Audit Committee report

Mike McKeon,
Audit Committee Chair

Activity highlights

- Reviewed and satisfied itself as to the integrity and fairness of the Group's half and full year financial statements and the appropriateness of their being prepared on a going concern basis
- Considered and recommended to the Board the need to delay the publication of the Group's financial results in order to allow management to: (i) conclude its review of accounting judgements made relating to the German Rail business and: (ii) assess the impact of the changes to certain indices by the German Federal Statistical Office which are used by the Group to calculate and agree the recovery of energy costs from the relevant passenger transport authorities in German Rail, and to allow the Group's auditor, Deloitte, the requisite amount of time to complete its audit following the conclusion of that review and assessment
- Assessed and challenged the appropriateness of the Company's viability statement
- Assessed and challenged management's approach to key accounting judgements and estimates including the recognition of deferred tax assets in North America and the UK
- Assessed and challenged (i) the significant increase in the proposed increase in the onerous contract provisions related to the German Rail division's RRX2/3 contracts as at 31 December 2023 and the underlying issues relating to driver recruitment and energy subsidy recovery and (ii) the key accounting estimates as at 31 December 2021 and 2022 in the context of the information available at those times
- Assessed and challenged the assumptions and key accounting estimates relating to the IFRS15 contract receivable in relation to the RME German Rail contract
- Reviewed the findings and monitored the effectiveness of the internal audit function, and reviewed the programme of internal audits for the year ahead
- Reviewed the effectiveness of risk management and internal control systems
- Reviewed the opinions and monitored the independence and effectiveness of the external auditor
- Supported the Board in its management of risk by its continued programme of 'deep dive' reviews into divisional risk and its ongoing review of cyber risk
- Reviewed the framework of the Group's compliance programme and the corporate policies comprised within it

For information on the primary role and key responsibilities of the Audit Committee, please visit the Committees page of the Company's website: https://www.mobicogroup.com/about-us/corporate-governance/committees/

Membership, meetings and attendance

Committee member	Appointed	Meetings attended/held
Mike McKeon (Chair)[1]	03/07/2015	4/4
Ana de Pro Gonzalo[1]	01/10/2019	4/4
Carolyn Flowers[1]	04/12/2021	4/4
Enrique Dupuy de Lome Chávarri[1,2]	01/11/2023	2/2

1 Independent Non-Executive Director

2 Enrique Dupuy de Lome Chávarri joined the Committee on 1 November 2023 and attended all the meetings of the Audit Committee held after appointment.

Other attendees: Company Secretary and, by invitation, Company Chair, Group Chief Executive Officer, Group Chief Financial Officer, Group Financial Controller, Group Head of Internal Audit, Group Legal Counsel, Group Head of Compliance & Risk and representatives of the external auditor, Deloitte LLP.

There were 4 Audit Committee meetings scheduled for 2023, but the Committee meeting scheduled for December 2023 was moved to January 2024 to fit better with the audit schedule. In addition to the 4 scheduled meetings recorded above, the Committee held additional meetings to review the divisions' principal and emerging risks and their management of such risks as further explained on page 103 and also a number of ad-hoc meetings to consider issues arising in early 2024 in relation to the Group's German Rail division.

While the Group has continued to see continued revenue growth driven by increased passenger volumes, route recovery and pricing, this has not been sufficient to mitigate the impact of inflation and the related increased driver costs, as well as the reduction in Covid-19 funding. These cost headwinds and their impact on the Group's performance has been monitored closely by the Committee during year.

The announcements delaying publication of the audited financial results for 2023 was considered carefully by Audit Committee members and was necessary in order to allow management to complete its review of the accounting judgements made relating to the German Rail business and to assess the impact of the changes to certain indices by the German Federal Statistical Office which are used by the Group to calculate and agree the recovery of energy costs from the relevant passenger transport authorities in German Rail, and to allow the Group's auditor, Deloitte the requisite amount of time to complete its audit.

Financial reporting

The Committee is responsible for considering and satisfying itself, after consultation with the Company's external auditor, that the Company and its Group have adopted suitable accounting policies and appropriately applied the same, that management has made appropriate accounting judgements and estimates, that the adoption by the Company of the going concern basis of accounting is appropriate and that its viability statement is reasonable.

