Moneysupermarket
Group

Helping households save money

Annual Report and Accounts 2020

Moneysupermarket.com Group PLC Annual Report and Accounts 2020

Moneysupermarket.com Group PLC

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Registered Office: Moneysupermarket House,
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We are delivering on our purpose of helping households save money

Helping customers take control of gas and electricity bills with Autoswitch

Read more on page 26

Our people are going beyond to deliver for our customers by living our values

Read more on page 48

Delivering on our strategic plan to expand our offer

Read more on page 28

Strategic Report

Governance

Financial Statements

General

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Customer savings	**£2.0bn** 2019: £2.0bn
MSCI ESG rating (2019)	**A**
Net promoter score	**72** 2019: 74

Read Highlights on page 3

2020 Highlights

Creating value and making progress

Strategy evolves, focus on delivery

Read more about our financial performance on pages 30 to 35

Revenue by segment

Insurance
£172.9m
2019: £188.4m

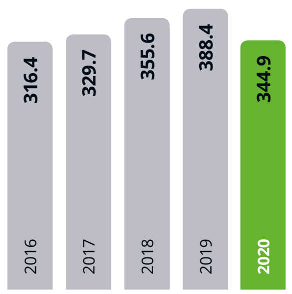
Money
£62.8m
2019: £86.0m

Home Services
£68.8m
2019: £68.6m

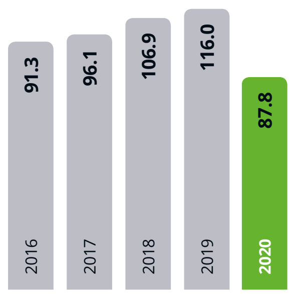
Other
£40.4m
2019: £45.4m

Financial highlights

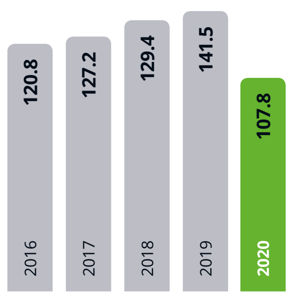
Revenue (£)
£344.9m



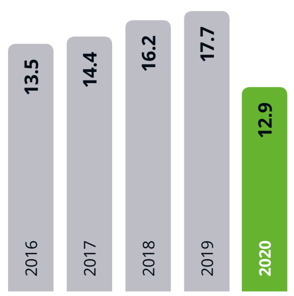
Profit before tax (£)
£87.8m



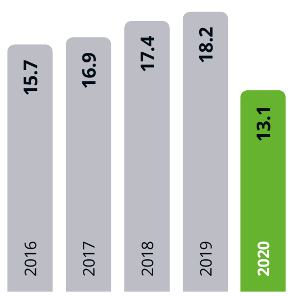
Adjusted EBITDA[1] (£)
£107.8m



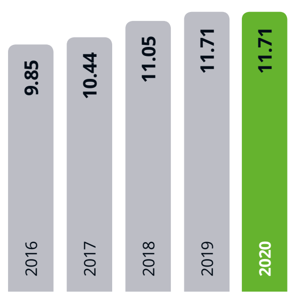
Basic earnings per share
12.9p



Adjusted earnings per share[1]
13.1p



Total dividend per share
11.71p



Operational overview

- Revenue declined 11% in the year, driven by exceptional COVID-19 related market conditions
- Adjusted EBITDA fell 24% as a result of a lower gross margin rate, primarily due to lower conversion in Money
- Continued strong operating cash generation of £83.9m, with net cash £23.6m at year end
- Full year dividend maintained at 11.71p, reflecting our confidence in the business and its cash profile
- Helped our customers save an estimated £2.0bn
- Two new energy journeys launched by MoneySavingExpert's Cheap Energy Club
- New customer dashboard unveiled by MoneySuperMarket, providing additional relevant content to users
- The Group became Beyond Carbon Neutral, offsetting 150% of its carbon emissions
- Moneysupermarket Group was ranked 17 on the Inclusive Top 50 UK Employers list (2019 ranking: 36)

1 *Use of alternative performance measures is detailed in the Financial Review on page 30*

At a glance

Who we are

Moneysupermarket Group is a successful business driven by a clear purpose of helping households save money

Group key statistics

In 2020, Group revenue was **£344.9m** with Adjusted EBITDA of **£107.8m** and we helped our customers save **£2.0bn**.

Total employees	**780** 2019: 803
MSCI ESG rating (2019)	**A**
Revenue per active user	**£16.19** 2019: £16.40

What we do

The Group operates leading UK price comparison sites for Insurance, Money, Home Services and other products. Our purpose is to save households money on bills by giving them access to free online tools that enable them to switch and buy products. We operate a marketplace business model, matching consumers to providers in an efficient way for both sides. Consumers can come to a single site, answer a simple question set and let us do the work of providing them with a wide choice of deals to compare and switch to. For providers it is a cost-efficient and flexible way to access millions of customers. The sites also include monitoring tools which remind consumers when their insurances fall due, as well as providing other useful information such as credit scores and MOT reminders.

Our key verticals

Insurance

Households are able to save money on a number of different insurance products including: car, travel, life, home and pet insurance via MoneySuperMarket, MoneySavingExpert and TravelSupermarket.

2020 started well with insurance growth in Q1, driven by strong demand for travel and life insurance. COVID-19 restrictions negatively impacted performance in the rest of the year.

Revenue
£172.9m
(2019: £188.4m)

Adjusted EBITDA contribution[1]
£98.3m
(2019: £108.7m)

Money

Users of MoneySuperMarket and MoneySavingExpert are able to compare a wide range of credit cards, loans, savings, current accounts and mortgage products. The sites also provide users with access to their credit scores and provide information on topics such as mortgage affordability, the different types of lending, and household budgeting.

Money revenue was impacted during the year from tightened lending criteria by providers and fewer attractive products.

Revenue
£62.8m
(2019: £86.0m)

Adjusted EBITDA contribution[1]
£36.8m
(2019: £56.3m)

Home Services

During 2020, the Group launched two new journeys within MoneySavingExpert's Cheap Energy Club. As well as featuring our full energy provider panel, the journeys are further differentiated because they allow users to specify tailored preferences beyond just price, e.g. service rating and green energy.

Year-on-year performance was flat against high growth in 2019.

Revenue
£68.8m
(2019: £68.6m)

Adjusted EBITDA contribution[1]
£42.3m
(2019: £42.9m)

Other

Decision Tech has established itself in the UK market as a leading provider of B2B and B2C home communications switching services, and B2B energy switching services. Decision Tech performed strongly during the year, driven by strong demand for broadband.

As expected, demand and supply for TravelSupermarket products were heavily affected by travel restrictions.

Revenue
£40.4m
(2019: £45.4m)

Adjusted EBITDA contribution[1]
£11.9m
(2019: £14.5m)

Delivered through our leading brands

MoneySuperMarket

'Get Money Calm'
MoneySuperMarket is a leading UK price comparison website that enables consumers to compare and switch Insurance, Money and Home Services products. Early into the first national lockdown, MoneySuperMarket introduced the Small Steps campaign, highlighting simple ways to save, and also introduced an innovative mortgage holiday calculator.

Active users
11.5m
(2019: 13.1m)

MoneySavingExpert.com

Consumer champion
MoneySavingExpert is one of the UK's biggest consumer finance website dedicated to helping consumers save money on bills and campaigning for financial justice. MoneySavingExpert has made itself the authoritative voice on lockdown finance, amplifying its news service and providing COVID-19 related guidance on key financial issues.

Weekly email subscribers
7.45m
(2019: 10.05m[2])

TravelSupermarket

'Compare to save money'
TravelSupermarket compares the best travel deals in one place, including holidays, flights, car hire and hotels. The TravelSupermarket blog provides tips, tricks and inspiration as well as guidance on booking a holiday during COVID-19 and how to be a more responsible tourist.

Holiday enquiries
8.33m
(2019: 19.5m)

decisiontech Part of the Moneysupermarket Group

'Connecting you with the best products and services'
Decision Tech is a leading operator of B2B comparison technology for third party brands, predominantly in the home communications area. Following its acquisition by the Group in 2018, this was broadened to incorporate B2B energy price comparison services. Decision Tech also operates B2C home communication comparison websites.

No. of visitors to DT's price comparison platform
35m+
(2019: 31m+)

1 Excludes shared costs of £81.5m (2019: £80.9m)
2 The distribution list was reviewed during 2020 and unengaged users were removed from the list

Investment Case

Why invest in Moneysupermarket Group?

Moneysupermarket Group is a successful digital marketplace business, driven by a clear purpose of helping households save money. Our leading brands play a vital role for consumers and providers, underpinned by a highly profitable, asset-light business model

Leading and trusted brands

We have a Group net promoter score of 72. Within that, MoneySuperMarket, one of the UK's leading price comparison sites scores at 69, and MoneySavingExpert, one of the UK's biggest consumer finance website, scores at 90.

Net promoter score

72

Data-driven marketplace providing value to consumers and providers

We offer customers the tools, services and products to save money, with 11.5m MoneySuperMarket active users saving an estimated £2.0bn in 2020. Our success-based fee revenue model gives our providers a cost-efficient way to access millions of users.

Providers

1,000+

Growth from core and new markets

Prior to COVID-19, we forecast our core market to grow at mid-single digit rates on average, and we expect those markets to resume similar growth once recovered. The Group has the opportunity to gain market share through efficient acquisition, better retention and cross-sell, and by expanding our offer into adjacent markets.

Estimated core market growth p.a.

4 - 5%

Efficient capital allocation and highly cash generative

Our financial model is highly profitable, strongly cash generative and capital light. In 2020 we delivered £83.9m operating cash flow, paid £62.8m in dividends and closed the period with a £23.6m net cash position.

Operating cash flow

£83.9m

Purpose-driven organisation driving societal benefits

Our purpose is to help households save money and all our brands enable customers to make significant savings on their household bills. MoneySavingExpert is a consumer champion that provides valuable advice to millions of UK users yearly.

We are a constituent of the FTSE4Good Index, and are accredited as 'Beyond Carbon Neutral'.

The Group has been recognised at number 17 on the Inclusive Top 50 UK Employer List.

MSCI ESG rating (2019)

A

Chair's Statement

Combining purpose with innovation and inclusion

Robin Freestone
Chair

I wrote last year that one of the reasons I joined the Moneysupermarket Board in 2015 was its sense of purpose, in helping households to save money. Given current events, and with so many households facing unprecedented financial strain, I am pleased to report that the Group has again helped households save £2.0bn in 2020.

COVID-19 and the lockdown measures have significantly impacted our core markets, but all of our brands have risen to the challenge, providing useful advice and savings tips to millions. During a period of unprecedented change and uncertainty in people's personal finances, MoneySavingExpert users have turned to us in record numbers to seek guidance on everything from furlough rights and travel refunds to payment holidays and wedding cancellations. We have used the power of MoneySavingExpert to shape policy too – through Martin Lewis' own public profile of course, but also behind the scenes, providing insights and recommendations to Government departments and regulators.

Despite the challenge that remote working brings, the continuous hard work of our people, led by our strong management team, has enabled us to create significant value for our customers and other stakeholders. The breadth and diversity of our product range has underpinned the performance of the Company this year, allowing us to maintain the dividend even through the most difficult of times.

In response to the pandemic, a cross-functional COVID-19 response team was set up to ensure we kept the business operating effectively whilst protecting the health and wellbeing of our employees. The Executive team identified and considered a range of scenarios arising from the pandemic and put in place the appropriate plans to deal with the impact on the Group, our operations and our employees.

Adjusted EBITDA

£107.8m

Total dividend per share

11.71p

Chair's Statement continued

The Board has received regular updates from the Executive team on our operations, how we are supporting employees and the community, and the mitigation of risks to our business.

The Board has considered and monitored the potential impacts of COVID-19, in particular upon the Group's business, financial position and liquidity. This activity included modelling severe but plausible, downside scenarios using stress testing and scenario analysis techniques. These models showed that, while there would be a financial impact, none of the scenarios would result in an impact to the Group's expected liquidity, solvency or debt covenants that could not be addressed by mitigating actions. As a result we do not consider there to be a threat to the Group's long-term financial resilience. Additional detail can be found in our viability statement on page 34.

Our role in society

One of my priorities as Chair is to ensure that the stakeholder voice is heard in the Boardroom. Our Group strategy is underpinned by a culture that encourages our people to consider the impact we have individually and as a company on stakeholders. That includes our focus on employee welfare and mental wellbeing at work, donating our time and efforts to raise funds for The Prince's Trust, and reducing our carbon footprint in an effort to ensure a sustainable future for all. Despite remote working, Board members regularly spend time talking directly to employees in order to ensure they remain connected to our people. Sarah Warby, our Non-Executive Director Employee Champion, regularly updates the Board on key topics raised by employees.

