

Section 172(1) Statement and engagement with stakeholders

New legislation became effective during the year, aimed at helping shareholders better understand how directors have discharged their duty to promote the success of companies, while having regard to the matters set out in Section 172(1)(a) to (f) of the UK Companies Act 2006 (s172 matters).

Section 172 defines the duties of company directors and concerns the duty to promote the success of companies. In the year ended 31 March 2020, the directors of the Company continued to exercise these duties while having regard to the s172 matters, and also to other relevant factors as they reviewed and considered proposals from senior management, and as they governed the Company on behalf of its shareholders through the Board, the Board's Tax & Treasury Committee and the Board's Pensions Committee. The s172 matters are considered consistently across the wider Experian Group. As a subsidiary of Experian plc, the consideration of s172 matters by the directors is outlined below with the use of cross references to the Experian Annual Report 2020.

(a) The likely consequences of any decision in the long term

The most significant business decisions the Company makes centre around its role as an intermediate holding and finance company. The Board is responsible for approving and authorising Group financial reorganisations involving the Company and its subsidiary undertakings, and for the issuance of bonds and notes by the Company. It is also responsible for securing committed and uncommitted borrowing facilities for the Company or its subsidiary undertakings. The largest securities issues and borrowing facilities are only entered into with the prior approval of the Board of Experian plc., the Company's ultimate parent undertaking and controlling party.

The directors have delegated authority to the Tax & Treasury Committee, to approve the Experian Group Treasury Management Framework, and the treasury policies of other Group operating companies. The duties and responsibilities of the Tax & Treasury Committee include monitoring compliance with the Experian Group Treasury Policy, which is reviewed and approved by Experian plc.

The Experian Group governance framework explains how the Board of Experian plc delegates its authority to principal subsidiaries, as outlined on page 82 of the Experian Annual Report 2020. Cash and liquidity management and funding, which directly relate to the Company's operations, are discussed on page 56 of that report.

(b) The interests of the company's employees

The Company is committed to employee engagement throughout the business. Employees are kept well informed on matters of interest and the financial and economic factors affecting the Experian Group's performance. Pages 42 to 44 of the Experian Annual Report 2020 discuss the many programmes and initiatives the Experian Group has in place to inspire employees and the Group's commitment to diversity and inclusion. Page 10 of that report discusses the protection of employees during the COVID-19 pandemic.

The Pensions Committee assists the Board in formulating, determining and reviewing the framework for the Company's retirement benefit and life assurance arrangements, and advises the Board on policy issues and changes in pensions practices.

(c) The need to foster the company's business relationships with suppliers, customers and others

Details of how the wider Experian Group fosters business relationships with suppliers, customers and others are set out on pages 22 and 45 of the Experian Annual Report 2020.

(d) The impact of the company's operations on the community and the environment

Information on the wider Experian Group's impact is provided in the 'Improving financial lives' and 'Protecting the environment' sections on pages 37 and 47 respectively of the Experian Annual Report 2020.

(e) The desirability of the company maintaining a reputation for high standards of business conduct

The Company annually reviews and approves a UK Modern slavery statement as required under the UK Modern Slavery Act. The ways in which ethical standards are upheld across the Experian Group are detailed on pages 44 and 45 of the Experian Annual Report 2020.

(f) The need to act fairly between members of the company

The Company is a wholly owned subsidiary of Experian (UK) Finance Limited.