

Cirrus Logic International (UK) Ltd

Period ended 28 March 2020

Section 172 Statement

Introduction

The directors, in line with their duties under section 172 (“s172”) of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long-term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Board training and support on s172 duties

Directors are supported in the discharge of their duties by the office of the Company Secretary. All directors receive guidance on their statutory duties including s172 and were briefed on the governance and reporting requirements introduced by the Companies (Miscellaneous Reporting) Regulations 2018.

Stakeholders

The Company Board’s responsibility to promote the long-term success of the Company, relies on inputs from, and positive relationships with, a wide range of stakeholders.

Employees

The Company directors are actively involved in promoting employee engagement. The Company and the Group believe our employees are at the centre of why our Company continues to be recognized as one of the top companies to work for on a national level. By fostering a family-focused culture based on regular employee feedback used to direct new employee programs and services, we continue to build strong core values based on communication, integrity, innovation, continuous improvement and job satisfaction.

During the year we have engaged with our employees in the following ways:

- Leadership assessment survey: allowing employees the chance to assess their line managers and the overall leadership of the Company and the Group.
- Great Place to Work survey: allowing employees to rate the work environment at the Company and the Group.
- Quarterly “all hands” meetings: the CEO and President of the Group communicate the quarterly results to all employees and provide an update on the business, with time for Q&A from employees.
- New hire lunches: allowing new hires the opportunity to feedback on their initial experiences with the Company.
- Health and Safety Committee: the Health and Safety Committee provides a forum for employees and management to work together to address matters relating to employee health and safety.

Other Stakeholders

As the majority of the Group revenues are generated by the Company, the key strategic decisions and stakeholder engagement is addressed at the Group Board level. The Group Board takes account of all stakeholders, including the stakeholders of the Company. This includes directing employees of the Company and other Group companies to work alongside customers to help support their future products and working closely with foundries, assembly and test houses to understand impacts of new product lines on the supply chain. To the extent matters are raised relating to the Company, these are brought to the attention of the Company Board. The Chief Financial Officer and Treasurer of the Group both sit on the Company’s Board and discuss the decisions made at the Group Board with the other Company director. Additional details on the Group Board approach to stakeholder engagement, which applies to the Company and all Group companies, can be found within the Group annual report and on the Corporate Social Responsibility and Corporate Governance sections of our public website.

Principal Decisions

When making decisions, the directors have regard to the longer-term impact of such decisions and any possible impact on all stakeholders. Examples of principal decisions made by the Company board during the fiscal year include:

- Capital Structure: the directors evaluated and approved a capital reduction to transfer share capital, share premium, and capital redemption reserves to retained earnings.
- Dividend Policy: no dividends were declared in the current fiscal year. As retained earnings are a form of distributable reserves, the capital reduction previously noted will impact the evaluation of future dividend policy.
- Coronavirus response: certain directors worked with the Health and Safety Committee to determine appropriate policy and actions, including work from home mandates and travel restrictions, in response to the Public Health Emergency of International Concern declared by the World Health Organization in the fourth quarter of the fiscal year.