

NEXT Group Plc: 11118708

Section 172 Statement

This section describes how the directors have had regard to the matters set out in section 172 (1) (a) to (f) Companies Act 2006 in exercising their duty to promote the success of the Company for the benefit of its member, NEXT plc.

The Company is a wholly owned subsidiary of NEXT plc (“the Group”). Its purpose is to provide financing and treasury services to NEXT plc and the wider NEXT Group. Therefore the Company considers that, indirectly, its key stakeholders reflect those of NEXT plc. As the Company itself has no employees, customers or suppliers, the relationships of direct relevance and importance to the long term success of the Company are those with the Group’s providers of debt funding (such as bondholders and banks) and regulators (in particular the tax authorities).

Relationship and engagement with stakeholders

Debt capital/credit facility providers

The Company relies on its providers of debt funding as an essential source of capital to further the wider Group’s business objectives and they rely on us to protect and manage their investment in a responsible and sustainable way that generates value for them.

The Group Finance Director and the Group Treasury team are responsible for managing the relationships with our bank syndicates, bond trustees and credit rating agencies, and for the Company’s cash/debt management and financing activities.

The Group Finance Director provides regular reports to the NEXT plc Board (“the Board”) on these activities including the Company’s access to liquidity, monitoring the headroom and maturity schedules of our primary credit facilities and future financing plans. The Board approves the Group’s Treasury Policy annually.

Tax authorities

The Company seeks to maintain a constructive and cooperative relationship with the tax authorities and they expect the Company to comply with all applicable laws.

The Company manages its tax affairs responsibly and proactively to comply with tax legislation. The Company’s approach is to seek to build solid and constructive working relationships with all tax authorities. The Company’s tax policy is aligned to that of the Group which can be found at nextplc.co.uk, and was reviewed and approved by the Board during the year.

This policy includes that the Company engages with HMRC constructively, honestly and in a timely and professional manner, and seeks to resolve disputed matters through active and transparent engagement. Engagement with HMRC is led by the Group’s in-house tax team of qualified tax professionals. The Group Finance Director provides regular updates to the Board on tax matters.