Our Board believes that management of Environmental, Social and Governance matters must support the Group's strategy, long-term performance and the sustainability of the business. This is why I am delighted to report that not only did the Group achieve its goal of becoming carbon-neutral in 2020, we went one step further and offset an additional 50% of our carbon emissions to become a 'Beyond Carbon Neutral' company. Whilst the impact of climate change has limited short-term effect on our business model and strategy, the Board recognises that climate change may present potential risks and opportunities to our business in the longer term. Further work is being undertaken during 2021 to fully understand these risks and opportunities. More details of this, including our plan to work towards compliance with the Task Force on Climate-Related Financial Disclosures, and our stakeholder engagement more generally, can be found on pages 42 to 57.

"Although 2020 has been a tough year, we remain committed to delivering long-term growth and leading the way in price comparison by accelerating our strategy, underpinned by our inclusive and innovative culture"

The Board

I was pleased to welcome Peter Duffy, James Bilefield and Supriya Uchil to the Board, in my second year as Chair. Peter Duffy joined as Chief Executive Officer in September 2020, succeeding Mark Lewis who announced his intention to step down from the Board in February 2020. Peter joined us from Just Eat Limited, where he was CEO, and before that he was Chief Commercial Officer at easyJet and Marketing Director of Audi UK. He has an excellent overall track record, as well as very relevant experience in driving digital revenues and in all aspects of marketing. He has held further relevant roles at Barclays, Yorkshire Bank and TSB, and I believe he will provide inspirational and dynamic leadership for the Group.

There have also been some changes to the Board's Non-Executive composition during the year. Supriya Uchil joined in March 2020 and Andrew Fisher resigned from the Board following the AGM in May 2020. James Bilefield was appointed as Non-Executive Director and Chair of the Remuneration Committee in May 2020 (taking over from Andrew Fisher). You can read more about Peter's background, and about Supriya and James's backgrounds on pages 62 and 63. We thank Mark and Andrew for their valuable contributions and wish them well.

Succession planning has been an area of focus for the Board in 2020 and this focus will continue into 2021. As part of this process, the Nomination Committee will review the composition and tenure of the Board, noting that Sally James, our longest serving Non-Executive Director, will have served on the Board for nine years in 2022.

Recent governance requirements have made diversity a focus in every company's succession planning. Our Board collectively possesses a broad range of experience, skills and knowledge from various backgrounds which support the strategic and operational direction of the Group. I am proud that our Board currently consists of a majority of female members, which exceeds the 33% recommended by the Hampton-Alexander Review.

2020 performance

Our business model proved resilient through the pandemic and we are confident for the future. At the same time, COVID-19 has had a significant impact on our end markets. The estimated savings customers were able to generate from our products remained stable at £2.0bn, with lower volumes being offset by a high level of savings on car insurance, but Group revenue decreased by 11% from £388.4m to £344.9m, adjusted EBITDA fell by 24% from £141.5m to £107.8m and profit before tax declined by 24% to £87.8m. We again generated strong cash flow with operating cash flow of £83.9m and we returned £62.8m cash to shareholders in 2020, through our ordinary dividend which was maintained at 2019 levels. We took no Government furlough support money and we did not apply for any other forms of Government financial assistance.

Read more about our Business Model on pages 18 and 19

An evolved strategy

We are updating our strategy to evolve with new leadership. Much of the earlier Reinvent strategy remains relevant, as we continue to seek regular, useful engagement with our users to help retain them and grow our relationships with them. At the same time we will heighten our focus on customer acquisition, building on our existing pay per click ('PPC'), search engine optimisation ('SEO') and marketing capabilities, and will continue to expand our business – for example through B2B offerings and our pioneering mortgages work. Data will be at the heart of this evolved strategy, and we will be reconfiguring and updating elements of our data infrastructure to support this.

Read more about our Strategy on pages 20 to 22

Leading innovation

While the year was impacted by COVID-19, our technology platform, secure infrastructure, inclusive culture and established working practices allowed us to continue to innovate, albeit remotely. Examples of innovation range from MoneySuperMarket's mortgage holiday calculator to a new dashboard, which presents relevant and timely information to consumers as well as alerts to drive engagement. MoneySavingExpert launched two new energy switching journeys, as well as a new visual identity for the site, designed to give a more contemporary and accessible look while remaining true to MoneySavingExpert's authentic, informal style. Decision Tech added the ability for consumers to understand whether an engineer visit would be required for a specific broadband switch – something of clear importance during lockdown periods. Further detail on how innovation supports our strategy can be found in the CEO's Review on pages 14 to 15 and Our Strategy in Action on pages 24 to 29.

Capital allocation

Our strong level of cash generation and robust balance sheet was a factor in the Board's decision to recommend a final dividend of 8.61p per share (2019: 8.61p). We remain confident of the future prospects of the Group and recognise the importance placed on the dividend by our shareholders. If approved by shareholders at the forthcoming Annual General Meeting, this will bring the total dividend for the year to 11.71p (2019: 11.71p) per ordinary share. The final dividend will be paid on 20 May 2021 to all shareholders on the register on 9 April 2021. Details of our dividend policy can be found on page 59.

In the future, when we have significant surplus capital and there are no short-term organic or acquisitive growth opportunities available, we will again consider returning these surplus funds to shareholders through a 'special distribution', in accordance with our capital allocation policy.

Looking ahead

As we progress into 2021, we will continue to deliver long-term growth and lead the way in innovative price comparison through delivering against our new, evolved strategy, underpinned by our inclusive culture.

Robin Freestone
Chair
17 February 2021

Percentage of employees who rated the Group's approach to managing through COVID-19 positively

87%

Going further to support our people

As the pandemic took hold, we moved all our employees to working from home ahead of official Government guidance. We are particularly proud of how our employees rose to the challenge, moving seamlessly to remote working and continuing to maintain and innovate our services for our users

As well as increasing the frequency of our internal communications, we developed guidance on working remotely, introduced paid COVID-19 care leave and provided employees with access to enhanced mental health and wellbeing support.

Rather than furloughing employees, we safeguarded jobs and balanced resources by redeploying 30 employees to different areas of the Group, offering individuals the chance to learn new skills and further develop their careers.

Our response to COVID-19

Focusing on customers' immediate needs

Our purpose of helping households save money has never been more relevant than in 2020, when we continued to innovate for our customers and users with helpful services and advice during lockdowns and the broader COVID-19 context.

Car insurance

MoneySuperMarket provided consumers with key information on how to cut the cost of their car insurance, including how to register their vehicle as off the road. The Group's access to over 100 car insurance providers meant that we were able to offer consumers access to policies priced on mileage driven, instead of a traditional fixed cost approach.

Travel insurance

MoneySuperMarket implemented a minimum level of COVID-19 cover where providers were required to cover emergency medical and repatriation for COVID-19.

MoneySuperMarket also added functionality for customers to compare COVID-19 cover. This led to increased COVID-19 coverage by providers in response to increased demand. Across MoneySuperMarket, MoneySavingExpert and TravelSupermarket, the Group has taken steps to ensure accurate messaging for travellers, as the industry has had to quickly pivot to understand what cover was available for customers travelling during lockdowns and Foreign, Commonwealth & Development Office restrictions.

Home insurance

Early in the first lockdown, additional guidance on purchasing home insurance was provided to MoneySuperMarket customers, including the potential need to purchase increased accidental damage cover as a result of increased homeworking and homeschooling.

Money

MoneySuperMarket added additional job-related questions within the Loans journey and MoneySavingExpert encouraged users to apply via our eligibility journeys. This allowed customers to know upfront if they would be accepted for the products, providing additional reassurance.

Home Services

Decision Tech expanded the search features on home broadband to include a filter on home visits. This allowed customers to know whether a switch to a new provider could be done without a home visit, keeping our customers safer.

MoneySavingExpert's editorial reach was further extended with users accessing an enhanced range of expert content on energy providers, as well as the launch of the new Pick Me a Tariff and Autoswitch energy propositions on Cheap Energy Club. Read more about this on page 26.

TravelSupermarket

TravelSupermarket took steps to ensure accurate messaging for travellers, providing advice on quarantine restrictions, quarantine exempt destinations, and created a new staycations hub search for those who want to holiday at home.

Mortgages

MoneySuperMarket and Podium launched a free mortgage payment holiday calculator to help borrowers understand how much their monthly bill would go up after the payment holiday. The calculator allows customers considering a mortgage payment holiday to gain visibility of the impact a holiday would have on their mortgage repayments in the future. The calculator then takes customers directly to their lenders' mortgage repayment holiday information to begin an application process, should they wish to go ahead.

The MoneySavingExpert Campaigns team

The MSE Campaigns team fights the consumer's corner. Whether that's challenging poor communication of the student finance system, making the case for fair treatment of mortgage prisoners, or pushing for improvements to council tax discounts for people who are severely mentally impaired; MSE campaigns for financial justice.

Many of the campaigns are a long time in the making – even years – because evidence needs to be gathered, many discussions need to be had with policymakers across government and regulators, and the case often needs to be put again and again until we make changes happen so that consumers are better protected.

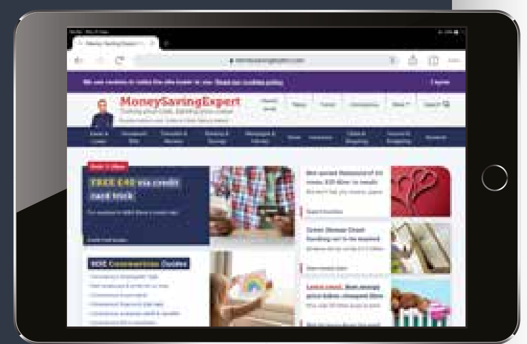
As the pandemic sent shock waves through the economy, the Campaigns team completely reinvented what it was doing in order to make sure that it was doing the most relevant work to protect consumers. This was especially important as there was little to no bandwidth in Government to talk about our other campaigns, so we needed to refocus.

For the first few months of the pandemic, the Campaigns team sought out and collated evidence from thousands of MSE users through various channels, including multiple surveys. This data was used to create a series of approximately 20 insight reports which detailed how consumers have been affected financially due to the pandemic. Several of the reports covered consumer issues across the breadth of personal finance issues, but the team also used the data to create focussed reports, for example, on the Bounce Back Loans Scheme. The Campaigns team didn't do this alone – they collaborated with other teams on survey work and then fed through findings into MSE's journalism.

Information was shared with key stakeholders including government, regulators and Parliament, and intelligence was also fed into the policymaking process through consultation responses, attending ministerial roundtables or other meetings with civil servants and other stakeholders. MSE and the think tank Demos also co-hosted Zoom calls where MPs heard about the work MSE was doing and could put their questions to Martin Lewis directly.

When you are trying to influence public policy, you don't always get credited for the work you have done. But the Campaigns team has certainly seen several policy changes happen on problems that it has directly raised across several government departments and regulators, such as when the Competition and Markets Authority threatened travel companies if they didn't start to comply with the law.

Although the pandemic isn't over, the Campaigns team has been able to press play again on some of its long-running campaigns – so look out for more action there shortly. 2020 wasn't the year anyone was expecting but the MSE team can genuinely say that they've helped to make a difference for consumers, and while they will be working on COVID-19 projects for a while yet, the team are looking forward to some different campaigns in the pipeline too.



Q&A with our new CEO

Meet Peter Duffy, our new CEO

Appointed in September 2020, we find out how he's finding life at the helm, his ambitions and visions for the Group

Q

What attracted you to Moneysupermarket Group?

I was and remain excited to have joined the Group. As a result of everything that happens at this organisation, via our leading and trusted brands – MoneySuperMarket, MoneySavingExpert, TravelSupermarket and Decision Tech – customers are so much better off. To be part of that and to be part of the journey going forward is incredibly exciting.

I believe that the most important elements for a company are its people, its purpose and its culture.

Moneysupermarket Group is strong in all of these elements and I'm honoured to be part of that.

Q

First impressions of the Group?

Right from my very first conversations, our purpose, to help households save money, was the thing that consistently stood out. And it stood out, not just as a laudable aspiration, but because it really felt like it was lived and breathed, every day, at every level of the organisation. Like many companies, we have a highly skilled and capable workforce, but the thing that fuels us, that fuels our people is this cause, this desire to help, to do the right thing for consumers and users of our sites. I'm so proud to be part of it.

Q

Views on the Group's culture?

