

Compare The Market Limited

Year ended 30 June 2024

Strategic report

Section 172 (1) statement

In accordance with the provisions of The Companies (Miscellaneous Reporting) Regulations 2018, the Company is required to include a statement in its Strategic report describing how the Directors have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing their duties for the 2024 financial year. This section acts as the Company's section 172 (1) statement.

The primary responsibility of the Board is to promote the long-term success of the Company, creating and delivering sustainable shareholder value as well as contributing to society. In ensuring the long-term success of the business, the Board has to have regard to a number of matters, including the views of the shareholders and stakeholders, to ensure it fully understands the potential impacts of its decisions on its stakeholders, the environment, and the communities in which it operates.

The table below sets out examples of how the directors have fulfilled their duties set out in section 172 (1) (a) to (f) of the Companies Act:

Section 172 (1)	Examples of Director / Board engagement
(a) the likely consequences of any decision in the long term	<ul style="list-style-type: none">• It is the Board's responsibility to set the Company's overall strategy. In December 2023, the Board reviewed the strategy and was satisfied that it continues to support the Company's long-term success.• Throughout the year, the Board tracked progress against the strategy using key performance indicators and conducted in-depth reviews of key strategic initiatives.
(b) the interests of the Company's employees	<ul style="list-style-type: none">• The Board recognises that employees are essential to achieving the Company's strategic goals and that the Company's success relies on attracting, retaining, developing and motivating talented employees.• The Board receives periodic updates from the Chief People Officer and the Chief Executive Officer on a broad range of employee matters.• The Company conducts a biannual employee engagement survey with the results reported to the Board and action taken to address key themes.• The Chief Executive Officer holds a fortnightly all-employee call to update on business developments. These calls provide an opportunity for colleagues to ask the Executive team questions on any topic and make their views known. The Board and Executive team can take this dialogue into account when making decisions which are likely to affect their interests.• Most Board meetings are held at the Company's offices, giving Directors an opportunity to engage directly with colleagues.• In July and September 2023, the Board and Nomination Committee discussed talent and succession planning to ensure robust plans are in place for orderly succession to Board and senior management positions and to oversee the development of a diverse pipeline for succession.

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Section 172 (1)	Examples of Director / Board engagement
	<ul style="list-style-type: none"> • The Company places significant focus on Diversity and Inclusion ('D&I') and has made good progress with a positive picture and continued focus on the gender pay gap. The Company has also voluntarily reviewed and reported on the ethnicity pay gap. The Remuneration Committee reviewed both the gender and ethnicity pay gap analysis and action plan for the year. • In considering the annual pay review, the Remuneration Committee took into account the impact of the cost of living crisis and the consequent impact on living standards, and approved the implementation of a pay review which ensured that lower paid colleagues, who are most exposed to the impact of inflation, received a higher overall percentage salary increase. • The Board and Remuneration Committee were updated on various matters relating to the Company's commitment to D&I, including the Company achieving Investors in Diversity accreditation in December and holding the first business-wide D&I programme, including in person D&I training, which over 85% of the people leader population attended. • The Company has whistleblowing procedures in place to allow all staff to raise concerns confidentially. The Audit Committee annually reviews the effectiveness of these procedures with the last review in March 2024.
(c) the need to foster the Company's business relationships with suppliers, customers and others	<ul style="list-style-type: none"> • The Company's purpose is <i>to make great financial decision-making a breeze for everyone</i>. In approving and monitoring the strategy, the Board focuses on ensuring that the Company's activities align with its purpose and deliver positive outcomes for customers. • Customer satisfaction is monitored using various tools, including Trustpilot and Board reports include updates on key customer metrics. The implementation of "FCA Consumer Duty" has been closely monitored by the Board Risk Committee and consideration has been given to reviewing how the Company delivers good outcomes for its customers carefully, how this is monitored, and lessons learned to improve the customer experience further. • The Company's size and diversity means that third party suppliers range from multinational corporations to local businesses. The Company strives to ensure that supplier arrangements are fairly negotiated and provide optimal service levels.

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Section 172 (1)	Examples of Director / Board engagement
	<ul style="list-style-type: none">• The Board delegates the responsibility for day-to-day supplier management to individual business areas. These areas are required to adhere to policies related to supplier procurement, contract approval and monitoring, and purchase order issuance and authorisation. These policies help the Company achieve its business and strategic objectives while balancing the needs of customers, employees, commercial partners, and other stakeholders.• The Board maintains oversight of relationships with suppliers through updates at each meeting on all contracts approved or under negotiation since the previous Board meeting. The Board also approves key contracts that are significant in terms of value or strategic importance to the Company.
(d) the impact of the Company's operations on the community and the environment	<ul style="list-style-type: none">• The Directors recognise that ensuring the Company's operations positively impact the community and the environment is a strategic priority.• The Company's Corporate Social Responsibility (CSR) strategy aligns with its purpose. Through a partnership with MyBnk, the Company supports financial education and inclusion by providing more young people with access to high-quality financial education.• The Company has officially partnered with The Big Help Out, the UK's biggest ever mass volunteering event. As part of this partnership, the company will support a number of flagship projects through donations and volunteering.• Employees are encouraged to raise and donate funds in the aid of good causes. Employees can personalise their impact through Payroll Giving, Match Funding, community volunteering and skill-share volunteering.• In 2023 the Company achieved Silver national environmental accreditation with the Investors in the Environment scheme and is committed to making further progress.• Throughout the year, the Board has received updates on the progress of the CSR strategy via the CEO's report.

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Section 172 (1)	Examples of Director / Board engagement
(e) the desirability of the Company maintaining a reputation for high standards of business conduct	<ul style="list-style-type: none">• Maintaining the highest standards of business conduct is a key priority for the Company. The Board ensures that a robust framework, including relevant policies, is in place to support this. The Board is kept informed of and involved in managing any issues that could significantly impact the Company's reputation.• Making a positive difference for customers is central to the Company's purpose and values. To achieve this and comply with all regulatory requirements, the Company provides training to all employees and regularly tests their knowledge.• Throughout the year, the Board Risk Committee monitored progress against the agreed implementation plan for the "FCA Consumer Duty" rules. The Board was satisfied that the Company has made significant progress in further embedding the principals and requirements of "FCA Consumer Duty" within the governance, workings and culture of the Company. The Company's purpose is to make great financial decision-making a breeze and because of this, delivering against "FCA Consumer Duty" outcomes is at the core of everything the Company does.• The Board has appointed an Independent Non-Executive Director as the Consumer Duty Board Champion, who, along with the Chair and CEO, will be responsible for ensuring that customer outcomes are being discussed regularly through existing governance and reported against at least annually.• The Company is committed to ensuring that the highest ethical standards are met. In November 2023, the Board approved the annual Slavery and Human Trafficking Statement pursuant to Section 54 of the UK Modern Slavery Act 2015 setting out the steps the Company takes to prevent Modern Slavery in its business and its supply chains.
(f) the need to act fairly between members of the Company	<ul style="list-style-type: none">• The relationship between the Company's parent undertaking, BGL (Holdings) Limited, and its two principal shareholders is governed by a Shareholders' Agreement. This agreement ensures fair treatment of all members and requires the Board to consider the interests of all stakeholders in its decision-making processes.• To ensure their interests are appropriately represented and to facilitate effective and regular engagement, the two principal shareholders hold seats on the Board.

On behalf of the Board:



BA Arbabzadah

Director

26 September 2024