Key accounting matters

Details of the key accounting matters addressed by management when preparing the Consolidated Financial Statements, together with information about how the Committee assessed, challenged where appropriate and satisfied itself that the judgements and estimates made by management in relation to them were reasonable.

Going concern assessment

The Committee reviewed and robustly challenged management's assessment that the Group's financial statements for the six-month period ended 30 June 2023 and for the financial year ended 31 December 2023 should be prepared on a going concern basis. Management developed both base case and reasonable worst case financial scenarios over a 12-month look forward period using assumptions about trading drawn from the Group's strategic plan, budget and latest financial projections. They then applied stress tests to both those scenarios to determine whether the Company would be able to meet its liabilities as they fell due, having regard to the Group's liquidity and covenant tests. The Committee satisfied itself that, in both the base case and reasonable worst case scenarios, the Group would have sufficient liquidity and be able to comply with its debt covenants and there was no more than a remote possibility that it would not be able to do so even after the application of the further stress tests. Accordingly, the Committee recommended to the Board that the Company's, and its Group's, financial statements at the half and full year be prepared on a going concern basis.

Viability assessment

The Committee also carefully considered management's view of the Company's viability for the three-year period ending 31 December 2026, including the rationale for assessing viability over a three-year period. The testing of viability involved the analysis of base case and reasonable worst case scenarios projected forwards over this three-year period by reference to trading assumptions drawn from the Group's strategic plan, and factored in the impact of risks including known and likely future climate risks that could materialise over this three-year period, offset by reasonable mitigations. The Committee satisfied itself that, in both the base case and reasonable worst case scenarios, the Group should be able to continue in operation and meet its liabilities as they fall due. Accordingly, the Committee recommended to the Board that the Company make its viability statement as set out on pages 48 to 49 of the Strategic Report.

Risk management

The Board has overall responsibility for risk management. The Committee supports the Board by conducting 'deep dive' reviews into the Group's divisions' risk management activities (as explained in the section below on divisional risk reviews) as well as certain specific Group-wide risks, and by reviewing the Group's compliance programme.

Group risk appetite and principal and emerging risk review

The Board's risk appetite and assessment of the Group's principal and emerging risks, as well as a description of how the Group manages risk, are set out on pages 40 to 41 of the Strategic Report. The Group's climate-related risks and opportunities are considered in more detail in the TCFD disclosures on pages 65 to 78.

Divisional risk reviews

During 2023, the Committee reviewed the Group's divisions' principal and emerging risks and their management of such risks. These were undertaken during additional dedicated meetings of the Committee at which risk and senior managers from each of the divisions presented their principal and emerging risk registers and explained how they were managing, and where possible, mitigating risk. Mirroring the Company's approved approach to Group-wide risk, the divisions record their risks in the form of heat maps which categorise both their likelihood and potential severity according to Group developed guidance. Each risk is then assigned a business owner who develops and oversees the delivery of mitigating actions, that are tracked at regular divisional management meetings. The Committee observed that the Group's divisions had included both current and emerging strategic, compliance, financial, operational and reputational risks in their registers and had developed action plans to manage such risks over the different time profiles over which such risks could materialise. It was also pleased to note that certain matters identified as risks were also viewed as opportunities. Using insights gained from the Board's work on overseeing Group wide risks and the Committee's work on reviewing divisional risks, the Committee was able to challenge each division on whether it had identified and appropriately classified its risks and whether it was adopting the most effective mitigation plans, and share best practices the Committee had observed within each division. Through its reviews, the Committee has sought to test and gain assurance that each of the divisions has a robust risk identification and management process and that risk management becomes embedded in the day-to-day business activities and culture of the divisions. It is clear, however, that further improvements should be considered following events related to the Group's German rail business and management has been asked to update the Committee on proposed improvements ahead of the publication of the interim results for 2024. Such reviews have also served to deepen Committee members' understanding of the risks the Group's different businesses face and, through the Committee sharing this understanding with the wider Board, they have informed the Board's ability to appropriately set the Group's risk appetite, assess the Group's principal and emerging risks and weigh up risks with opportunities when taking key business decisions.

Cyber risk review

Cyber risk remained a standing item on the Committee's agenda in 2023, with the Group's ongoing cyber security programme, and the progress being made against the specific deliverables comprised in such programme, assessed at each of the regularly scheduled Committee meetings.

The company's digital technology and cyber security program are led by the Group CIO and the newly hired CISO whose priorities are to enhance existing policies, processes and controls and continue develop a program aligned to best practices, standards and any new coming regulatory requirements.

