



DAC BEACHCROFT

DAC Beachcroft Claims Ltd (the Company) – s172 statement for year ended 30 April 2020

Section 172 Statement

The Company forms part of the DAC Beachcroft LLP Group (the Group). The Group governance framework delegates authority for decision making to the Company up to defined levels of significance and materiality which allows the Company Board to take account of the needs of their own stakeholders in decision making. Decisions above the defined levels are escalated to the LLP Group Executive (Group Executive) and the LLP Group Board (Group Board). The Company's Board currently comprises eight Directors, some of whom are also members of the Group Executive and/or the Group Board.

The Company provides the Group Board with updates about the strategy, performance and key decisions taken which also gives the Group Board assurance that proper consideration is given to stakeholder interests in decision making.

Stakeholder engagement is managed at both Group and Company level. The Group and Company foster effective stakeholder relationships with key stakeholders in the following ways:

Client engagement: the Company participates in the Group's Client Engagement Programme. The programme is designed to forge effective and sustainable client relationships and in so doing to gain insights enabling the delivery of a supportive, value-added and bespoke service.

The Company participates in the Group's Client Listening Programme. Under this programme, formal feedback is sought from clients at all stages in their relationship with the Company (tender debriefs, on-boarding reviews, relationship reviews and post-matter reviews). Feedback is considered and actioned at an individual client level after each review. Aggregated feedback and insights are shared with the Board to inform and support the Company's strategic decisions. The results of the most recent Client Listening Programme, published in 2020, have been extremely positive, with 91% of clients rating their experience with the Group as good or excellent.

Supplier engagement: a principal objective of the Company strategy is to achieve operational excellence and the Company's suppliers are critical partners in helping deliver this. Fostering strong relationships with supply chain partners is of great importance. Executive-level engagement is part of the supplier relationship framework, with Group Board oversight on matters of strategic importance.

The engagement of new suppliers follows the internal procurement process. Early in the procurement process emphasis is placed on ensuring appropriate commercial terms for the protection of both parties and detailed due diligence. The supplier due diligence process seeks assurance on a wide range of matters, including modern slavery, diversity and sustainability. The Modern Slavery Act statement applicable to the Company is available on the [Group website](#).

For existing suppliers there are regular governance meetings, providing opportunities for both parties to provide feedback and discuss innovations and developments in the products and services available.

Analysis of the sustainability and resilience of the supply chain is undertaken by the Group's governance team and any significant risks or issues are elevated to the Group Executive and the Group Board.

As required, the Company's payment practices are published on a half-yearly basis on the Government's online facility.

Engagement with the Company's Regulators: in making strategic decisions, due consideration is given to the relevant regulatory environment in which the Company operates to ensure it is compliant with local legislation and regulation. There is regular dialogue with the Law Society as the Company's representative body and the SRA as its regulator. The Company works with them in respect of changes and initiatives impacting on the profession and the community.

Horizon scanning is undertaken to check for changes to other law and regulation which impact the Company to ensure that compliance is maintained.

Community/environment engagement: the Company pursues the Group's Responsible Business Strategy. The Group has developed the Strategy with wider sustainability objectives, in recognition of its role in society. The strategy is available on the [Group website](#). The Group Board (which includes Directors of the Company) monitors progress against the Responsible Business Strategy.

The Company's responsible business activities are reflected in the way the Company conducts its business with clients and suppliers, its impact on local communities, and its environmental footprint.

The Group's energy and carbon report can be found in the Group report and accounts.

The Board of the Company meets at least quarterly to monitor performance of the business, assess risk and take strategic decisions, including agreeing recommendations to the Group Executive or Group Board where applicable. The Board is also supported by an executive management committee.

The Directors of the Company are aware of their statutory duties and, in their decision making as members of the Board, do so in the best interests of the Company having regard to the stakeholder factors set out in the Companies Act 2006. The documentation which supports the functioning of the Board has also been developed to facilitate the proper consideration of these factors when they are relevant and material.

The Company did not have any employees in the year. In accordance with an agreement between DAC Beachcroft Services Limited ("Services") and the Company, employees are provided to the Company by Services. As such, the Group governance ensures employee interests are given due consideration.

In progressing the Company strategy, the Board has given consideration to stakeholder interests. Set out below are a number of examples:

- Approval and sign off of the five year business plan, having regard to the importance of serving clients well and protecting the business (and therefore suppliers) so the Company can provide a long term sustainable future for stakeholders.
- In response to the Covid-19 pandemic, close, regular monitoring and decision making in respect of colleague wellbeing, supplier management, financial position and performance in the short, medium and long term to ensure the future sustainability and success of the Company.
- The approval of the creation and implementation of an academy to facilitate the development of individuals provided to the Company by DAC Beachcroft Services Ltd.