The customer focussed purpose at Moneysupermarket Group and the behaviours underpinning our culture are the key to our long-term success. Our behaviours – 'Create Belonging', 'Grow and Develop' and 'Innovate to Deliver' – are embedded into everything we do and are critical to our innovative and inclusive culture.

Q

There has been an increased focus on diversity and inclusion in the past year – what is MSMG doing to ensure it promotes a culture of inclusion?

I am extremely passionate about this and am the Executive sponsor for Diversity & Inclusion. The Group is committed to being a company where everyone belongs, where there are no barriers to performance, and differences between employees are seen as a source of strength.

The Group was recently ranked 17th on this year's Inclusive Top 50 UK Employers demonstrating the incredible work done to date, especially by our amazing Employee Resource Groups.

However, we recognise that there is always room for improvement. In 2020 we signed up to the Race at Work Charter to demonstrate our commitment to creating a skilled and inclusive workforce today and for the future.

Q

You've joined the Company at an unprecedented time – how would you describe the Group's response to COVID-19?

Employees have really stepped up to ensure that we continue to help households save money. Early into the first lockdown, the Group pivoted rapidly to provide increased news content on MSE and simple advice to customers.

Protecting the health, safety and wellbeing of our employees is of paramount importance to the Board. I am proud to say that the Board and the Executive team have taken the right steps to do so, whilst ensuring the continuity of our operations.

Q

What differentiates the Group from other price comparison providers?

We have a range of propositions to engage consumers:

- MoneySuperMarket: a leading price comparison website, offering a curated range of opportunities for customers to save, through an advertising led model;
- MoneySavingExpert: a publishing led, whole of market offer. MSE is based on independent editorial advice and is a rich research tool for customers wishing to understand financial issues and opportunities and is the most recommended financial brand in the UK;
- We have our B2B model, delivered through Decision Tech which provides aggregation services to customers through other brands; and
- TravelSupermarket, our travel focussed business offering a broad range of travel services, but with a particular strength in package holiday aggregation.

The final point of difference is the breadth of our product offering. We have so many different opportunities for customers to save money across our well-developed (and still developing) portfolio of products.

Q

What are your priorities for 2021?

There's a lot we are doing, there's a lot we can do. Externally we face some headwinds but also some opportunities, both from the changes to regulation and the competitive shifts in the industry.

2021 will see further work to deliver on our evolving strategy, with key focus on data, acquisition efficiency, retaining our customers and increasing cross-sell opportunities, and broadening our existing offering.

Chief Executive's Review

Going further with confidence

Estimated customer savings across the Moneysupermarket Group

£2.0bn

Revenue per active user

£16.19

Overview

I am honoured to have been appointed as Chief Executive Officer of Moneysupermarket Group, especially at such an extraordinary time. The speed and scale of the impact of COVID-19 on businesses and the economy are unprecedented and the long-term consequences are not yet known. The pandemic has underscored our purpose of helping households save money and I am pleased to report that we have helped consumers to save £2.0bn this year, especially when so many households are facing unprecedented financial strain.

The Group traded profitably through 2020, with our technology platform, secure infrastructure and cash generative business model enabling us to respond well to the COVID-19 challenges. I am proud of how our employees rose to the challenge, quickly adopting remote working and then continuing to innovate for users throughout the year. We helped providers deal with issues caused by COVID-19, for example 'triaging' traffic in certain products to ease call centre pressure, and amending our question sets to help decision making. Helpful product innovation included a mortgage holiday calculator, a filter to exclude broadband switches that required a home visit, and frequently updated guides on the latest travel guidance.

MoneySavingExpert became the authoritative voice on lockdown finance, attracting over 24m visits in 2020, and it continues to have an outstanding net promoter score. During the year we rationalised our weekly 'Tip' email to 7.45m engaged subscribers, but still saw significantly increased volumes of email opens and clicks. We also updated the site's visual identity and introduced a clearer, more intuitive taxonomy and layout. We launched two new journeys within MSE's Cheap Energy Club: with 'Pick Me a Tariff' a customer decides what preferences matter most to them and we display tariffs based on that, while with Autoswitch, a customer decides their preferences and signs up to a simple, repeat switch every year based on those preferences. 60k users have signed up to Autoswitch and a further 70k have switched via 'Pick Me A Tariff'. Both new journeys have improved conversion compared with the standard energy comparison journey, and users that have set preferences are showing greater engagement with subsequent reminder and monitoring emails. Based on further testing with users since launch, we will be rebranding Autoswitch to 'Pick Me A Tariff every year'.

MoneySuperMarket saw 11.5m active customers in 2020 – a lower figure than usual, due primarily to the significant reduction in the normally high-volume travel insurance market. We still helped consumers save £2.0bn on their household bills and we continued to scale our profitable monitoring tools, which now have 2m users. The new MoneySuperMarket dashboard, launched as a prototype in December, combines monitoring information, recent enquiries, links to relevant articles and prompts for users to save in further channels. It presents this via an engaging user interface, with dynamic promotion of content based on what know of the user.

Decision Tech continued its strong B2C and B2B growth. The number of live B2B energy partners rose from 6 to 23 in 2020, including comparison sites and fintechs such as Snoop, Revolut and Zopa. Our mortgages joint venture with Podium also progressed in what was a difficult year for the remortgage market due to tightened lending criteria. We became the first price comparison website to launch a mortgage 'decision in principle' offering in February, launching with Nationwide, and launched a further, similar product in November with Santander. We added five Product Transfer options, allowing customers to easily remortgage to a new deal with their current provider – taking our total now to seven.

"Our business model has proved resilient, generating good cash flow throughout the crisis and giving us confidence for the future"

Profit before tax and adjusted EBITDA declined by 27% and 24% respectively, reflecting the exceptional COVID-19 related market conditions. Lower conversion in the Money vertical continued putting pressure on our gross margin. The Group saw continued strong cash conversion of £83.9m operating cash with net cash at £23.6m at year end.

We enjoy leading positions in growing markets with significant headroom and our brands are firmly trusted by our customers, as demonstrated by our strong net promoter score of 72.

An updated, evolved strategy

We are evolving our strategy, with emphasis on attracting users more efficiently; on providing an easier and more engaging experience for users so they return more frequently and switch more products; and on broadening our offer either organically or through M&A.

Stronger execution against this strategy is needed to deliver the full potential of the Group. We have begun to make changes to drive greater accountability and faster decision-making. Improving our data infrastructure and capabilities will also drive long-term advantage, and we are making good, early progress in this area.

Read more about our strategy on page 20

People and culture

Since joining the Group in September, I have had the pleasure of meeting many of our employees both digitally and physically, albeit socially distanced. I'm consistently impressed by their passion and their commitment to our purpose.

Continuing to embed our innovative and inclusive culture in the business remains a key priority as we seek to drive innovation for our users. We also strive to create an inclusive environment, championed very effectively by several of our Employee Resource Groups. I wish to thank them, as well as employees throughout the business, who have embraced moving our culture forward.

We are proud to have been recognised as the #2 ranking company in the Hamilton-Alexander report for gender neutrality at board levels, and to have recently been voted #17 in the top 50 most inclusive companies in the UK. Our commitment to the Race At Work Charter demonstrates our continued focus in this area as we strive to create an inclusive and skilled workforce today and for the future.

Sustainability

We were proud to move 'Beyond Carbon Neutral' in 2020, offsetting 150% of our carbon footprint, and we continue consider environmental and sustainability issues in all aspects of our operations and business activities. Our partnership with the Prince's Trust is ongoing and we successfully attained our fund raising target of £100,000 in the year. We also continue to support local charities, including local food banks and our Ewloe catering team delivered an average of 750 meals a week to individuals impacted by COVID-19. Throughout 2020, MoneySavingExpert continued to donate to the MSE Charity, which gives grants of up to £7,500 to UK not-for-profit grassroots groups that provide education, information and support to help people manage their money better.

Read more about Sustainability on pages 46 to 57

Outlook

In ongoing uncertain times for UK consumers and their finances, we are well-positioned to fulfil our purpose of helping households save money. Our market-leading brands, the diversity of our trading categories and increased levels of innovation set the Group up to once again deliver successful returns for customers, providers and investors in 2021, as we evolve with our strategy and continue to move price comparison forward.

Peter Duffy
Chief Executive Officer
17 February 2021

Our Market and Trends

Trends in our chosen markets

We have a diverse mix of growth opportunities

Price Comparison

(Overall market)

Trends	Impact	Opportunities	Brands affected
COVID-19 The COVID-19 pandemic has impacted several of our core channels on the demand and supply sides of our marketplace business, as detailed in our trading commentary	There is uncertainty as to the timing and pace of recovery, especially for credit and travel products	In an economically uncertain environment, our purpose to save households money remains more relevant than ever. The Group benefits from strong brands and high levels of cash conversion, so we are well positioned to weather this period and deliver future growth	MoneySavingExpert.com
Regulatory focus Greater focus from governmental and regulatory bodies on empowering customers	Regulation will become an increasingly important feature of the price comparison sector	Regulation empowering customers to save money is fully aligned with both our purpose of helping households save money and our strategy. Easier opportunities for switching, e.g. the regulatory change around faster energy switching will encourage greater engagement by our customers and drive site visits	decisiontech
Continued shift to mobile Consumers are increasingly accessing price comparison services on mobile devices	Mobile conversion rates are typically lower than rates achieved using desktop across most industries (beyond just price comparison sites)	The growth in mobile apps presents an opportunity for the Group to attract direct, low-cost, repeat traffic – as we do today through the MoneySuperMarket app. It also allows us to expand our offer by reaching further users, for example those using new fintech apps, via Decision Tech's B2B services	decisiontech MoneySavingExpert.com

Insurance

Trends	Impact	Opportunities	Brands affected
FCA General Insurance Pricing Market Study In September 2020 the FCA published proposals to address concerns about general insurance pricing. The key proposal is a pricing remedy that "firms cannot charge renewing customers more than new customers in future" for car and home insurance. This is intended to stop the practice of 'price-walking' whereby loyal customers experience higher premiums year after year The FCA also announced other measures designed to improve competition including stopping auto-renewal being used as a barrier to switching (across all general insurance channels, not just car and home) and stronger supervisory tools to ensure insurers manage pricing fairly	The consultation for the proposals (which we participated in) concluded in January 2021 and the FCA has said they will revert with updated proposals in Q2 2021. At this point it remains unclear what the outcome will be and how insurers will respond. However, the proposed ban on price walking may remove introductory insurance discounts and increase prices for regular switchers. This will in turn reduce one of the triggers for switching and the use of price comparison sites, although many other triggers, such as a car purchase, accident or penalty, will remain	The proposal to make it easier for consumers to opt out of policy auto-renewal is welcome. This is an existing customer pain-point that can lead to them paying higher costs – and is a barrier to switching	
Car insurance premiums Average car insurance premiums were expected to grow in 2020, having remained stable year-on-year driven by the adjustment of the Ogden rate and increasing claims inflation. However the pandemic has deferred this inflation as claim rates fell with fewer cars on the road	Any car insurance deflation may reduce the propensity for consumers to switch their insurance to get a better deal	As a leading price comparison site, MoneySuperMarket is well placed to help consumers seeking to lower their insurance premiums and switch to a better deal	

Trends	Impact	Opportunities	Brands affected
Travel insurance The ongoing travel restrictions and lower consumer confidence has decreased the overall demand for travel and therefore the demand for travel insurance	The recovery in the travel market will depend on when restrictions are lifted and consumer confidence returns	Our broad provider panel means we are well placed to find the most suitable policy for travellers	MoneySavingExpert.com

Money

Trends	Impact	Opportunities	Brands affected
Consumer market As a result of the pandemic, providers have tightened their lending criteria and reduced the number of promotional banking products, although consumer demand for these products has been resilient	The recovery in the banking and borrowing market will depend on when provider appetite to extend credit and grow their deposits return. This will be driven by the health of the broader macro environment	The Group's strength in identifying money-saving ideas and monitoring our customers' credit files will benefit consumers seeking services that help to improve their credit ratings and eligibility	MoneySavingExpert.com

Home Services

Trends	Impact	Opportunities	Brands affected
Energy price cap The price cap introduced by Ofgem in January 2019 fell in October 2020 amidst a backdrop of rising wholesale prices. However this trend is expected to reverse as a result of the recent price cap increase announced in early 2021	Towards the end of 2020 energy savings levels were near their lowest levels since the price cap was introduced, however savings are expected to rise as a result of the price cap increase in 2021 The introduction of the price cap increased consumer awareness of the costs of energy and the benefits of switching their energy provider, however its impact is likely to abate over time	The Group is well placed to help consumers seeking to reduce their energy costs and switch their energy provider. Our new monitoring products will alert customers if further savings can be made MoneySavingExpert's strong editorial content drives user engagement and strong retention rates. The launch of Pick Me a Tariff and Autoswitch will also make it easier for consumers to compare, switch and save on a regular basis	MoneySavingExpert.com decisiontech