Compliance risk

The Group has a range of existing policies and procedures for ensuring compliance with applicable laws and regulations, including Group-wide policies on business ethics, anti-bribery and corruption, modern slavery and whistleblowing, and divisional policies and procedures which either implement or supplement the Group policies having regard to local laws, regulations and best practice. The Group's whistleblowing procedures include access to an independently managed whistleblowing hotline via which the Group's stakeholders, including employees, can raise concerns, anonymously if they so wish. Reported concerns are duly investigated and acted upon by management or the functional support teams as appropriate, with a summary of cases and their outcomes reported to the Board. In case of any material issues identified or cases of a real Whistleblowing nature, they will be reported, analysed and discussed thoroughly in the Committee's meeting.

The Group Head of Compliance and Risk has established a Policy Compliance Management Framework that: establishes a common approach globally for all policy owners to manage their policies; sets out the minimum requirements across all divisions; provides guidance on policy creation and review; and provides ongoing awareness and training against these. Additionally, the Group Head of Compliance and Risk continues to manage the Risk Management Framework globally and is continuously improving the second line of assurance by introducing deep dives which are performed based on a Risk and Control Matrix (RCM) developed for each Group Policy. The Deep Dive program kicked off in 2023. The Group Head of Compliance and Risk, working with the Group Chief Financial Officer and Group General Counsel and their teams, has also been keeping the reforms on audit and corporate governance under review – for more information, see the Internal controls section of this report. At the request of the Committee, the Group Head of Compliance and Risk attends all Committee meetings to both report on progress in their area and to have an understanding of other aspects of the Committee's work.

Internal control and System of internal control

The Committee is responsible for monitoring the adequacy and effectiveness of the Company's system of internal control and subsequently reporting on this to the Board.

The Company's systems of internal control is based on a three lines of defence model, with a number of component controls operating at each of those lines, as illustrated in Appendix 2 to this Report.

The Committee assesses the performance of the three lines of defence model, as well as the operation of internal controls through the year and up to the date of approval of the annual report and accounts, through its review and challenge of the work performed by the internal audit function. In addition, the Committee requests follow-up updates from management on controls in specific areas, for example in response to the findings from internal audits or risk reviews.

During the 2023 year end process, a number of significant weaknesses were identified in respect of our German business and how it has historically managed, communicated and accounted for its long term rail contracts. The issues related to inadequate documentation of the key assumptions underpinning the contract models and consequent lack of understanding about how changes to these assumptions could impact the performance of the business. Oversight, challenge and review performed at local, divisional and Group level did not identify these issues in a timely manner. The year end process has now established a sound basis for the management of these contracts going forward and we will look to implement additional controls in these areas. Management has assessed and the Committee concurs, that these particular issues relate to the German business only. Full explanations for the accounting impact of this review can be found in Note 2.

During the year the Group Head of Compliance and Risk, Group Chief Financial Officer and Group General Counsel and their teams and the Committee have been monitoring closely the developments relating to changes to the Corporate Governance Code and has noted that, following the consultation in the Summer, the revised Code was published by the Financial Reporting Council on 22 January 2024. Management are currently developing plans to further strengthen our internal controls and meet the revised requirements relating to internal controls which will be applicable for the year ended 31 December 2026.

Internal audit

The internal audit function acts as the third line of defence and provides the Committee with assurance on the effectiveness of the Company's first and second line internal controls, including financial controls and controls designed to prevent incidents of fraud. It does this through the independent observation and objective assessment of such controls via a programme of audits undertaken throughout the year against a plan reviewed and approved by the Committee.

The 2023 audit plan included: audits of standard divisional financial controls, an audit of our UK Shared Service Centre in India, audits of key safety and operational controls in North America, a review of a new contract in Portugal and an audit of the information provided in our TCFD disclosure.

Internal audit effectiveness

The Committee is responsible for monitoring the effectiveness of the internal audit function. In respect of its work in 2023, the Committee monitored this effectiveness by reviewing the scores that colleagues, whose work or controls were subject to internal audit, awarded to the function on a 'value scorecard' and by making its own assessment of the quality of that work. Whilst the Committee was satisfied that the Company's internal audit function continued to be effective, it also welcomed the arrival of a new Group Director of Internal Audit with new perspective and experience and looked forward to that arrival bringing further enhancements to the function.

