

S172 Statement

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. The Directors recognise that Group initiatives have a direct impact on the Company and believe they have sufficient information to enable them to ensure initiatives which may have an impact on the Company are carefully considered at Board Meetings. In addition to this, through communication with its Executive Management Team (“Executive Team”), the Board 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 forecasts, including 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 Company employs over 2,000 people, the majority of whom are field based. During 2022 and with easing of Government restrictions with regard to COVID19 and in addition to the continuing safety measures in place, our people were invited back into our head office and encouraged to attend the office more regularly.</p> <p>An annual engagement survey was conducted in 2022 with a response rate of 90%, with an overall engagement score for the Company of 86%, which is up 2pp on the 2021 annual survey, and 9pp on our 2022 Pulse survey, which had dropped to 77%.</p> <p>In 2022 HRIS (Workday) was implemented in full. This system has improved our People’s overall experience in managing their teams, as well as managing their own employment matters with the self-service functions. In 2022 approximately 25,000 Learning Moments (which included both online and face-face learnings), were recorded in Workday. As completed by our People.</p> <p>Equality, Diversity, and Inclusion (“ED&I”). Senior leaders have taken part in ED&I awareness session, during 2022. This session included open and comprehensive discussions on the</p>

	<p>company's ED&I journey and goals. During the year the Company also celebrated and embraced International Women's Day, Pride, International Day of Disability and Mental Health Awareness day. We believe that employing a diverse workforce is the right thing to do and is central to the Company's ongoing success.</p> <p>Lines of communications with our People were maintained during 2022, by regular monthly People Leaders Webinars during which YTD progress as well as the Company's targets, goals, challenges, achievements and recognition were raised thus ensuring that People Leaders hear directly from the Directors and the Executive team to enable them to cascade our message.</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.</p>
<p>(c) The need to foster the Company's business relationships with suppliers, customers and others;</p>	<p>The Directors recognise that maintaining good relationships with 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 Directors can consider the impact of their strategy on customers. NPS score remained high at 75.2%</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 continued to publish its payment practices reports, with 61.5% of suppliers being paid within 23 days for 2022.</p> <p>The Board, individual Directors and the Executive Team 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. This interaction was vital for engagement in general but especially during the pandemic when supply chains and working patterns continued to be disrupted; our sales team and our procurement team worked tirelessly to ensure that despite</p>

	<p>all the difficulties of the pandemic, our relationships with insurance partners and suppliers did not suffer.</p>
<p>(d) The impact of the Company's operations on the community and the environment;</p>	<p><u>Environment</u></p> <p>In order to understand the environmental impact of the Company's operations the Directors in conjunction with the Executive Team directed that a cross function team be set up to lead and report on items related to the Responsible business agenda which includes the business impact on the environment. We have also established a subject specific Environmental Sustainability Steering Group to work to support the business to understand the company's environmental impact and identify action to reduce our impact further.</p> <p>We constantly strive to minimise our waste and maximise waste diversion from landfill; we currently recycle 100% of glass waste, we divert over 95% of all our waste from landfill, and over the last 3 years we achieved a 18% reduction in KGs of waste per prime job and wholesale units sold.</p> <p>We report our carbon emissions in accordance with the Greenhouse Gas Protocol and in 2022 Belron® Group submitted a Commitment Letter to the Science Based Targets initiative (SBTi) to set our company-wide near-term and long-term emissions targets. Belron has committed to achieve a validated SBT from the Science Based Target initiative (SBTi) by the end of December 2024. In addition, in 2022 with the support from Belron® Group there was a significant review of our carbon reporting to ensure we captured information including carbon emissions that are in our direct control (Scope 1 and 2) and the full scope of Scope 3 emissions. As a result of this significant work we have re-established our base line year as 2021. In 2022 when compared to 2021 we have achieved a 10% reduction in our absolute carbon emissions and a 21% reduction in KG of CO2e per prime job and wholesale unit sold. We continue to purchase 100% of our electricity from renewable sources, 36% of our company car fleet is fully electric and we are working hard to reduce our carbon emissions still further.</p> <p><u>Community</u></p> <p>At Belron® UK Ltd we have a deep-rooted sense of responsibility to the communities we serve and we continue to make a difference - be that locally, nationally or via our headline charity partners. We support charities and community projects that are valued by colleagues. We enable and inspire colleagues to give back and get involved with events such as the Spirit of Belron Challenge and</p>

	<p>Children in Need, and we add value and make a positive contribution to those less fortunate in our society through not only financial contribution but also through the provision of coaching and mentoring support.</p> <p>The Spirit of Belron Challenge is a major highlight of the Belron calendar and is an opportunity for thousands of Belron colleagues to come together and raise money for our headline charity Afrika Tikkun. In 2022 nearly 550 of our Belron UK Limited colleagues, their families and friends, took part in the virtual event, with nearly 10,000 members of the Belron family participating globally. 2022 also saw the return of the Spirit of Belron Challenge Day at Dorney a face-to-face opportunity, on top of the virtual challenge, for colleagues from around the globe to get together, challenge themselves and have some fun. By walking, running, cycling and swimming, our UK colleagues helped the global Belron family raise 2.2million euros of which just over £84,000 was raised and donated to Afrika Tikkun by the company and its employees.</p> <p>In addition over £52,500 was raised and/or donated to other charities by the company and its employees including Children in Need, Together for short lives and the Trussell Trust Foodbank network.</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 for 2022.</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 a way that not only takes account of its immediate shareholder but also the ultimate shareholders.</p>