Travel

Trends	Impact	Opportunities	Brands affected
Package holidays COVID-19 related travel restrictions were in place for much of 2020, this significantly reduced consumer demand for package holidays	The recovery in the travel market will depend on when restrictions are lifted and when consumer confidence returns	TravelSupermarket continues to focus on building leading comparison services to help consumers find the best deal for their holiday	

Our Business Model

Helping households save money

Risk management framework

The Group operates in an increasingly complex business environment and there are risks to the delivery of our strategic goals and the sustainability of our business model. We have identified the key risks through our risk management framework, and we have considered them as part of our viability assessment. The risk management framework also provides the tools to manage and continually review our risks and seeks to drive accountability and the insight required for the Board to monitor our risk management system. This also allows management and the Board to adapt the strategy to ensure that we are not taking unnecessary risks and that the underlying risks in the strategy are being appropriately mitigated, therefore enabling delivery of the strategy

How we create value

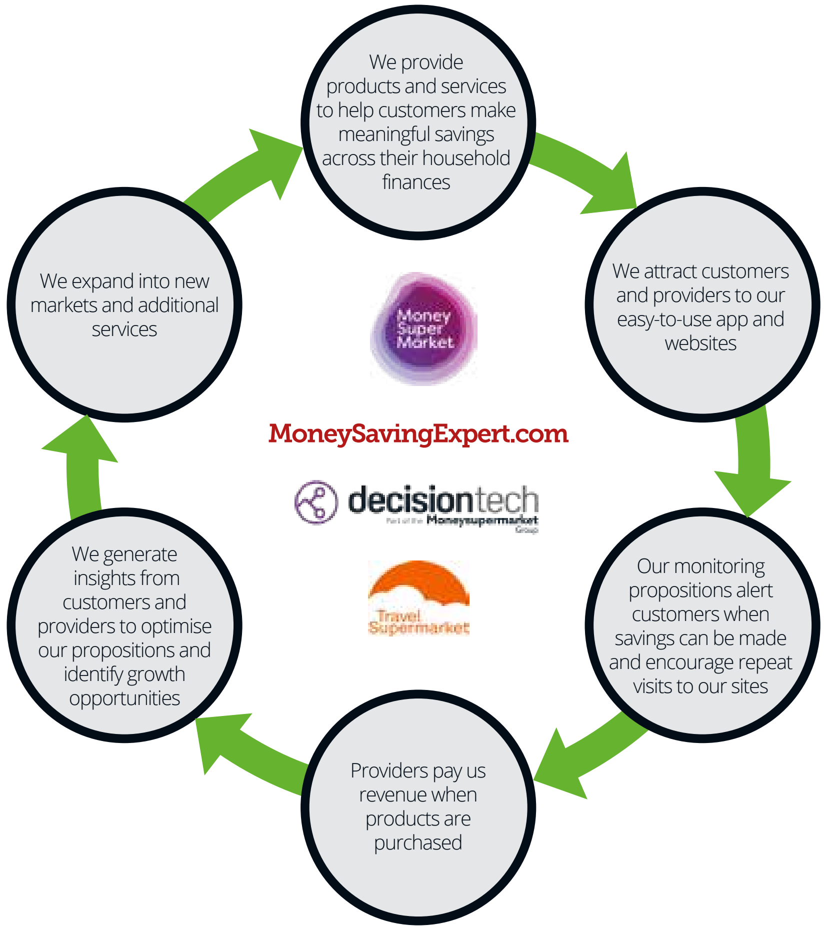
Technology
Our offer is underpinned by our scalable and flexible technology platform

Relationships
Our strong relationships with our providers allow us to offer exclusive and market-leading deals

People
Our talented people ensure we provide customers with the best experience

Leading brands
We operate well-known brands which are trusted by our customers

Award-winning marketing
We invest in marketing to attract customers and providers to our sites



How we share value with our stakeholders

Our customers
Savings through readily accessible, personalised information

In 2020 our customers are estimated to have saved
£2.0bn

Our providers
Cost-effective customer acquisition via access to millions of informed customers

Provider satisfaction
77.8%

Our people
A great place to work, and rewarding and stimulating career paths

Employee commitment score
70%

Our communities
Positive impact through work experience, charitable donations and volunteering

Donated to charitable causes in 2020
£169k

Our shareholders
A track record of progressive dividends

Cash return to shareholders in 2020
£62.8m

How we maximise value

Clear strategy
Read more on page 20

Robust risk management
Read more on page 36

Innovative and inclusive culture
Read more on page 48

Responsible approach
Read more on page 46

Sound governance
Read more on page 60

Our Strategy

Helping households save money

Strong differentiated model

Our business fundamentals remain strong and differentiated. In addition to leading brands with strong net promoter scores, we combine high margins and strong cash flows with an asset-light approach. We benefit from an efficient mix of marketing, publishing and B2B business models to attract a variety of users. Our proprietary comparison technologies provide flexibility as well as a high barrier to competitive entry.

For further information on our business model see pages 18 to 19.

Growing markets

With some of our markets heavily suppressed by COVID-19 in 2020, we anticipate good growth to follow when these markets recover. Once stabilised, we expect the price comparison market to resume growth at or around mid-single digits.

We already help customers save money across a broad set of channels. Nevertheless, we continue to believe there are opportunities to unlock further growth, for example through our B2B proposition or by making it easier for users to save in developing categories such as mortgages.

Culture

Our strategy is underpinned by our strong company culture. Our inclusive and innovative culture allows us to drive innovation for our users and deliver our strategy.

We are evolving our strategy, building on Reinvent but with emphasis on three pillars and the enabling work to deliver these:

1. Efficient acquisition
2. Retain and grow
3. Expand our offer

Supporting infrastructure and capabilities

These objectives are supported by a common platform that is highly scalable – additional revenue brings only a low marginal cost.

Data is key to delivering our strategy. In 2021 we are modernising our data infrastructure and related capabilities. This will shorten and simplify internal processes, as well as deliver significant benefits to our users.

Among other things, this will allow us to capture more customer journey data, to use customer data to surface the right 'next best action' for them, and to streamline their subsequent enquiries. Already in 2021 we have started transitioning to Google Cloud Platform as our primary data lake and implementing Braze CRM to drive more efficient, coordinated and focused marketing campaigns.

In addition, we have recently completed the acquisition of CYTI, our partner for our life, pet and travel insurance journeys. The acquisition gives us direct control of those journeys and the associated consumer data. Relative to peers we operate more of our channels directly and see this as an ongoing competitive advantage.

Structure and ways of working

We have made several structural changes to boost accountability, clarify decision-making and accelerate delivery. A single General Manager now heads each of our verticals with ownership of the relevant commercial, product and tech resource and priorities. Within Home Services we have recently brought MSM, MSE and DT's B2C brands under common management, at the same time bringing some of DT's product expertise and ways of working into the heart of the Group. Finally, we have added senior data representation to both the company and the leadership team.

Helping households save money

Efficient acquisition
- Best-in-class digital efficiency
- Effective marketing
- Seamless, shorter journeys

Retain and grow
- Engaged relationships – helpful prompts and reminders
- Targeted, relevant cross-sell

Expand our offer
- Further channels
- Wider audiences
- More products on more brands

Advanced data capabilities • Common technology • Scalable platforms

Efficient acquisition

We will attract consumers to our sites in the most cost-effective way. This means optimising our approach to paid search, to SEO, and to above-the-line marketing spend.

We can deliver efficiencies in our PPC bidding through better use of data and a more sophisticated bidding platform.

SEO drives substantial volumes of free search traffic to our site. We are accelerating changes to our content management platform. The updated platform will also help us deploy new content faster onto the site.

Retain and grow

We will improve customer retention, cross-sell and engagement. This means continuing to develop our products to help customers monitor their bills, to remind them of policy end and other key dates, and to more generally engage them to find other ways to save. We will also continue to simplify and shorten journeys for returning users.

This will result in significant improvements to the logged-in dashboard experience, and to our 'next best action' suggestions to customers.

Expand our offer

We will continue to broaden our offering whether that is by channel, end market or distribution route.

In the immediate term this means continuing to drive the good B2B growth of Decision Tech. Expanding our offer also encompasses our work to drive the digitisation of mortgages via our joint venture with Podium.