Significant weaknesses or control failures

Following its review of and conclusions from all elements of assurance, the Committee is satisfied that there are no significant weaknesses or control failures to report in respect of the Company's financial year ended 31 December 2023, other than in respect of certain issues relating to the German Rail business as indicated above.

External audit

Deloitte LLP is the Company's auditor. Deloitte was first appointed as auditor in 2011 and, following its selection in the Company's audit tender conducted in 2020 and shareholders' approval given at the Company's 2023 AGM, was re-appointed in 2023. Deloitte's continued appointment will be subject to shareholders' annual approval at prospective Company AGMs. Jane Whitlock is the Company's audit partner, completing her third year in that role, following the mandatory rotation of the previous Deloitte audit partner in 2021. The Company has therefore complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014.

External audit plan and fee

The 2023 external audit plan, which was prepared by Deloitte and reviewed and approved by the Committee, comprised full scope audit procedures for the Group's UK, ALSA, Germany and North America divisions. It included: the review by Deloitte of the Consolidated Financial Statements; its challenge of management's significant judgements and estimates; its review of certain of the Group's key financial and fraud controls and of the risk of management override of controls; and its consideration of certain aspects of the Group's non-financial reporting, including the Group's TCFD disclosures. Deloitte's base fee for undertaking the 2023 audit, of £2.6m, was also approved by the Committee. When the issues relating to the management judgements and controls relating to the Group's German Rail business became clear it was necessary to update, amend and extend that external audit plan which will involve additional fees being paid to Deloitte as a result.

External audit effectiveness

The Committee is responsible for reviewing the effectiveness of the Company's external audit. The Committee did so by considering the outcome of colleagues' evaluation of the quality and efficiency of Deloitte's work, using an audit quality indicator framework developed in the year in line with the framework set out by the Financial Reporting Council, and is satisfied that Deloitte performed its work to a high standard.

External auditor provision of non-audit services and independence

The Committee is also responsible for reviewing the auditor's independence and objectivity. The Company operates a non-audit services policy which sets out the permitted and prohibited non-audit services its auditor may be engaged to provide, for the purpose of safeguarding the auditor's objectivity. The Committee reviewed the policy during the year and determined it remained fit for purpose. It also reviewed the Company's compliance with the policy, which was confirmed as Deloitte performed only permitted non-audit services during 2023 for which its fees totalled £0.3m, representing 12% of the total audit fee. The non-audit services during 2023 principally comprised the 2023 half year review and comfort letters in respect of the European Medium Term Note renewal. The Committee concurred with management that the auditor was best placed to undertake these services given that both services are aided by knowledge gained during the annual external audit. Having regard to the operation of the non-audit services policy during 2023, together with Deloitte's reports to the Committee confirming its independence at the half and full year, the Committee assured itself of Deloitte's ongoing independence.

Board assessment of effectiveness

Taking account of the Committee's work on assessing the effectiveness of the Company's system of internal control, and both the Committee's and its own work on assessing the Group's management of risk, the Board is satisfied that these are effective and have been over the year, other than were covered elsewhere in this report.

Fair, balanced and understandable

Having carefully reviewed the Company's 2023 Annual Report, and considered management's approach to its preparation, including in compliance with applicable laws and having regard to the UK Corporate Governance Code, the FRC's best practice guidance, and having heard the views of its auditor, the Committee recommended, and in turn the Board confirmed, that this Report, taken as a whole, is fair, balanced and understandable, and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

M McKeon

Mike McKeon
Audit Committee Chair

21 April 2024

Appendix 1 – Key accounting matters

The Committee considered the following key accounting matters as part of its review of the Consolidated Financial Statements:

