors Regulation Authority ('SRA'). The PRA, FCA and SRA regulate the conduct of these companies. ARAG UK also recognises its commitments to other regulators arising from its operations, such as those relating to tax, data and pensions. Robust controls are in place to ensure that the Company meets the necessary conduct standards.

Acting fairly

As at the 31 December 2024 the Company only had one shareholder, its intermediate parent undertaking, ARAG SE. During the year the Company's parent company and the wider ARAG SE Group of companies were considered in business decisions, although all members of the Board recognise their duty to the Company.