Net promoter score[1] (points)		
Definition – This is an index that measures the willingness of customers to recommend the Company's products or services to others. It is used to gauge customers' overall experience with a product or service, and customers' loyalty to a brand.	**2021**	**156.0**
Aim – The Company aims to improve this over time.	2020	158.0

Note:

1. On an aggregated 12-month rolling basis, with 2013 rebased to 100.

Financial performance

The Company's financial performance is presented in the profit and loss account on page 16 and statement of comprehensive income on page 17.

Gross premiums written of £3,171.6 million (2020: £3,180.4 million) decreased by 0.3% with strong premium growth in Commercial and Green Flag Rescue offset by lower volumes and lower average premiums in Motor and a reduction in Travel.

The Company's combined operating ratio increased by 3.0 percentage points to 96% (2020: 93%). The loss ratio increased by 2.0 percentage points with increases across Motor, as lockdown restrictions eased and claims frequency returned to expected levels, and Commercial, due to an increased number of large fire claims, more than offsetting improvements in Home and Rescue and other personal lines, due to a non-repeat of Covid-19 related claims in Travel.

The expense ratio and commission ratio also increased by 1.0 percentage point, due primarily to an increase in administration expenses recharged from the Group service company. Operating expenses include costs associated with the surrender of the Group's Bromley lease.

Prior-year reserve releases increased in 2021 to £259.4 million (2020: £176.7 million), equivalent to 8.8% of net earned premium (2020: 6.0%) and were concentrated towards more recent accident years. Prior-year reserve releases were higher across all categories but mainly on Home which benefited from favourable experience on escape of water, flood, storm and fire perils and Motor mainly from large bodily injury claims reserves as uncertainty arising from Covid-19 and Brexit reduced.

Overall, the Company's technical result reduced by £94.7 million to £106.7 million (2020: £201.4 million).

Investment income was £10.3 million lower at £116.0 million (2020: £126.3 million) reflecting the impact of lower investment rates as a result of central banks' policy actions in 2020. Combined realised and unrealised gains/losses on investments improved by £61.8 million. Other income decreased by £10.5 million to £113.9 million (2020: £124.4 million) as a result of falling instalment income due to lower gross written premium.

Profit on ordinary activities before taxation decreased by £52.2 million to £334.7 million (2020: £386.9 million) due to a reduction in the technical result, partially offset by an improvement in the combined realised and unrealised gains on investments.

At the end of the year, the Company had total assets of £7,918.4 million (2020: £8,263.2 million) and total equity was £1,896.6 million (2020: £2,127.1 million).

In February 2021, the Company surrendered its current lease of the Bromley office incurring a loss on disposal of £83.9 million. The Bromley office head lease was subsequently purchased by a fellow subsidiary undertaking of DLIG, DL Insurance Services Limited.

Impact of Covid-19 on financial performance

Whilst in 2020 the Company saw a modest indirect benefit from Covid-19 in its results, during 2021 the impact was less marked. Within Motor, there were similarly low levels of claims frequency across the first half of 2020 and 2021 and with restrictions easing across H2 2021 claims frequency increased back to more expected levels. Throughout 2021 motor market premiums reduced, in part, reflecting this trend and offsetting the financial impact.

Outside of Motor, the impact of Covid-19 was less significant. Rescue saw lower new business shopping during lockdown restrictions whilst claims experience in Home and Commercial was not significantly affected. In the Company's Travel business, lower customer travel levels continued to reduce gross written premium below pre-pandemic levels and claim volumes reduced in 2021 following the non-repeat of Covid-19 related claims in 2020.

Dividends

Dividends of £408.0 million were paid during the year (2020: £320.0 million). The Directors have declared a final dividend of £90.0 million (2020: £198.0 million).

Solvency capital

The Company's solvency capital ratio after foreseeable dividends, as at 31 December 2021 was 160%; excluding the Company's subordinated loan from its parent with a first call date of 27 April 2022, the capital ratio so adjusted would have reduced to 141%. The Board has taken into account the developments in the political and economic environment. While there remain many uncertainties, including the ongoing impact of the Covid-19 pandemic as well as considering capital expenditure in the future, it considers it appropriate to operate above its minimum risk appetite of around 128%. In normal circumstances, the Board expects the Company to operate around a solvency capital ratio of 140%.

Presentation of financial statements

The primary financial statements are presented in accordance with Company law requirements. In addition, the Company has taken advantage of several disclosure exemptions available under Financial Reporting Standard 101 'Reduced Disclosure Framework' (**'FRS 101'**).