

Belron UK Limited S172 Statement for the financial year ended 31 December 2019

This section of the Strategic Report describes how the Directors have performed their duty under Section 172 (s.172) of the Companies Act 2006 and continue to have regard for:

<p>(a) The likely consequences of any decision in the long term;</p>	<p>The Company operates within the wider Belron Group of Companies and accordingly the Board is guided by not only its immediate shareholder, Belron International Limited, but also the strategy of the Belron Group as a whole. However, the Board, through communication with its Executive Management Team, works to identify new opportunities which not only fit with the wider strategy of the Group but also help to sustain the long-term success of the Company. The Board aims to achieve this through monitoring the performance of the Company against budgets and capital expenditure alongside a review of risk management and internal controls.</p>
<p>(b) The interests of the Company's employees;</p>	<p>The Board believes supporting and retaining a skilled workforce is a key element in the long-term success of the Company.</p> <p>The Board encourages regular and open communication with employees which enhances the reputation of the Company and aids staff retention, and the Company regularly measures employee engagement via regular surveys as well as an annual engagement survey of the whole workforce. The 2019 survey had a response rate of 83%. The Directors reviewed the results and will direct their efforts accordingly. They will also seek to increase the response rate going forward.</p> <p>The health, safety and well-being of the Company's employees is a key consideration for the long-term success of the Company. Workplace health and mental wellbeing support is an important focus and during 2019 a number of employees were trained as Mental Health First Aiders.</p>
<p>(c) The need to foster the Company's business relationships with suppliers, customers and others;</p>	<p>The Board recognises that maintaining good relationships with our suppliers, customers and other stakeholders is important and the Company strives to adopt a partnership approach with them. This allows us to share our values and work together towards supporting our people, stakeholders, customers and the communities within which we operate.</p> <p>Engagement with customers was a key focus for the Board throughout the year. Net Promoter Score (NPS) is measured and reported to the Board frequently so that at Board meetings the Board can consider the impact of their strategy on customers.</p> <p>We have a strong supplier approval process and code of conduct which enables us to carefully select which suppliers we partner with, working on a variety of important matters with a particular focus on sustainability within our supply chain.</p> <p>The Company publishes a payment practices report and, in 2019, 84% of suppliers were paid within 30 days.</p> <p>The Board and individual Directors ensure there is regular interaction with the Company's stakeholders: this can be via the sales team's interaction with insurance partners, the procurement team's interaction with suppliers or employees' involvement in local charities.</p>

<p>(d) The impact of the Company's operations on the community and the environment;</p>	<p><u>Environment</u> In order to understand the environmental impact of the Company's operations the Board directed that a cross function team is set up to report on CSR and the environmental impact.</p> <p><u>Community</u> In 2019 the Company took part in a hugely successful Spirit of Belron Challenge (triathlon, other events and family day) in aid of the Group's primary charity - Afrika Tikkun, along with all the other Belron businesses from around the world. The total raised for the event was over €1.5m.</p>
<p>(e) The desirability of the Company maintaining a reputation for high standards of business conduct; and</p>	<p>The Company operates under a published Code of Ethics "Our Way of Working" which outlines the behaviours we expect within the business and those with whom we work. Our Way of Working is supported by other internal policies and processes.</p> <p>The Board has approved and the Company has published a Modern Slavery Act Statement.</p>
<p>(f) The need to act fairly as between members of the company."</p>	<p>The Company is part of the wider Belron Group and the Board take account of the need to act in way that not only takes account of its immediate shareholder but also the ultimate shareholders.</p>