

FIDELIS MARKETING LIMITED
Annual report and financial statements
For the year ended 31 December 2020

Strategic Report

The directors present their strategic report for the year ended 31 December 2020.

Business review

Fidelis Marketing Limited (“FML” or, “the Company”) is a 100% directly owned subsidiary of Fidelis Insurance Holdings Limited (“FIHL”) and is part of the Fidelis Group (“the Group”), which also comprises Fidelis Insurance Bermuda Limited (“FIBL”), Fidelis European Holdings Limited (“FEHL”), Fidelis Insurance Ireland Designated Activity Company (“FIID”), Fidelis Underwriting Limited (“FUL”) and several Managing General Agents (“MGAs”) which are not wholly owned.

Since the start of 2020, many countries have experienced an outbreak of the COVID-19 virus and on March 11, 2020, the World Health Organization declared the disease to be a global pandemic. The situation continues to develop, and the long-term impact of this pandemic is unclear at this time. Management is monitoring the developments closely and has recognised the impacts in these financial statements as appropriate. The potential for losses arising from COVID-19 have been and will continue to be monitored and discussed by management.

Due to the pandemic, a portion of the Company’s staff is working remotely in line with the Government’s advice. There has been no disruption to client or customer service capabilities.

In 2018, in response to a potential hard Brexit, the Group incorporated an Irish insurer, FIID, and established a branch of FML – Fidelis Marketing Limited Ireland (“FML Ireland”) - predominantly to provide marketing and support services for FIID.

The Company is authorised by the Financial Conduct Authority (“FCA”) as an insurance intermediary to provide marketing services to FIBL, FUL and FIID. The Company also provides physical infrastructure, staff and associated support services to other companies within the Group. These services are provided in accordance with an intra group services agreement.

The Company reported a profit after taxation of \$7.6 million for the year to 31 December 2020 (2019: \$0.1 million after taxation).

The directors have considered and applied their statutory duty to promote the success of the Company under S172 of the Companies Act 2006, and in so doing, have regarded the issues, factors and stakeholders relevant to each of the following:

The likely consequences of any decision in the long term

All strategic decisions, including changes to FML’s corporate and Board structures, are approved by the Board as and when required.

The interests of the Company's employees

A set of legally compliant, culturally appropriate human resources policies underpin the interests of the Company’s employees. The human resources function delivers an annual performance management and compensation review which includes the benchmarking of employees’ salaries against market data and a calibration of fairness and consistency across multiple variables including function, gender, and ethnicity. The performance management system in particular takes a balanced score card approach which includes assessment against the Fidelis ethos; a key element of the working culture. Ownership for professional development sits with employees, is supported by managers and by the human resources infrastructure which includes a learning and development portal housed on the Group’s intranet. The Company adopts a vision for diversity and inclusion, “Bring Your Whole Self to Work”. This vision, and the associated diversity and inclusion strategy and annual plan is intended to establish a culture whereby all employees can thrive and share in the rewards of a successful business.

The need to foster the Company's business relationships with suppliers, customers and others

Statistics regarding our adherence to supplier payment terms are regularly reviewed and published. As a regulated financial services intermediary, FML is obliged to treat its suppliers, customers and others fairly at all times.

The impact of the Company's operations on the community and the environment

FML has a commitment to its communities, which we recognise includes environmental responsibilities. Our goal is to minimise our environmental impact whilst adhering to our other company principles and our company profile. In line with our Group Carbon Positivity Policy, we measure our carbon emissions and purchase 200% in equivalent carbon credits. Through the development of best practices in our business, the Company aims to use no more consumables

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than are necessary and recycle the maximum of those we do use. The Company also believes that embedding environmental awareness throughout the organisation will be best achieved through a continuous programme of employee engagement.

The desirability of the Company maintaining a reputation for high standards of business conduct

FML has a compliance function which seeks to be a trusted advisor to the business, driving and supporting innovation whilst partnering with the business and regulators to ensure regulatory obligations are met. The compliance function seeks to ensure that FML's culture and behaviours put clients' interests at the heart of its business activities and that FML acts with integrity in the market.

The need to act fairly between members of the Company

All interactions with other Group entities are carried out at arm's length and are governed by service level agreements.