





















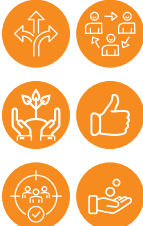



Section 172(1) statement

The Board makes decisions after careful consideration of all relevant factors including, but not limited to, those specified in s.172(1) Companies Act 2006. Examples of some of the decisions taken by the Board during the year and an explanation of which factors the Directors had regard to when reaching such decisions, including those set out in Section 172(1)(a) to (f) of the Companies Act 2006, are set out in the table below:

Key

-  Long-term impact
-  Employees
-  Fostering business relationships
-  Community and environment
-  Reputation
-  Acting fairly between members
-  Financial implications
-  Advancing the purpose

Board decision	Directors' consideration of factors in accordance with s. 172(1)
Approved the decision to prepare the North American School Bus business for a potential disposal	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">    </div> <div> <ul style="list-style-type: none"> in line with the Group's commitment to disciplined capital allocation and deleveraging as well as its focus on future return-enhancing growth, the Board undertook a strategic review of the North America School Bus business, concluding that the demand for high quality, infrastructure-like businesses presented a compelling opportunity to deliver shareholder value through a potential disposal. Such a disposal would accelerate the Group's deleveraging whilst enhancing financial flexibility to focus on opportunities with higher return potential </div> </div>
Approved recommendations from the Nominations Committee on the appointments of two new Non-Executive Directors to the Board and the appointments of two new divisional CEOs (in the UK & Germany and North America School Bus) to the Group Executive Committee	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">      </div> <div> <ul style="list-style-type: none"> wider stakeholder implications for the North American School Bus business, including greater certainty for colleagues, longer term financial security for the business with a less capital constrained owner and better ability to bid and win contracts thereby fostering business relationships and servicing more of the community </div> </div>
Approved recommendations from the Nominations Committee on the appointments of two new Non-Executive Directors to the Board and the appointments of two new divisional CEOs (in the UK & Germany and North America School Bus) to the Group Executive Committee	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">     </div> <div> <ul style="list-style-type: none"> the appointments support the long-term success of the Group, as suitably experienced and qualified individuals have been appointed to the Board and Group Executive, who have strong reputations for delivery of strategic ambitions and/or their area of expertise to help deliver stronger financial outcomes, accelerate the Evolve strategy and support the growth agenda </div> </div>
Approved the refinance of a £600m Revolving Credit Facility and issuance of a €500m bond under the Company's £1.5 bn Euro Medium Term Note ('EMTN') programme, the latter enabling the refinance of the Group's maturing £400m bond	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">      </div> <div> <ul style="list-style-type: none"> the refinance and bond issue strengthens the Group's debt maturity and liquidity profile, diversifies its sources of funding and provides a stronger platform from which to deliver future growth, thereby enabling it to execute its strategic plans and advance its purpose </div> </div>
Approved the refinance of a £600m Revolving Credit Facility and issuance of a €500m bond under the Company's £1.5 bn Euro Medium Term Note ('EMTN') programme, the latter enabling the refinance of the Group's maturing £400m bond	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <div> <ul style="list-style-type: none"> given the volatility of the debt markets, the new debt has been secured on favourable terms for the longer term </div> </div>
Approved the refinance of a £600m Revolving Credit Facility and issuance of a €500m bond under the Company's £1.5 bn Euro Medium Term Note ('EMTN') programme, the latter enabling the refinance of the Group's maturing £400m bond	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <div> <ul style="list-style-type: none"> the refinance and bond issue enabled the Company to develop lending relationships with debt investors that were new to the Group, and build on those with debt investors that already lend to the Group </div> </div>
Approved the refinance of a £600m Revolving Credit Facility and issuance of a €500m bond under the Company's £1.5 bn Euro Medium Term Note ('EMTN') programme, the latter enabling the refinance of the Group's maturing £400m bond	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <div> <ul style="list-style-type: none"> the decision to secure debt, rather than equity funding, helps to ensure that shareholders, particularly small shareholders who may not be able to take up their rights in a rights issue and would therefore be diluted, are treated equally </div> </div>

Board decision	Directors' consideration of factors in accordance with s. 172(1)	
<p>Approved the decision to suspend the 2023 full year dividend</p>		<ul style="list-style-type: none"> in determining whether or not to suspend the dividend, the Board considered the financial implications and long term impact of recommending such a dividend, acting fairly between members who had expressed different views, alternative applications of those monies (including reinvestment and deleverage) and the impact on the Company's reputation
<p>Reviewed and approved the Group's five year strategic plan and opportunities to accelerate the Evolve strategy</p>		<ul style="list-style-type: none"> the achievement of our strategy through execution of our customer propositions and delivery of our outcomes will have positive outcomes for all; our colleagues will benefit from financial, career and development opportunities resulting from our growth; our business relationships will benefit through strengthening existing relationships and developing new relationships with our customers, suppliers, debt providers and our partnerships with local governments; the community and environment will benefit as we transition to zero emissions vehicles and seek to keep local communities well connected with safe and reliable transportation services; and all of our members will benefit from our growth and increased profitability through returns on their investment the achievement of our strategy will improve our reputation in the long-term, because we will be: the safest, most reliable operator with the most satisfied customers; an employer of choice; and an environmental leader, with strong financial returns, which will advance our purpose
<p>Approved bids for significant opportunities to provide transportation services</p>		<ul style="list-style-type: none"> the bids would, if successful, generate revenue and profit and contribute to the Group's growth strategy and align with its purpose, including through access to new markets and strengthening our presence in existing markets which could create further opportunities in the long-term. Our members will all benefit from our growth and increased profitability through returns on their investment as will our existing colleagues from the increased financial stability within the Group additional colleagues would join the Group if the bids are successful. They would benefit from our training programmes and application of our Group Safety Policies, which would teach them new skills and procedures aimed at reducing risk the local communities served could benefit from either a new or continued service operated to the high standards set by the Group, particularly in terms of safety and in line with the Group's environmental ambitions to transition its global fleet to zero emissions vehicles the Group chose to partner with others in some of its bid submissions, which enabled the Group to form new, or strengthen existing, stakeholder relationships
<p>Approved the Group's modern slavery statement</p>		<ul style="list-style-type: none"> the statement confirmed the Group's zero-tolerance approach to slavery and human trafficking and sets out the steps taken by the Group during the year to ensure there was no modern slavery or human trafficking in any part of its business or supply chain, and in approving such statement, consideration was given to the Group's reputation for conducting its business in an ethical manner and with integrity and the importance of working with trusted suppliers who operate to the same high standards with respect to conduct of their business and management of their social and ethical issues