

MCGILL AND PARTNERS GROUP LIMITED - SECTION 172 (1) STATEMENT

This report sets out how the directors have performed their duty under section 172 of the Companies Act 2006 (s.172), and this statement reflects the contribution by the McGill and Partners Group Ltd (the Group) subsidiary entities to the performance of the Group. s.172 sets out a series of matters to which the directors must have regard in performing their duty to promote the success of the Company for the benefit of its shareholders, and includes having regard to other stakeholders.

The Board considers it crucial that the Group maintains a reputation for high standards of business conduct. The Board is responsible for setting, monitoring and upholding the culture, values, standards and the reputation of the Company to ensure that its obligations to shareholders, colleagues, clients and other stakeholders are met. Management drives the embedding of the desired culture and standards of conduct throughout the organisation and ensures that the appropriate tone is set from the top. The Group Boards set and monitor adherence to the Group's policies and ensure compliance with regulatory requirements across the Group.

Culture

The Group has developed a culture which it believes differentiates it from many of its competitors in the market and is shaped by its clearly defined purpose. Its approach is characterised as follows:

- hiring professionals who have a strong reputation and high integrity;
- being a principles-based employer and operating under a contract of trust;
- aligning the interests of its people; all colleagues have an ownership interest in the firm;
- operating a relatively flat organisation structure, in turn seeking to avoid management overlaps while minimising the burden of bureaucracy;
- providing employee benefits that aim to be industry leading;
- offering a high level of flexibility and work-life balance;
- implementing initiatives to build an employer brand based on inclusivity; and
- ensuring that those the Group employ believe in its vision and culture.

Using this approach, the Group has hired a diverse workforce of 552 people (as at 31 December 2024) across the UK, US, Ireland, Bermuda, Australia, Germany and Switzerland with a strong mix of talent for its immediate and future leadership needs. The Group continues to have significant inbound interest from high quality talent in the market.

Underpinning the Group's culture are five core strengths that employees hold themselves accountable to: innovation; integrity; critical thinking and problem solving; ownership and team work; and collaboration. These core strengths were devised following engagement with employees, and seek to reinforce the Group's employee value proposition.

Key strategic decisions

For each matter that comes before it, the Board considers the likely consequences of any decision in the long-term and identifies stakeholders that may be affected, carefully considering their interests and any potential impact of the decision-making process. Two examples of strategic decision making in 2024 are as follows:

January 2024:

- the Board approved a budget for 2024 that was aligned with the medium-term strategy that had been approved in November 2019 and focused on a material EBITDA positive outcome for the year. The budget provided for the continued build out of the Group both by specialty and geographically, with particular focus on US talent pipeline, and for further investment in technology to reinforce systems and processes and support the Group's growth ambitions. In formulating its decision, the Board had regard to the longer-term interests of the Group, the resulting capabilities to service a broader range of clients and client needs, investment returns to shareholders over the longer-term, and the motivational impact to colleagues;

March 2024/June 2024:

- In March, the Board approved an increase to the Revolving Credit Facility provided by JP Morgan and Barclays. In June, the Board approved the renewal of this facility for a further two years. In formulating these decisions, the Board had regard to the longer-term interests of the Group, the resulting capabilities to service a broader range of clients and client needs, and investment returns to shareholders over the longer-term.

September 2024:

- the Board approved a proposal to establish a branch of its European operation in Sweden, with a view to bolstering its Transportation & Logistics business. In formulating this decision, the Board had regard to the longer-term interests of the Group, the resulting capabilities to service a broader range of clients and client needs, and investment returns to shareholders over the longer-term.

Below sets out our approach to stakeholder engagement during 2024:

Stakeholder	Why are they important to us	What is our approach to engaging with them	What was the outcome of this engagement
Colleagues	<ul style="list-style-type: none"> the attraction and retention of world-class talent is crucial to the strategy of the business 	<ul style="list-style-type: none"> ownership concept continues to be reinforced across all colleagues of the Group regular and direct communications from leadership on a frequent basis during 2024, supported by more traditional e-mail communications on specific subjects continual reinforcement of the requirement for and the benefit of open dialogue between all colleagues. Guidance 	<ul style="list-style-type: none"> all colleagues are clear as to the single P&L nature of the Group, the collective nature of our contribution and the shared approach to the achievement of success across the organization enhanced team ethos high engagement levels as witnessed by attendance at all colleague webinars, survey response rates and results very positive overall results from the

