

## Section 172(1) Statement

The directors of the 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 to (amongst other matters) those laid out in Section 172 of the Companies Act 2006.

The Board is collectively responsible for the long-term success of the Company and its subsidiaries. It sets Company values and culture and ensures that obligations to its shareholder, customers and other stakeholders are understood and met.

The Company's workforce is employed by a service company within the Group. The Company has an Employee Consultation Forum which meets regularly. The aim of the forum is to represent the views of the workforce, communicate with the Board, provide feedback to the workforce and consult with them on key issues. In 2022, the Company conducted a number of formal and informal colleague surveys. This included a global engagement survey and regular pulse check-ins. The Company takes all the feedback seriously and the Executive team review the feedback, identifying and actioning areas for improvement as well recognising the strengths which are highlighted.

The Company's customers are at the core of its business and at the forefront of its strategy and service. The Company's strategies are subject to an increasing number of regulatory initiatives such as those from the Financial Conduct Authority (FCA), which for 2023 focus on increasing consumer protection in the financial services sector. The Company is committed to dealing with customers honestly, fairly and delivering good outcomes. This is embedded in the culture, values and Code of Business Conduct. Our culture is unique and incredibly important to us. We care about doing the right thing for our people, customers and community and helping others to build better futures. Our behaviours shape and influence how we work and are central to the relationships we have with others. Every day we are encouraged to be more curious, own the outcome, face into things together and find a way forward.

The Company recognises that it has a varied customer base and different customers will inevitably have different and specific needs. A great deal of time and effort is taken to fully understand all our different customers, by reaching out through surveys and conducting market research, so that we can deliver an excellent level of service. The Company plans to deliver higher standards of consumer care and protection, along with an outcomes-focused approach,

in line with the FCA's new Consumer Principle coming into effect in July 2023. The Company is well progressed with the implementation of the new Consumer Duty regulations and will develop capability to monitor the impact these will have on its customers.

The Company understands the importance of strong supervision and fosters open and transparent relationships with both its UK and overseas regulators. Proactive engagement ensures we stay ahead of any new regulations and can react and implement changes effectively.

The Company makes every effort to ensure it works with suppliers in line with our Code of Conduct and the supply chain is assessed with regard to the Modern Slavery Act 2015. Outsourcing arrangements and professional service contracts are governed by an Outsourcing and Supplier Risk Operating Policy and Standard. As with customers, suppliers are treated fairly with regular communication and timely financial payments. Vital suppliers are assigned a relationship manager to maintain open dialogue and implement regular monitoring and assessment to ensure the continued effectiveness of the arrangement.

The Company takes its charitable giving responsibilities seriously - both in the communities it operates in and also at a national level to support important causes throughout the year. Donations are carried out through the Group's Service Company. During the year donations were made through the workforce nominated charity scheme with further amounts being raised through fundraising. In addition, donations were made to charities and to support foodbanks in its local communities. The Company also has a Sustainability Group, which has launched a number of initiatives to encourage the Company to be more environmentally friendly.

Climate Change and ESG are evolving areas. The understanding of the risks, the strategies that may be required to manage them, the national and international political responses, the developments within our market space, and the developments of tools and techniques to quantify and to manage this spectrum if risks are all evolving rapidly. The Company's response is expected to continue to develop and change over the coming years.

The Board have developed a strategic direction for the Company's response to managing climate change risk. The approach is focused on continuing to build a strong foundation of capability - to understand, measure and report against this risk, and to inform our ongoing management of the risks to the business. This allows a strong continued focus on managing any risk to the business or its customers from the investments we hold. The Company's response to the Streamlined Energy and Carbon Reporting are included in the strategic report. The Company has made a voluntary disclosure in respect of the climate related financial disclosure requirements as per Companies Act, for further detail see the Environmental Matters section above.

During the year the Board have taken a number of strategic decisions, including the exit from the onshore individual protection market. This will enable the Company to

focus on key priority areas of the business including its transformation programme to modernise its IT infrastructure. The Company has also entered into another external reinsurance arrangement enabling it to further diversify its risk.

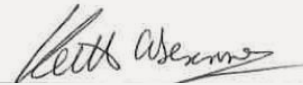
The Company is pleased to have won many prestigious awards within the financial services industry over the year. These include the Best Investment Bond & Group Protection Provider at the Investments, Life & Pensions Moneyfacts awards. This recognition demonstrates Canada Life's strengths within the market and commitment to high standards of business conduct.

The Company is a subsidiary of CLG, the sole shareholder. Communications take place regularly with both Great-West Lifeco Inc and CLG, the parent company.

**Approved by the Board of Directors and signed on behalf of the Board**



A Watson  
**Director**



K Abercromby  
**Director**



L Rix  
**Director**

Canada Life Place, Potters Bar, Hertfordshire, EN6 5BA

1 April 2023