	Key accounting matter	Committee action and conclusion
Impairment of goodwill (see note 14 to the Consolidated Financial Statements)	In determining whether assets are impaired, management is required to make a number of estimations and assumptions, including on future cash flow projections, discount rates and perpetual growth rates.	The Committee carefully considered management's work on the impairment analysis and testing of the value of the Group's goodwill balances, applying particular focus to the value of ALSA and North America division's goodwill in view of the lower level of headroom. These impairment assessments were based on modelled forecast cash flows, discounted using a country-specific weighted average cost of capital (WACC) and a terminal value based on a perpetual growth rate (PGR). After considering the assumptions made by management in forecasting cash flows and its rationale for the WACC and PGR, and taking into account the auditor's views on these matters, the Committee concurred with management's view that goodwill is not impaired as at the balance sheet date.
Insurance and other claims provisions (see note 26 to the Consolidated Financial Statements)	The adequacy of the provisions associated with claims arising predominantly from traffic accidents and employee incidents in North America is subject to estimation based on an assessment of the expected settlement value of known claims together with an estimate of settlement values that could be made in respect of incidents that have occurred but not yet given rise to a claim at the balance sheet date. Given the level of uncertainty, complexity and judgement involved in making these estimations, there is a risk that the eventual outcome could be materially different from that estimated and provided for.	The Committee considered the information provided by management on the status of the North America and other material open claims made against members of the Group together with advice from external actuaries, legal counsel and insurance brokers, on the likely outcome of such claims, as well as management's explanation of the methodology used to determine the value of provisions for such claims. After challenging whether management had considered all material open claims and incidents that could give rise to claims and the external advice given in connection with them, the Committee concluded that management's estimation of the value of such claims was within an acceptable range of the potential outcomes and accordingly was fairly stated.
Adjusting items (see note 5 to the Consolidated Financial Statements)	The Group presents profits and earnings per share measures before adjusting items to provide more meaningful information to shareholders on the Group's adjusted performance. The classification of adjusting items requires management judgement having regard to the nature and intention of the transactions to which they relate. The alternative performance measure (APM) adjusting items represents a change in terminology from the prior period which separately disclosed certain items to show an underlying profit measure. The change in terminology has been adopted to reduce any judgement and interpretation of the meaning underlying profit by users of the Financial Statements. As this is a terminology change only, there has been no change to how the Group determines items to be adjusting, and there has been no change to previously reported comparatives. Any previously separately disclosed items continue to meet the definition of adjusting items following the change in terminology in the current year.	The Committee considered the nature and extent of the adjusting items identified by management and its rationale for why they did not form part of the Group's Underlying Operating Profit (a key APM). The Committee noted that certain Covid-19 related incremental costs, the WeDriveU put liability and onerous contract provision charges and impairments in respect of North America driver shortages and the RRX onerous contract provision were adjusting items, but satisfied itself that these only represented the re-assessment of estimations in respect of items recorded as adjusting items in the prior years. The Committee also noted that the repayment of the CRJS ('furlough') amounts received had been included as an adjusting item. The rationale for this being that the repayment was a one-off cost which was historic in nature (occurring more than two years after initial receipt), a significant amount, and unlike the original receipt, there are no corresponding staff costs in the period to be offset against. After discussion with management, the Committee concurred with the approach management had taken.

