

Governance at a Glance

Compliance with the UK Corporate Governance Code 2018

The UK Corporate Governance Code 2018, published by the Financial Reporting Council (“FRC”), applied to the company throughout the financial year ended 31 July 2024. A copy of the Code can be found on the FRC’s website at www.frc.org.uk.

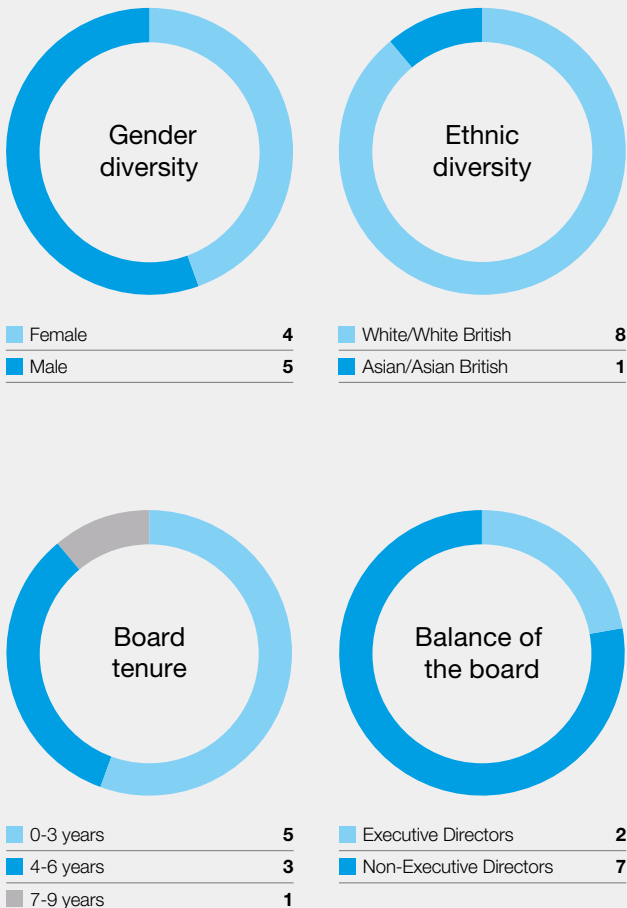
It is the board’s view that, throughout the year, the company has applied the principles and complied in full with the provisions set out in the Code. The following table sets out the relevant sections of our Annual Report, where shareholders can read in more detail how we have embedded governance principles and specific provisions of the Code across our organisation.

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Division of responsibilities	Page 133
Composition, succession and evaluation	Page 139
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The FRC has recently published a revised UK Corporate Governance Code 2024, the provisions and principles of which shall apply to the group with effect from 1 August 2025. The group is in the process of evaluating its practices and internal governance arrangements to ensure continued compliance upon adoption of the new UK Corporate Governance Code 2024. More information on the work done so far in anticipation of the UK Corporate Governance Code 2024 can be found on page 146.

Board Statistics

A summary of the key board statistics is set out below. More information on how the composition of the board is regularly reviewed in order to ensure that the board continues to be comprised of individuals with the appropriate skill sets and experience to serve the group’s current and future needs can be found on page 140, while detailed diversity reporting can be found on pages 141 and 142.



Non-executive Directors’ Skills and Experience

All appointments to the board follow a robust search process. Our view is that the board possesses the right balance of skills and experience to navigate the challenges ahead and to deliver long-term, sustainable growth. The effectiveness of the board and its committees has been assessed this financial year by an external evaluator, which confirmed that the board and its committees continue to be effective. The findings of the annual board evaluation can be found on page 135.



Our Governance Framework

The Board's principal responsibilities are to promote the long-term success of the group and to create and deliver value for shareholders, while protecting the interests of other stakeholders. The board sets the group's strategy and has responsibility for the governance, performance, culture and risk management and internal controls of the group.



Overview of the Board's Work this Year

Protecting the group's valuable franchise while supporting sustainable growth against a backdrop of industry-wide challenges. The board took decisive action in order to build and preserve capital. As a result, the group continues to be well placed to navigate the current uncertainty arising from the FCA's review of historical motor finance commission arrangements.



Kari Hale succeeded Oliver Corbett on 16 November 2023 as chair of the Audit Committee.



Oversight of key appointments to the Executive Committee.



Delivery of multi-year cost saving programmes, including successfully partnering with an IT outsourced provider, while ensuring that any investment was responsible and proportionate, having regard to the industry-wide challenges that the group is facing into.



Oversight of an Asset Finance transformation programme and the introduction of a new cloud platform within the business.



Spending time with colleagues across the group, including a two-day visit to the group's new and sustainable Brighton office, which provided an extended opportunity for the board to meaningfully engage with colleagues.



Undertaking a rigorous and thorough external board evaluation. Details can be found on page 134.



Responsibility for inaugural Consumer Duty assessment, which was the culmination of an extensive programme of work across the group, overseen by the board providing extensive check and challenge throughout the course of the year.



Board Priorities for Next Year

Continuing to identify opportunities and implement actions to further build, manage and preserve the group's capital position.



Exploring strategic opportunities within the group to deliver increased value for shareholders.



Overseeing the further design and embedding of enhanced internal controls processes ahead of the implementation of the UK Corporate Governance Code 2024 applicable to the financial year commencing 1 August 2025.



Implementing the recommendations of the externally facilitated board evaluation.



Continuing to react and respond to the ever-changing macroeconomic and regulatory landscape within which we operate, with the core priorities being the interests of our stakeholders.



 Protect
  Grow
  Sustain
  Communities and environment
  Investors

 Colleagues
  Customers, clients and partners
  Suppliers
  Regulators and government