Supporting infrastructure

Read Strategy in Action on page 24

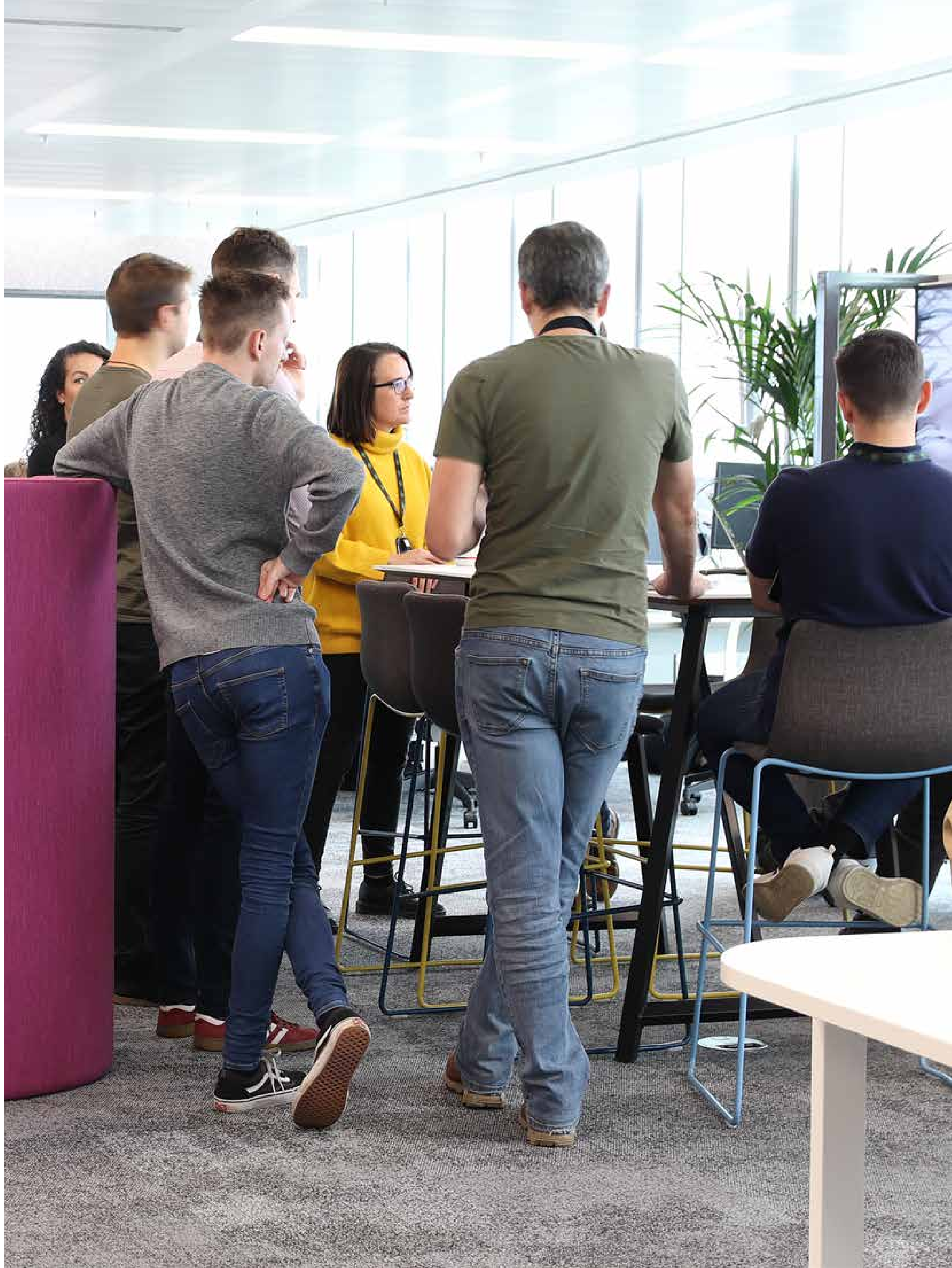
Read Strategy in Action on page 26

Read Strategy in Action on page 28

Our Strategy continued

Progress against our strategic priorities

Strategic Initiatives	What we have done in 2020	Our Future	Brand	Principal Risks and Uncertainties
Efficient acquisition	• MoneySavingExpert became the authoritative voice on lockdown finance during COVID-19 providing relevant guidance on key financial issues • We refreshed MoneySavingExpert's visual identity and updated the 'Tip' • MoneySuperMarket launched a TV advert and multi-media campaign introducing the Money Calm Bull campaign, building on the 2019 rebrand to 'Get Money Calm'	• Continued brand development for MoneySuperMarket including launch of channel-specific campaigns for car insurance and energy • Ongoing focus on Search Engine Optimisation to drive high-margin traffic • Significant enhancement of our pay-per-click bidding capabilities	Money Super Market MoneySavingExpert.com	• Competitive environment and consumer demands • Brand strength and reputation • Business transformation • Economic conditions • Regulation **Read more about our Principal Risks and Uncertainties on pages 40 to 41**
Retain and grow	• MoneySavingExpert's Energy Autoswitch and Pick Me A Tariff services launched • Further rollout of our successful MSM monitoring propositions, with over 2m household bills now monitored • MSM's Credit Monitor merged into the main MSM app • Refresh of logged-in MSM dashboard providing past searches and consolidated reminders	• Further development and rollout of monitoring products • Continued optimisation of consumer journeys with external data and personal data pre-population • Launch of tariff expiry reminders in further channels	Money Super Market MoneySavingExpert.com	• Brand strength and reputation • Data processing and protection • Data security and cyber risk • Business transformation • Relevance to partners • Economic conditions • Regulation **Read more about our Principal Risks and Uncertainties on pages 40 to 41**
Expand our offer	• Rapid growth in energy switching services, now up to 23 partner businesses • Launch of free mortgage holiday calculator in response to introduction of mortgage holidays – adopted by major lenders • Via our partnership with Podium, first decision-in-principle service launched with Nationwide; second with Santander • 5 new product transfer connections (remortgage with existing provider)	• Focus on attracting additional B2B energy partners • Further eligibility enhancements to the mortgage journey and on deeper lender integrations	Money Super Market MoneySavingExpert.com decisiontech	• Competitive environment and consumer demands • Business transformation • Relevance to partners • Regulation **Read more about our Principal Risks and Uncertainties on pages 40 to 41**
Supporting infrastructure	• Continued migration of data centres • Update to underlying foundation of core landing pages • Transition of customer enquiry journeys to more modularised code base	• Transition to Google Cloud Platform to consolidate data and enable greater analytical processing • Introduction of Braze CRM to enhance customer communications through email and app notifications • Transforming our data analytics to enhance our "next-best action" recommendations	Money Super Market MoneySavingExpert.com Travel Supermarket decisiontech	• Business transformation • Data processing and protection • Data security and cyber risk • Regulation **Read more about our Principal Risks and Uncertainties on pages 40 to 41**



Strategy in Action

Helping households to Get Money Calm

MoneySuperMarket made good progress during the year to meaningfully deliver 'Get Money Calm', whilst quickly responding to changing customer needs in light of the pandemic. Initiatives included the 'Cutting Prices' car campaign and a pivot to 'Small Steps' in the early days of lockdown.

In June 2020, MoneySuperMarket launched a TV advert and multi-media campaign introducing the Money Calm Bull. The campaign built on the 2019 rebrand, which highlighted the feeling of calm you can get from knowing your bills are under control with MoneySuperMarket.

The advert is the fourth of the 'Get Money Calm' series, which pledges to customers that MoneySuperMarket will help people experience more financial peace of mind. The spot opens with the Money Calm Bull walking very calmly through a china shop, followed by a number of escalating, anxiety-inducing scenarios, from a chaotic kids' birthday party and an army boot camp, to a fishing trawler in a storm. The advert culminates in the Money Calm Bull serenely riding an asteroid heading for Earth.

Strategy in Action

Helping households cause an energy revolution

"It's about switching people to their personal top pick, and by doing it from the whole of the market, it means the results will likely be far cheaper too"
Martin Lewis, MSE Founder

In 2020 MoneySavingExpert launched two new energy switching services within MSE Cheap Energy Club: 'Pick Me A Tariff' and 'Autoswitch'.

Pick Me A Tariff employs a set of weighted preferences to help users choose the tariff most suited to their individual needs. With Autoswitch a user sets their preferences in the same way and signs up to a simple, repeat switch every year based on these preferences.

While autoswitching itself isn't new, this innovative use of preferences differentiates MoneySavingExpert's service from other services. Customers struggle to trade off price against service levels, reputation and green credentials when choosing an energy provider, and the Pick Me a Tariff preferences help them with this difficult step. It is popular with providers too, as it allows them to compete on more dimensions than just price.

Both new journeys have resulted in improved conversion compared with the standard journey and users that have set preferences are showing greater engagement with subsequent reminders and monitoring emails.

How do they work?

Step 1:

Tell MSE about your energy bills

Tell MSE your current energy provider, usage, where you live, how you pay and whether you're on a dual-fuel or electricity-only tariff.

Step 2:

Pick your preferences

You are given 21 'preference points' that you simply allocate across six different categories, giving the tariff features that are most important to you the most points. The categories are price, customer service, green energy, fixed rate, a well-known supplier and no early exit fees.

Step 3:

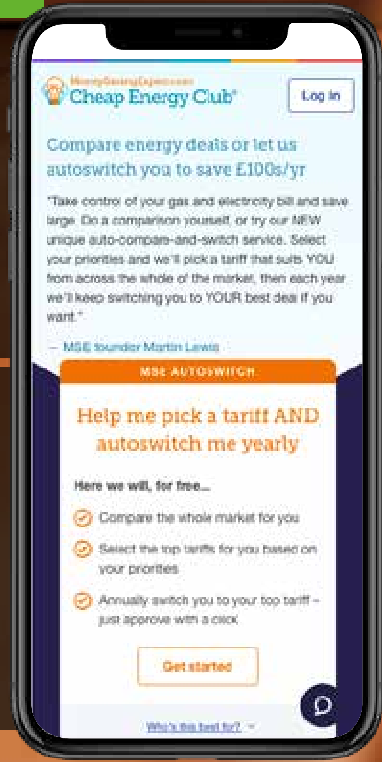
It then picks your top tariff from the whole of the market

MSE takes your preferences and uses an algorithm to select your winner from the whole of the market – including providers it doesn't work with or can't switch you to. It also shows you the next two closest matches based on your preferences.

Step 4:

On the anniversary of your switch, MSE emails you with your next tariff

When it's time to switch again (either after a year, or later if you're on a longer fixed deal), MSE will contact you with the new top tariff based on your preferences. All you have to do is click to confirm you're happy and your details haven't changed, and you will be switched to the new provider.



Strategy in Action

The UK's first real-time decision in principle via a price comparison website

A first for Mortgages...

MoneySuperMarket, via our joint venture with Podium, has launched the UK's first real-time decision in principle via a price comparison website. This service is with Nationwide and went live in early 2020.

This service is initially focussed on re-mortgage customers and is a major step forward in digitising the mortgage experience for our users. Rather than clicking onto a broker or provider site, customers can now reach the decision in principle stage entirely on our site.

What is a decision in principle?

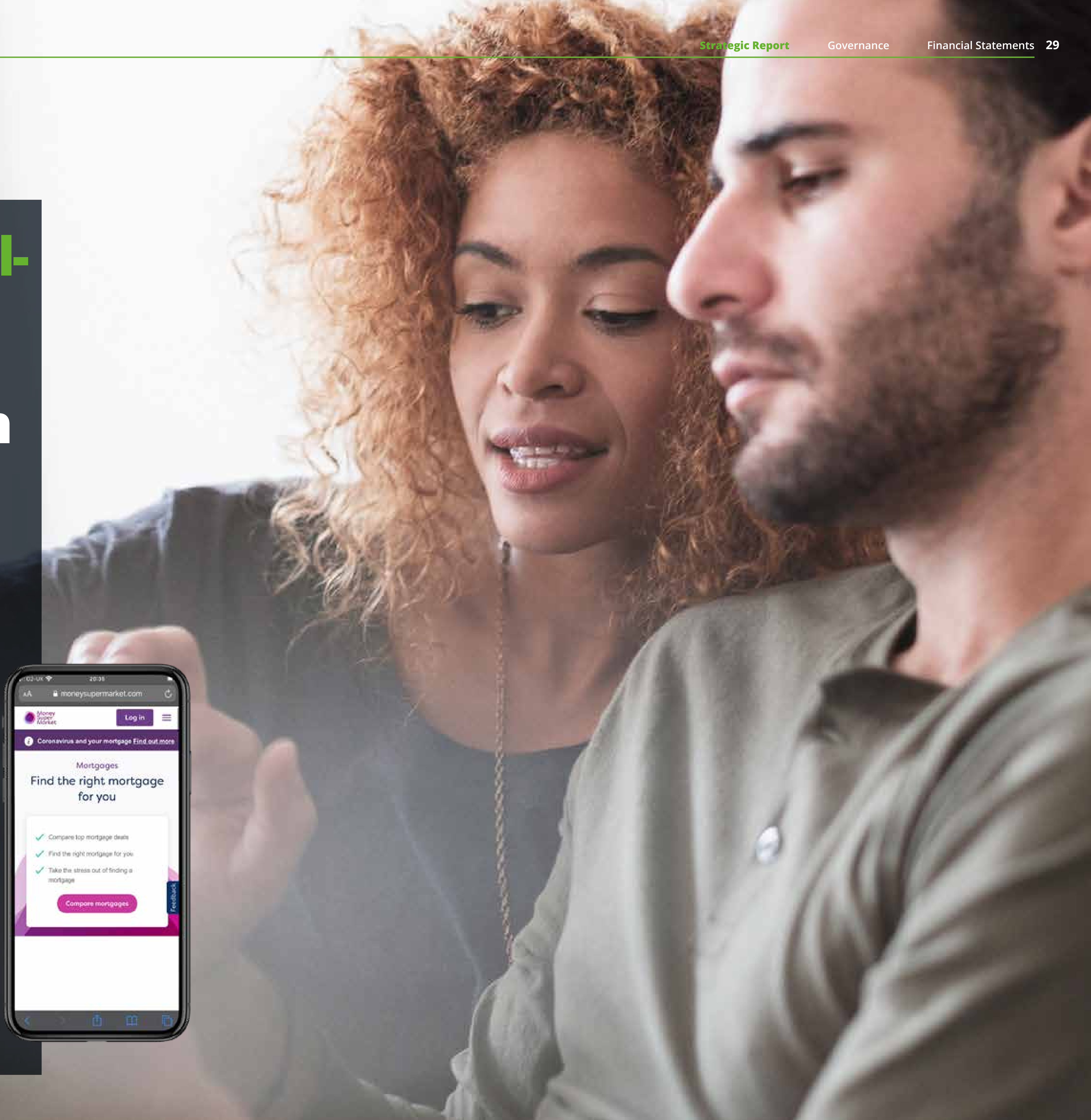
A decision in principle ('DIP') is a confirmation from the lender that they will most likely be able to lend to a user. The user will then go on to do a full mortgage application. If you've been trying to purchase a property recently, your estate agent may have asked if you have DIP to confirm you're able to get a mortgage before making an offer.

How does it work?

Remortgaging customers coming to MoneySuperMarket will be given the option to 'Get a Decision' for Nationwide products as a new call to action from the rates table. Customers who select this are then screened with a few high-level questions to ensure they can use the DIP process.

They then answer questions around income, dependants and property which are submitted to the Nationwide API. We then receive an 'Approved', 'Refer' (which is effectively a maybe), or a 'Decline' decision.

Those customers who are approved can then go on to complete a full mortgage application. Those who are Refer or Decline are sent through to our broker partners for expert mortgage advice.



Financial Review

"We have continued to delivered significant profit and strong cash flows, despite the challenging market dynamics brought about by COVID-19"

Scilla Grimble
Chief Financial Officer

Group revenue decreased 11% to £344.9m (2019: £388.4m), with profit after tax declining 27% to £69.3m (2019: £94.9m). When reviewing performance, the Board reviews several adjusted measures, including adjusted EBITDA which decreased 24% to £107.8m (2019: £141.5m) and adjusted EPS which decreased 28% to 13.1p (2019: 18.2p), as shown in the table below.