	Key accounting matter	Committee action and conclusion
Onerous contract provisions (see note 26 to the Consolidated Financial Statements)	The Committee reviewed the approach taken by management in respect of contracts classified as onerous contracts, and particularly the provision in respect of its RRX Lots 2&3 German rail concession.	The Committee reviewed the approach taken by management to identify and measure the impact of any onerous contracts, including the continuing relevance of contracts previously identified as onerous. In respect of the existing provision relating to RRX Lots 2&3, the Committee reviewed the approach taken by management, which led to a closing provision of £118.3m at 31 December 2023 (31 December 2022 restated: £46.9m. The Committee noted the reasons for the increase in provision being primarily driven by a reduction in the level of energy compensation from the Passenger Transport Authority (PTA) and an increase in driver costs during the year, and a change to the discount rate to a risk-free-rate. The Committee challenged management as to the adequacy of the provision and the estimates made to cover the losses associated with running the contract over the remainder of the contract term, and given the size of the increase to the provision in the year, challenged the appropriateness of the assumptions made in respect of FY 22 and FY 21 resulting in a restatement of those years. The Committee also challenged the appropriateness of the related disclosures and sensitivities. After discussion with management and the external auditor, the Committee concurred with the approach taken.
Valuation of contract assets (see note 20 to the Consolidated Financial Statements)	The Committee reviewed the approach taken by management in determining the value of the IFRS15 Contract Asset in relation to the RME German rail concession.	The Committee reviewed the approach taken by management which led to a reduction in the contract assets (under the long term RME rail contract) at 31 December 2023 to £48.6m (31 December 2022: £53.8m). The Committee noted the reasons for the decrease, representing higher expectations for future costs required to run the contract over its remaining contract term. The Committee challenged management on the revenue and cost assumptions in the model and challenged the appropriateness of the related disclosures and sensitivities. After discussion with management and the external auditor, the Committee concurred with the approach taken.
Recoverability of deferred tax assets (see note 27 to the Consolidated Financial Statements)	Over the last few years the Group's deferred tax assets in respect of tax losses have increased due to the impact of the pandemic on profitability. Furthermore, the impact of the pandemic has created consecutive periods of losses and our recovery from it has been slower than anticipated with the pace of profit recovery not sufficient to offset inflationary headwinds, particularly in North America and the UK. In determining whether it is appropriate to recognise deferred tax assets management is required to consider whether there are sufficient deferred tax liabilities against which to offset these deferred tax assets and, where this is not the case, to satisfy itself both that the recent history of consecutive losses can be explained as being due to the temporary impact of the pandemic and its aftermath as the Group recovers from inflationary headwinds over time (and is therefore not expected to be recurring) and that there are sufficient taxable profits projected in order to utilise these losses in an appropriate timeframe.	The Committee considered management's assessment of the causes of the recent history of losses, including its slower than anticipated recovery and its assessment of future profit projections, including ensuring that these projections were derived from the long-term financial planning projections reviewed as part of the Board's annual strategic plan review. After considering the above, the Committee concurred with management's view that it remained appropriate to recognise these deferred tax assets. After considering the above and hearing from the external auditor, the Committee agreed with management's approach of derecognising previously recognised deferred tax assets of £60.4m, which comprised of German losses due to the reduction of future forecasts of £33.2m, UK PLC trapped losses of £20.9m and US state taxes previously recognised of £6.3m. The Committee also concurred with management's view that it remained appropriate to continue to recognise the remaining deferred tax assets.
Pension liabilities (see note 33 to the Consolidated Financial Statements)	The determination of the defined benefit obligation of the UK defined benefit pension scheme depends on the selection of certain assumptions. In particular, a key area of estimation uncertainty is in respect of the discount rate.	The Committee reviewed the assumptions made by management in determining the defined benefit obligation, including considering the advice from independent qualified actuaries, and concluded that they were appropriate.

Appendix 2 – System of internal control

Third line of defence

Board of Directors
Sets and monitors delivery of Group strategy, sets Group risk appetite, assesses the Group's principal and emerging risks and approves significant matters reserved to it

Audit Committee
Assists the Board in assessing risk management and reviews the effectiveness of the internal audit function and the external audit process

Internal Audit Function
Audits the effectiveness of the Company's first and second line internal controls through the independent observation and objective assessment of such controls

Second line of defence

Group Executive Committee
which monitors the frameworks, policies & procedures and effectiveness of the functions referred to below

Group Risk Management Framework
set the methodology under which Group and Divisions identify, assess, manage and monitor existing and emerging risks

Group Policy Compliance Framework
under which corporate policies, such as those on anti-bribery and anti-modern slavery, are created and enforced

Group Safety Policies
set minimum expectations for safety outcomes, such as speeding and driver risk monitoring

Group Standard Operating Procedures
set minimum standards for operations, such as vehicle maintenance and driver rostering

Group Whistleblowing Policy
by which internal and external stakeholders can raise concerns about wrongdoing

Group Cyber Security Programme and Team
which set cyber security strategy and control and monitor progress against that strategy and compliance with those controls

Group Environmental Data Reporting Guidelines & Group Sustainability Director
which help track delivery of environment strategy and ensure the integrity and consistency of environmental data collection and its reporting

Group Consolidated Financial Reporting & Group Finance Team
which consolidate and review Group financial results

Group Treasury & Tax Functions
which centrally manage Group treasury activities and set Group tax strategy and review tax compliance

Group Legal Reporting & Group General Counsel
which monitor, report and provide legal advice on Group legal risks

First line of defence

Divisional Executive Committees
which monitor the policies and procedures and the effectiveness of the functions referred to below

Divisional Safety, Operational, Cyber and Environmental Policies and/or Procedures
which implement Group policies and/or procedures

Divisional Risk Registers & Management
which track divisional risks and develop mitigations

Divisional Budgets & Forecasting
which set divisional financial expectations and monitor delivery

Divisional Finance Teams
maintain the financial ledgers and prepare divisional accounts

Divisional Legal Teams
provide legal advice and assistance on divisional legal risks