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		<p>and training provided to managers on how to lead and manage in line with the contract of trust</p> <ul style="list-style-type: none"> • regular all colleague webinars by CEO outlining talent, significant transactions, business performance and culture • the continuation and development of the Contract of Trust campaign as a follow on from the culture survey during 2023 highlighting the importance of the Contract of Trust and culture • the launch of focused development initiatives including the continuation of Project Spring to further develop the next generation of leaders and specialist colleagues and the development of colleagues generally • expansion of the colleague resource groups across the firm to promote and enhance diversity and inclusion • Leading benefit provisions, including the introduction of a well-being allowance, sabbatical leave and an Electric Vehicle Scheme 	<p>colleague culture survey. With the follow-on actions covering the reinforcement of the contract of trust, a company-wide talent and succession review, the announcement of quarterly wellbeing allowances to be effective in Q1 2024, improvements to our world-class leading family policies and the introduction of a sabbatical policy, low voluntary turnover rates versus competitors</p> <ul style="list-style-type: none"> • positive feedback regarding the newly introduced benefits. High level of uptake of the well-being allowance • promotion of different interest groups, an appreciation of colleague experiences and increased openness
Stakeholders	<ul style="list-style-type: none"> • our shareholders provide the working capital to ensure the continuation of business and the 	<ul style="list-style-type: none"> • regular dialogue with the Group's major shareholder representatives, Warburg Pincus 	<ul style="list-style-type: none"> • alignment of interest across the broad investor base of the firm

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	<p>required investment for future growth</p> <ul style="list-style-type: none"> all permanent employees are either shareholders or hold options over shares in the business 	<ul style="list-style-type: none"> reports on the Group's progress against strategy and important developments communicated via regular Group-wide webinars specific face to face updates with investor colleagues as to progress alongside update from Warburg Pincus and our advisors as to business progress owners' gatherings to report on progress in terms of revenues, client and operational build out The issuance of investor statements / total reward statements to all colleagues detailing the potential values of their interests in the firm upon an exit scenario 	<ul style="list-style-type: none"> transparency to colleagues as to our progress and growth contribution to the strong performance of the Group to date promotion of the firm's culture of mutual ownership
Clients	<ul style="list-style-type: none"> the Group was established for the purpose of serving larger clients or clients with complex and/or challenging needs the growth of the Group is dependent upon attracting new clients and retaining existing clients 	<ul style="list-style-type: none"> centralised approach to targeting large clients across a range of industries and geographies development of a unique client value proposition which offers a distinct perspective and proposition for clients and distribution partners differentiates the Group from its competitors senior leadership engagement with our larger and more complex clients meetings conducted with clients with appropriate 	<ul style="list-style-type: none"> significant business wins during the year positive feedback following the delivery of solutions to clients client satisfaction enhanced the Group's reputation within the market high client retention

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		presentations issued as follow up material	
Suppliers	<ul style="list-style-type: none"> • the Group relies upon several suppliers to ensure the delivery of quality services to our clients • several functions of the Group are outsourced to external providers to ensure that the Group has access to relevant expertise on a cost-effective basis 	<ul style="list-style-type: none"> • regular governance meetings with key suppliers to review delivery of agreed services 	<ul style="list-style-type: none"> • cost effective delivery of contracted services to agreed standards
Regulators	<ul style="list-style-type: none"> • as a (re) insurance broker, the Group is subject to financial services regulations and approvals in all the markets that the Group operates 	<ul style="list-style-type: none"> • to be open with the regulators and responsive to any requests made by them notwithstanding that the Group is not subject to active supervision by them • to provide prompt responses to inbound enquiries • where appropriate, to provide thought leadership on industry and other relevant developments 	<ul style="list-style-type: none"> • maintaining positive and open relationships with the Group's regulators
The Community	<ul style="list-style-type: none"> • the Group relies upon its Lloyd's broker license to access underwriting expertise and to benefit from the strength of the Lloyd's brand internationally • the Group relies upon the infrastructure and local amenities in the City of London, Dublin and New York 	<ul style="list-style-type: none"> • regular dialogue between Steve McGill and Lloyd's of London Leadership • continuation and expansion of the Early Careers programme(s) • charitable donations 	

Approved by the Board and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'D P N Mignon', with a long horizontal stroke extending to the right.

D P N Mignon – *Director*
7 May 2025