Extract from the Consolidated Statement of Comprehensive Income
for the year ended 31 December

	2020 £m	2019 £m	Growth %
Revenue	**344.9**	388.4	(11)
Cost of sales	**(115.4)**	(122.0)	(5)
Gross profit	**229.5**	266.4	(14)
Operating costs	**(142.5)**	(148.1)	(4)
Operating profit	**87.0**	118.3	(26)
Amortisation and depreciation	**20.8**	20.9	(0)
EBITDA	**107.8**	139.2	(23)
Reconciliation to adjusted EBITDA:			
EBITDA	**107.8**	139.2	(23)
Strategy review and associated reorganisation costs	**–**	2.3	n.m
Adjusted EBITDA [1]	**107.8**	**141.5**	**(24)**
Adjusted earnings per share[2]:			
– basic (p)	**13.1**	18.2	(28)
– diluted (p)	**13.1**	18.2	(28)

[1] A reconciliation to profit before tax is included within note 5
[2] A reconciliation to adjusted EPS is included within note 10

Revenue
for the year ended 31 December

	2020 £m	2019 £m	Growth %
Insurance	**172.9**	188.4	(8)
Money	**62.8**	86.0	(27)
Home Services	**68.8**	68.6	0
Other	**40.4**	45.4	(11)
Total	**344.9**	388.4	(11)

The impact of COVID-19 on both the consumer and provider side of our business caused the reduction in revenue on 2019. Excluding travel channels (TSM and travel insurance), Group revenue fell 4% year on year.

Performance in the early months of the year was good as Money returned to growth and the prospect of the pandemic drove strong demand for travel and life insurance (Insurance revenue was +8% in Q1). However revenue declined in the Insurance, Money and Other verticals from Q2 onwards as the impact of the pandemic hit.

Insurance
Insurance was impacted by travel restrictions (materially reducing travel insurance revenue from Q2 onwards), the temporary closure of the housing market (home-moving being a trigger for both home and life insurance switching) and, particularly during the Q2 lockdown, a slowdown in car insurance.

During the first lockdown in Spring, the sharp reduction in car purchases and less mileage driven (meaning fewer accidents) reduced two major triggers for car insurance switching. Home and life insurance switching also suffered, given the effective closure of the housing market.

As lockdown measures eased in Q3, car switching volumes across the market improved, driven by pent-up demand, before moderating in Q4 (which included a second, lighter lockdown). Life and home insurance remained in year-on-year decline for most of the year.

The travel restrictions in place for most of the year meant that demand for travel insurance was extremely low. Excluding travel insurance, Insurance revenue would have been broadly flat on 2019.

Money
Money revenue fell 27%. The start of the year saw a return to revenue growth in both borrowing and banking products before a material decline in performance driven by COVID-19. An initial drop in consumer demand for credit products soon reversed, but significant supply issues remained as providers tightened their lending criteria and consumers saw fewer attractive search results as a result. This impacted conversion and therefore reduced gross margin rate.

Towards the end of the year we saw a modest recovery in conversion as lending criteria loosened marginally.

Banking suffered from poor product availability for most of the year.

Home Services
Home Services revenue was stable year on year, following very strong growth (+39%) in 2019. The first half of the year saw strong performance, as our ability to secure compelling offers and the attractive customer savings levels in the energy market were amplified by MSE's editorial focus. In the second half growth slowed as the level of savings available to customers fell, and energy market switching levels reduced. The lower savings available were caused by the energy price cap reduction which, combined with a rise in wholesale prices, meant fewer attractive tariffs were available from providers.

Home Comms performed well throughout the year, contributing almost 25% of revenue in Home Services, and seeing double-digit growth each quarter. Broadband was a significant driver of this, aided by consumer demand during lockdown and strong offers from providers.

Other
Within Other, Decision Tech's B2B business performed well, maintaining its good momentum with continued innovation in customer journeys. The B2C businesses also grew strongly. As mentioned, demand and supply for TSM were heavily affected by travel restrictions, leading to negligible revenue for most of the year.

Gross profit
Gross margin fell from 68.6% to 66.5% in 2020.

Approximately two thirds of this decline was due to the poorer conversion in Money that began in Q2 and continued for the rest of the year. The rest of the decline was mainly due to volatility in SEO positions for key insurance terms, with SEO positions in H1 weaker on average than in H1 2019. This means a lower proportion of customers came to us via natural search, leading to a fall in gross margin.

Gross margin benefited from the decline in travel insurance, a lower margin channel, but this was broadly offset by growth at Decision Tech, with B2B margins being structurally lower than the B2C margins of the rest of the Group. We continued to see a shift to mobile devices, where margins are lower than on desktop, with 57.4% of MSM visits coming from a mobile device (2019:53.6%). In 2020 however, we saw a significant decline in tablet mix, resulting in a shift towards (higher-margin) desktop. This shift broadly offset the 2020 impact from increased mobile mix.

Operating costs
for the year ended 31 December

	2020 £m	2019 £m	Growth %
Distribution expenses	**34.3**	29.9	15
Administrative expenses	**108.2**	118.2	(8)
Operating costs	**142.5**	148.1	(4)
Within administration expenses			
Amortisation of software	**13.9**	14.0	(1)
Amortisation of acquisition related intangible assets	**2.4**	2.4	0
Depreciation	**4.5**	4.5	0

Our planned £5m increase in brand marketing spend drove the increase in distribution expenses for the year.

Administrative expenses decreased by £10m driven primarily by materially lower incentive accruals, as well as tighter control of discretionary spend in response to COVID-19.

We anticipate that incentive costs will return in 2021. Overall, we expect operating costs (excluding depreciation and amortisation) to be slightly ahead of 2019 levels.

Financial Review continued

Adjusting items[1]

for the year ended 31 December

	2020 £m	2019 £m	Growth %
Amortisation of acquisition related intangible assets	**2.4**	2.4	0
Change in fair value of financial instrument	**(3.5)**	–	n.m
Strategy review and associated reorganisation costs	**–**	2.3	n.m
Total	**(1.1)**	4.7	n.m

The acquisitions of MSE in 2012 and Decision Tech in 2018 gave rise to intangible assets (excluding goodwill) of £12.9m and £8.7m respectively. These are each being amortised over a period of 3-10 years with a total charge of £2.4m (2019: £2.4m).

The change in fair value of financial instruments relates to a gain recognised on a call option to acquire the remaining share capital of CYTI, an existing technology partner for life, pet and travel insurance in which we already held a 28% investment at year end. Given the non-underlying nature and size of this gain, this has been treated as an adjusting item. More information on the CYTI investment is detailed below.

Prior year adjusting items included £2.3m of strategy related costs associated with the strategy review and reorganisation, including the Manchester relocation.

Key performance indicators

The Board reviews key performance indicators (KPIs) to assess the performance of the business against the Group's strategy. We measure five key strategic KPIs: estimated customer savings, net promoter score, active users, revenue per active user and marketing margin.

	31 December 2020	31 December 2019
Estimated customer savings	**£2.0bn**	£2.0bn
Net promoter score[1]	**72**	74
Active users	**11.5m**	13.1m
Revenue per active user	**£16.19**	£16.40
Marketing margin	**57%**	61%

Estimated customer savings:	This is calculated by multiplying sales volume against the average saving per product for core channels, the balance of the calculation is a company estimation.
Net promoter score:	The 12 monthly rolling average NPS (1 Jan 2020 – 31 Dec 2020 inclusive) measured by YouGov Brand Index service Recommend Score weighted by revenue for MoneySuperMarket and MoneySavingExpert to create a Group-wide NPS. [1]Note that prior to 2020, TravelSupermarket was included within this KPI and thus the 2019 figure has been restated.
Active users:	The number of unique accounts running enquiries in our core seven channels for MoneySuperMarket (car insurance, home insurance, life insurance, travel insurance, credit cards, loans and energy) in the last 12-month period.
Revenue per active user:	The revenue for the core seven MoneySuperMarket channels divided by the number of active users for the last 12 months.
Marketing margin:	The inverse relationship between revenue and total marketing spend represented as a percentage. Total marketing spend includes the direct cost of sales plus distribution expenses.

The significant travel restrictions, the tightening of lending criteria for credit products, and other COVID-19 issues affected several KPIs in 2020.

Despite this, we estimate MoneySuperMarket customers again saved £2.0bn in 2020. The lower volumes in credit cards and travel insurance from Q2 onwards were offset by higher savings levels in car insurance, and in energy during the first half.

Group NPS remained healthy at 72, with the decline of two points late in the year reflecting a trend experienced across our peer group. This strong score demonstrates that trust and satisfaction in our brands remains high, especially with MSE.

Travel insurance is a high-volume channel but, in comparison with other channels, has a lower revenue per policy for the Group and lower savings levels for consumers, given the relatively low cost of the product. The reduction in travel insurance volumes was the main reason why our active users, which peaked in Q1, closed the year significantly lower than 2019.

Revenue per active user continued to grow until the end of Q1 before falling sharply in Q2 and ending the year at £16.19. This was primarily due to a reduction in conversion in cards and loans, partially offset by improved conversion in car insurance.

The marketing margin reduction reflects the £5m increase in above the line marketing spend and the dynamics described under gross profit on page 31.

Alternative performance measures

We use a number of alternative (non-Generally Accepted Accounting Practice ("non-GAAP")) financial measures which are not defined within IFRS. The Board reviews adjusted EBITDA and adjusted EPS alongside GAAP measures when reviewing the performance of the Group. Executive management bonus targets include an adjusted EBITDA measure and the long-term incentive plans include an adjusted basic EPS measure.

The adjustments are separately disclosed and are usually items that are non-underlying to trading activities and that are significant in size. Alternative performance measures used within these statements are accompanied with a reference to the relevant GAAP measure and the adjustments made. These measures should be considered alongside the IFRS measures.

1 *Amortisation of acquisition related intangible assets and the change in fair value of financial instrument are not included in EBITDA and therefore are only adjusting items in the adjusted EPS calculation. In 2019, strategy review and associated reorganisation costs were included in EBITDA and so were adjusting items in the adjusted EBITDA and adjusted EPS calculations*

Dividends

The Board has recommended a final dividend of 8.61 pence per share (2019: 8.61p), making the proposed full year dividend 11.71 pence per share (2019: 11.71p). This reflects the ongoing strong cash generation of the business, strong balance sheet and the Board's confidence in the future prospects of the Group.

The final dividend will be paid on 20 May 2021 to shareholders on the register on 9 April 2021, subject to approval by shareholders at the Annual General Meeting to be held on 13 May 2021.

Tax

The effective tax rate of 21.1% (2019: 18.2%) is above the UK standard rate of 19.0% (2019: 19.0%). This is due to a charge arising from the revaluation of deferred tax liabilities following the Government announcement that the standard rate of corporation tax will no longer fall to 17% in the future. The Group expects the underlying effective rate to continue to approximate to the standard rate of corporation tax.

Earnings per share

Basic reported earnings per share for the year ended 31 December 2020 was 12.9p (2019: 17.7p). Adjusted basic earnings per ordinary share decreased 28% to 13.1p per share. This represents a larger decrease than at EBITDA level, due primarily to depreciation and amortisation charges remaining broadly flat year on year.

The adjusted earnings per ordinary share is based on profit before tax before the adjusting items detailed above. A tax rate of 19.0% (2019: 19.0%) is applied to calculate adjusted profit after tax.

Cash flow and balance sheet

The Group generated robust operating cash flows of £83.9m (2019: £113.7m) and finished the year with a net cash position of £23.6m (2019: £24.2m).

Working capital remained flat as both receivables and payables remained at similar levels to 2019. Whilst trade receivables fell in line with revenue, prepayments increased as the Group renewed certain key technology infrastructure contracts, prepaying for several years.

In terms of creditors, c.£8m of VAT payments were deferred into 2021 as the Group fell under the Government's automatic VAT payment deferral scheme. This was offset by a significant decrease in other payables due to the lack of incentive accrual at year end.

In the year there was also a one-off change to HMRC's corporation tax payment schedule, which resulted in corporation tax payments being £6.1m higher than our income statement charge. The Group also repaid £4.0m of loan notes which were part of the deferred consideration on acquisition of Decision Tech. At 31 December 2020, £0.8m of this deferred consideration remained outstanding and is due to be settled during 2021.

In December, the Group extended the duration of its revolving credit facility ("RCF"), replacing one lender and slightly reducing the committed funds to £90m. The facility now matures in September 2023. The Group also has an accordion option to apply for up to £100m of additional funds during the term of the RCF. At 31 December 2020, the RCF was undrawn.

Capital expenditure

During the year, we invested £1.3m refurbishing our Ewloe site creating a modern workplace for employees based there. All offices within our estate are now either recently refurbished or relatively recently opened, following the Spinningfields, Manchester office opening in 2019.

Our technology capital expenditure continued to fall in 2020 to £9.2m (2019: £10.6m), due to the continuing shift towards operating expenditure. In 2021, we expect technology capex to be in the region of £10m and the technology amortisation charge to be in the region of £15m.

The amortisation charge for 2021 will include accelerated amortisation of a number of data infrastructure assets. This is due to a transition to Google Cloud Platform in 2021 as part of the change to our data strategy announced today to make data more accessible and allow faster, more efficient and insightful analysis and decision making.

CYTI investment

In March 2020, the Group acquired a 28% shareholding in CYTI (for £2.8m) and took a call option to purchase the remainder of the business. The investment forged closer links with an important partner in our travel, life and pet insurance channels and gave the Group the option for more control over these key channels. In January 2021, the Group acquired the remaining share capital of CYTI for a cash amount of £1.4m (see note 14 and 28).

The COVID-19 travel restrictions materially impacted CYTI's financial results in 2020. Our option to acquire the business was based on a fixed multiple of profit after tax for the trailing twelve months before acquisition. This meant that at 31 December 2020 the option strike price was advantageous compared to the longer term valuation of CYTI, assuming the travel sector and therefore the profits of CYTI recover from the effects of the pandemic. This resulted in the call option having a value of £3.5m at year end which has been recognised as a derivative financial asset and a fair value gain on financial instrument was credited to the income statement.

FCA General Insurance review

The FCA is due to publish its policy statement on General Insurance pricing during Q2 2021.

We are supportive of the intent behind the reforms, which aligns to our purpose of helping households save money, and have engaged with the FCA to shape the detail of the reforms. The FCA proposed that the window for implementation would be four months after its financial statement is published, although we understand there will be consistent market feedback that a longer implementation period would be advisable.

Financial Review continued

We particularly welcome the FCA proposal to make it easier for consumers to opt out of policy auto-renewal across general insurance. This a consumer pain-point that can lead to them paying higher costs – and is a barrier to switching. The proposals to end 'price walking' within car and home insurance are likely to dampen switching levels in the medium to long term, which could mean customers find themselves on sub-optimal policies as their needs evolve. 'Price walking' is just one of several triggers for consumers to compare and switch policies. Other triggers include insurer-led changes (e.g. risk re-pricing, market premium inflation), direct risk changes (e.g. new car, accident), extrinsic risk changes (e.g. house move, neighbourhood flooding) and other reasons (e.g. poor service or ingrained price comparison behaviours).

Going concern

Having reassessed the emerging and principal risks, the Directors are satisfied that the Parent Company and its group have sufficient resources, liquidity and available bank facilities (set out in note 21 of the financial statements) to continue in operation for a period of in excess of 12 months from the date of this Report. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

The Directors have prepared the Consolidated Financial Statements on a going concern basis for the following reasons. The Group is profitable, cash generative and has no external debt other than the revolving credit facility, 'RCF', (£nil drawn as at 31 December 2020 and £nil drawn post year end, out of the £90m available). The operations of the business have been impacted by COVID-19 and whilst revenue and profit are lower than for the same period in 2019, the Group remains profitable, cash generative and compliant with the covenants of the RCF.

The Directors have prepared cash flow forecasts for the Group for a period in excess of 12 months from the date of approval of the Consolidated Financial Statements and have also considered the impact of COVID-19 upon the Group's business, financial position, and liquidity in severe, but plausible, downside scenarios, using stress testing and scenario modelling techniques. The scenarios modelled take into account the impacts of COVID-19 and include a base scenario derived from the Group's latest forecasts. The severe, but plausible, downside scenarios modelled, under a detailed exercise at a channel level, included minimal revenue recovery over the period of the cash flow forecasts, while conservatively assuming no operational cost mitigation actions are taken to reduce the cost base where reduced revenues are forecast. The impact these scenarios have on the financial resources, including the extent of utilisation of the available RCF and impact on covenant calculations has been modelled. The Directors also considered possible mitigating circumstances and actions in the event of such scenarios occurring, including the availability of the Group's banking facilities, reduction in the ordinary dividend payment, removal of future special dividends/ share buybacks or the slowdown of capital expenditure.

The scenarios tested showed that the Group will be able to operate at adequate levels of liquidity for a period in excess of the next 12 months from the date of signing the financial statements. The Directors, therefore, consider that the Group has adequate resources to continue in operational existence for a period in excess of 12 months from the date of approval of the financial statements and have prepared them on a going concern basis.

Scilla Grimble
Chief Financial Officer
17 February 2021

Viability statement

As required by Provision 31 of the 2018 UK Corporate Governance Code, the Directors have assessed the prospects of the Group over a three-year period to December 2023. In making this assessment the Directors took account of the Business Model and Principal Risks set out on pages 18 to 19 and 40 to 41 of the Strategic Report.

Business model

The Group has a simple business model – matching customers to the right providers. It uses online services to help customers to compare a wide range of products in one place and make an informed choice when taking out the product most suited to their needs.

For our providers, it offers an efficient and cost-effective way to reach a large volume of informed customers who are actively looking for a product. For the majority of our services, we receive a success-based marketing fee from the providers. This business model operates along the following principles:

- the Group relies on customer transactions for its revenues and does not have long-term contracted revenue streams;
- the Group makes money when its customers find the product they want, switch to it, and save themselves money;
- customers will continue to see value in shopping around for products and services and will aim to save money by doing so; and
- providers will have strategies of new customer acquisition and develop products and services to fulfil that strategy.

The Group's strategic priorities are: leading trusted brands; leading provider offer; customer experience optimisation; and new market growth including making price comparison more personalised and proactive; extending price comparison to new platforms; and enhancing mortgage price comparison.

The Strategic Report sets out the Group's performance on the main KPIs which the Board monitored for the year ended 31 December 2020. The Board monitors and reviews progress against three time horizons: quarterly to review and reforecast performance against the Annual Plan and Budget; annually to establish a clear Annual Plan and Budget that will deliver against the Strategic Plan; and a three-year Strategic Plan reassessed annually, to determine the strategy of the Group.

The Board noted the commentaries issued by the Financial Reporting Council suggesting that viability statements should be extended beyond a period of three years however, due to the nature of our economic, technological and regulatory environment, the Board did not consider it appropriate to alter its current time frame due to the following reasons:

- the expected life cycle of the Group's technology is three years and this reflects the frequent changes in the way that consumers choose to use technology;
- it is difficult to forecast revenues and costs beyond three years given that the Group's revenues and costs are not materially covered by long-term contracts; and
- within three years costs could be substantially restructured to compensate for a major fall in revenues.

As such, the Board proposes to keep the time frame as three years rather than extending beyond this.

Risk management

As part of the review of the strategic priorities, the Board identified the Group's emerging and principal risks around delivering these priorities which represent a risk or combination of risks in severe, but plausible, downside scenarios that can seriously affect the future prospects or reputation of the Group through threatening its business model, future performance, solvency or liquidity. These include changes in competitive environment and consumer demands, brand strength and reputation, data processing and protection, data security and cyber, business transformation and relevance to partners. In addition, the Directors believe that the Group faces risks around regulation, government policy and economic conditions (including the impact of the COVID-19) especially as that may influence the availability of attractive products for customers. The changes in the emerging and principal risks are outlined on page 40 to 41.

We have prepared cash flow forecasts for the Group for the period covered by the viability assessment and have considered the impact of COVID-19 upon the Group's business, financial position, and liquidity in severe, but plausible, downside scenarios, using stress testing and scenario analysis techniques. The scenarios modelled take into account the impacts of COVID-19 and include a base scenario derived from the Group's latest forecasts. The severe, but plausible, downside scenarios modelled, under a detailed exercise at a channel level, included minimal revenue recovery for the period of the cash flow forecasts, while conservatively assuming no operational cost mitigation actions are taken to reduce the cost base where reduced revenues are forecast. The impact these scenarios have on the financial resources, including the extent of utilisation of the available RCF and impact on covenant calculations has been modelled.

The risks described above were assessed in a range of scenarios, encompassing:

Scenario modelled	Principal risks covered
Macroeconomic downturn – the financial impact of COVID-19	• Economic conditions • Competitive environment and consumer demands
Regulatory changes – the financial impact of regulatory changes causing adverse market conditions	• Regulation • Economic conditions
Significant data breach – the financial impact of fines was considered along with the associated reputational damage	• Data processing and protection • Data security and cyber • Regulation

The results of the above scenario modelling showed that no individual event or severe, but plausible combination of events would have a financial impact sufficient to endanger the viability of the Group in the period assessed. We have assessed that the Group would be able to withstand the impact of such scenarios occurring over the assessment period.

The assessment consisted of scenario (stress) modelling including one combined scenario for the three scenarios identified. This stress test involved estimating the impact on revenues, adjusted EBITDA and net cash, together with reverse stress testing to identify the theoretical sensitivity that the Group could absorb. The Directors also considered possible mitigating circumstances and actions in the event of such scenarios occurring, including the availability of the Group's banking facilities, reduction in the ordinary dividend payment, removal of future special dividends/share buybacks or the slowdown of capital expenditure.

The Board manages risks across the Group through a formal risk identification and management framework, designed to ensure that risks are properly identified, prioritised, evaluated and mitigated to the extent possible. Key aspects of this framework include:

- a Risk Appetite Statement expressing the amount and type of risk the Board is willing to accept to achieve its strategic objectives;
- regular assessments of current and emerging risks being faced by the Group including internal control effectiveness and mitigating actions;
- risk metrics and thresholds which are monitored as potential indicators of risk;
- scenario planning based on the Principal Risks; and
- oversight from the Risk and Compliance and Internal Audit functions.

Viability assessment

In making its assessment of viability, the Board has considered the resilience of the Group using scenario modelling techniques based on the emerging and principal risks to test the Group's planned earnings, cash flows and viability over the three-year period along with the mitigating actions described above. Using its judgement on the likelihood of the emerging and principal risks and the probability of them being interrelated, the Board assessed the risks separately and in certain combinations of stressed scenarios. In arriving at its conclusion, the Board is making the assumption that the key aspects of customer and provider behaviour set out above which underpin the business model will continue. It is also assuming that customers and providers will continue to want to transact online.

Based on the Group's current position and the emerging and principal risks, together with the results of this robust assessment and the Group's ongoing risk management processes, the Directors have an expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of their assessment.

Risk Management

Risk management approach

Effective risk management is vital in enabling the Group to achieve its strategic objectives and to secure the business for the long term, whilst ensuring the desired outcomes for consumers. The Group's risk management framework, alongside its governance structure and system of internal control, gives the Board assurance that risks are being appropriately identified and managed, in line with its risk appetite

Governance and oversight

A governance and oversight structure is in place, with clearly defined lines of responsibility, accountability and delegation of authority.

The Board is ultimately responsible for the overall effectiveness of risk management across the business, supported by the Risk Committee. The Board delegates day-to-day responsibility to executive management. Executive management owns the Group risks, is responsible for ensuring that the business effectively manages risk and takes appropriate and timely action where issues are identified. The Risk Committee oversees executive management on behalf of the Board in the management of risks.

Horizon scanning is undertaken by the legal, risk and compliance teams in order to keep abreast of potential emerging risks. The Risk Committee's agenda retains flexibility in order to discuss the mitigation of emerging risks as they are identified.

The Board has carried out a robust assessment of the emerging and Principal Risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. Our Principal Risks and uncertainties are outlined on pages 40 and 41, along with a description of how they are being managed.

Risk management governance and oversight

- Framework, policy and procedures
- Roles and responsibilities
- Appetite and tolerance
- Risk registers and risk assessment

Risk management culture

- Values, behaviours and communication
- Training, education and awareness
- Embedding in decision-making
- Continuous improvement

Role	Responsibilities
Board	• Approval of Risk Appetite Framework and Statement for the Group. • Carry out an assessment (at least annually) of Principal Risks and effectiveness of risk management and internal control policies, and report to shareholders on such matters. • Assessment of the effectiveness of Risk Appetite Framework and system of internal control.
Risk Committee	• Advise the Board on Risk Appetite Framework and Statement for the Group. • Review and oversight of key risk themes. • Assessment of identification and measurement of risks. • Oversight of executive management in management of risks.
Management (1st Line of Defence)	• Ensure risk management is an integral part of implementing the business strategy. • Operate the business within set risk appetite and tolerances. • Responsibility for managing risks and implementing effective controls. • Implement appropriate processes to identify and evaluate risks.
Risk & Compliance (2nd Line of Defence)	• Monitor against Risk Appetite Framework and Statement and assess internal control effectiveness and management actions. • Develop and implement risk management policies and tools, and lead communication and training. • Monitor and update the key risk themes. • Co-ordinate appropriate and timely delivery of risk management information to executive management and the Risk Committee. • Advise and challenge management on risk management and internal control processes.
Internal Audit (3rd Line of Defence)	• Monitor effectiveness of risk management processes. • Perform tests of internal controls effectiveness. • Identify and agree corrective actions with management. • Liaise with Risk & Compliance function, including in relation to mapping of assurance activities to the Group's significant risks. • Report to the Audit Committee.

Risk Management continued

The Board performs an annual assessment of the risk management and internal control framework, covering financial, operational and compliance controls including the:

- assessment of the risk management framework for identifying and monitoring risks, with consideration of the integration with strategic and business planning processes. This is supported by independent reporting on risk management and internal controls by the Internal Audit function or independent third parties, including the external auditor;
- assessment of the extent, frequency and quality of risk management and internal control reporting;
- review of the resolution of issues arising from internal control failings or weaknesses; and
- review of the effectiveness of the financial reporting processes.

The Audit Committee makes a recommendation to the Board on internal control effectiveness which the Board considers, together with reports from the Risk Committee, in forming its own view on the effectiveness of risk management and internal control systems.

Risk management framework

During 2020, we have monitored the risks associated with the Group's current and future strategic priorities, overseen the Group's response to COVID-19 and the move to homeworking and strengthened the embedding of data security and cyber and data protection processes and controls risks. We have also updated our risk management framework to reflect regulatory developments such as the Senior Managers & Certification Regime.

Risk appetite

'Risk appetite' defines the level and type of risk the Group is able and willing to accept in order to achieve its strategic objectives. The Group's risk appetite influences the Group's culture and operating decisions, and is reflected in the way risk is managed. The Group Risk Appetite Statement is reviewed at least annually, in line with the strategic direction of the Group, recent experience and the regulatory environment, and is subject to Board approval.

There are certain risk areas where we have a very low or no appetite such as complying with applicable laws, including applicable regulatory requirements. This means that we take actions to avoid or eliminate this risk as far as possible. In other areas, such as strategy, we recognise the importance of managed risk-taking in order to achieve business objectives and goals.

Risk identification and assessment

The Group adopts formal risk identification and management processes which are designed to ensure that risks are properly identified and evaluated, in line with risk appetite. The identification of significant risks is informed using a bottom-up and top-down approach with each business area identifying new risks as well as reassessing those already being monitored. To aid in the identification of risks and development of associated mitigating actions, risks are categorised into strategic, financial and operational/conduct risks. Our regular and ongoing risk oversight culminates in a robust risk and control assessment at year end across all areas of the business, in order to understand the strength and performance of the controls in place, and potential gaps and weaknesses.

Management reporting

Timely and accurate management information is provided to the right people to support management decisions and manage risk effectively within the Group.

Reporting enables management: to have clear visibility of the most relevant risks; to identify areas of concern and/or priority; to have access to detailed information to enable root cause analysis and identification of underlying trends; and to identify, escalate and potentially mitigate the impact of new operational risk concerns in a timely manner.

Should risk exposures be identified as being outside the Group's risk appetite, this is escalated and reported to the Risk Committee, alongside clear action plans to bring the risk within tolerance, with appropriate timescales. The type and extent of any mitigating actions will be determined by the level and nature of the risk and the Group's risk appetite.

Future developments

We will continue to ensure that risk management is part of everyday business decision-making and is understood by our wider business. We will continue to develop our management information in the light of our strategic initiatives and ensure that specialist risk knowledge is readily available to each of our brands to enable them to take and be fully accountable for risk-based decisions, whilst providing an effective level of risk and compliance oversight for the Group.

We will continue to enhance our risk management framework in specific areas of focus, including cyber risks and operation resilience, as well as enabling the identification and mitigation of emerging risks.

The risks and opportunities presented by climate change will also be an area of focus for 2021. Whilst the impact of climate change has limited short-term effect on our business model and strategy, an assessment of how climate change may present potential risks and opportunities to our business in the medium to longer term will be undertaken, with a view to embedding climate change risk management within our existing risk management framework.

Our Principal Risks (as at 31 December 2020)

Outlined here are the Group's most significant risks that may affect our future. We assess the probability of the risk materialising and the impact of the risk on a residual basis (taking into account the benefit of mitigating controls).

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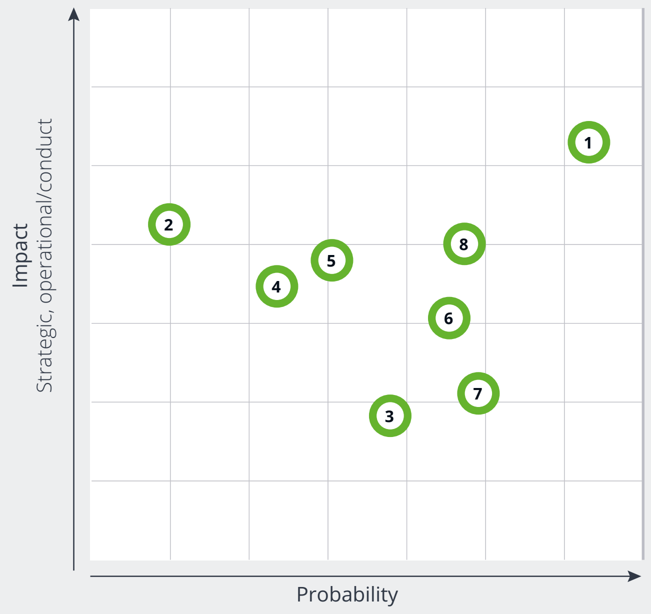


1	Competitive environment and consumer demands	A C
2	Brand strength and reputation	A B
3	Data processing and protection	B C
4	Data security and cyber	B C
5	Business transformation	A B C
6	Relevance to partners	B C
7	Economic conditions	A B C
8	Regulation	A B C

Strategic Priorities:

- A Efficient acquisition
- B Retain and grow
- C Expand our offer

Principal Risks & Uncertainties

The table below summarises the Board's view of the material strategic, financial and operational/conduct risks to the Group and how the Group seeks to mitigate them.

Risk area and trend	Description	Risk type	Strategic priority	Mitigating activities	Developments in 2020
Competitive environment and consumer demands (Increasing)	The Group operates in a dynamic and highly competitive marketplace with new competitors entering the market. We must continually innovate to keep ahead of competitors and changing consumer demands.	SR	A, C	Continuous innovation of new services and ongoing evolution of existing propositions. Regular engagement with consumers to understand changes in how they use our services. Investment in our technology platforms to improve customer experience and make comparing products easier.	MoneySuperMarket's mortgage holiday calculator was added to their new dashboard, which presents relevant and timely information to consumers. MoneySavingExpert launched two new energy switching journeys, as well as a new visual identity for the site. Decision Tech has continued to grow strongly during the year. We have more than doubled the number of live B2B energy switching partnerships.
Brand strength and reputation (Stable)	The Group must maintain consumer awareness of and engagement with its key brands.	SR	A, B	Investment in marketing across a range of media to maintain the Group's brands in consumers' minds. Our strong relationships with our providers allow us to offer exclusive and market-leading deals.	MoneySuperMarket's Money Calm Bull campaign ran across TV and billboard advertising, including a partnership with Channel 4. MoneySavingExpert became the authoritative voice on lockdown finance during COVID-19 providing relevant guidance on key financial issues. We refreshed MoneySavingExpert's visual identity and updated the 'Tip'.
Data processing and protection (Stable)	The Group must appropriately process and control the data our customers share. As a leading website operator, the Group may experience operational issues which result in incorrect or incomplete data being transferred to or from partners.	OR	B, C	Understanding and assessment of the data we collect from our customers and how we use it. Specialist data protection knowledge within our Risk & Compliance, Technology and Legal teams. Annual data protection training for all employees. Controls and monitoring of internal processes. Regular ongoing quality assurance procedures.	We have further strengthened our data protection and GDPR processes and controls focusing on Data Privacy Impact Assessments and improving processes to respond effectively to enhanced rights of consumers. We have enhanced our customer account authentication platform.
Data security and cyber risk (Increasing)	The Group must protect itself from security breaches or successful cyber attacks which could impact our ability to operate our websites and services.	OR	B, C	Rigorous monitoring and testing of the Group's systems and infrastructure. Enhancing controls to our data and systems through the implementation of our Information Security Management System ('ISMS').	We continue to invest in our cyber governance framework and ISMS. We have continued our programme of decommissioning of legacy data centres and initiated a refreshment of our aggregation engine technology.
Business transformation (Decreasing)	The Group must manage the implementation of our new strategic priorities appropriately, without our focus being disrupted. We must retain and recruit employees with strong industry, technology and marketing expertise.	OR, SR	A, B, C	Strong management structures which provide clear and straightforward responsibilities and accountabilities in the delivery of our strategic priorities. Effective governance arrangements to oversee implementation of strategic priorities. Structured approach to recruitment and retention of high-quality talent, combined with learning and development activities for existing employees.	We continue to embed our innovative and inclusive culture in the business and it remains a key priority as we seek to drive innovation for our users. Continued focus on management of our strategic objectives including efficient acquisition, retain and grow, and expanding our offer.
Relevance to partners (Stable)	The Group relies on its partners to access competitive products and technological integration to provide a seamless customer experience.	SR	B, C	Working closely with partners to ensure high-quality and appropriate products and to maximise the opportunities for partners to acquire customers in a cost-effective manner.	Strong relationships with partners enables us to access exclusive deals and offers for our customers.
Economic conditions (Increasing)	Weaknesses in the UK economy including those occurring as a result of COVID-19, may lead to more challenging conditions for the Group and financial performance.	SR	A, B, C	Maintaining a diversified business across a range of products. Regular monitoring of market conditions and environment. Focusing on maintaining control of our cost base. The continued diversity of the Group across a portfolio of brands and channels offers the Group protection from cyclical economic changes.	COVID-19 and the lockdown measures have significantly impacted our core markets, but our technology platform, secure infrastructure, inclusive culture and established working practices allowed us to continue to develop new and enhance existing propositions.
Regulation (Increasing)	The Group must understand and comply with existing and new regulatory requirements.	SR	A, B, C	We maintain regular and ongoing dialogue with key regulatory bodies. Our Risk and Compliance team works across the Group to ensure it remains compliant with new and existing regulations.	We have monitored and responded to new and emerging regulatory developments. We have proactively engaged with regulators, including the FCA (General Insurance Pricing Market Study, Insurance Distribution Directive and the Senior Managers & Certification Regime), Ofgem and the Competition and Markets Authority.

Risk trend:
- Increasing
- Decreasing
- Stable

Risk type:
- SR Strategic risk
- OR Operational/conduct risk

Strategic priority:
- A Efficient acquisition
- B Retain and grow
- C Expand our offer

Sustainability and Stakeholder Engagement

Engaging with our stakeholders

Engaging regularly with our stakeholders is fundamental to the way we do business. This ensures we operate in a balanced and responsible way, both in the short and longer term. We are committed to maintaining good communications and building positive relationships with all our stakeholders, as this is essential to strengthening our sustainable business

s.172 statement

The Directors of Moneysupermarket.com Group plc – and those of all UK companies – must act in accordance with a set of general duties. These duties are detailed in the Companies Act 2006 and include a duty to promote the success of the Company.

An explanation of how the Board performed its duties under s.172 of the Act is detailed on page 68 of the Corporate Governance Report. Further information on how we engage with our stakeholders is provided in the table opposite.

	Why it is important to engage	Stakeholders' key interests	How we engage

1. Employees	Employee engagement is critical to our success. We work to create a diverse and inclusive workplace where employees can reach their full potential. Engaging with our employees ensures we can retain and develop the best talent. During 2020, employee engagement has been adapted to reflect that the majority of employees are working from home, with increased communication and engagement via online mechanisms.	• Reputation
		• Reward
		• Career opportunities
		• Employee engagement
		• Training and development
		• Wellbeing
		• Health and Safety
		• Equality
			• Our mechanisms for engaging with employees and providing opportunities for them to meet with Executive and Non-Executive Directors include:
			  • Quarterly informal employee breakfasts
			  • Regular Q&A sessions
			  • End of week vlogs from the CEO
			  • Monthly management floor briefs, which are available on demand
			  • Strategy roadshows to update employees on our strategic focus and future plans
			  • 'Meet Peter' sessions to introduce employees to our new CEO
			  • Virtual coffees and breakfasts with members of the Board and the Exec
			• We have a designated NED Employee Champion, Sarah Warby, who has Board responsibility for championing the interests of employees by bringing their views to the boardroom, and an employee-led Group Employee Forum to feedback the needs, views and concerns of employees to the designated NED employee champion.
			• We have nine active employee resource groups ('ERGs'), including ERGs for mental health and inclusion of underrepresented groups, who we engage with to help ensure our people can thrive. Our ERGs have executive sponsors and regular contact with our designated NED employee champion.
			• We conduct a biannual employee engagement survey, and the results are reported to the Board. As part of the Board's commitment to the Race at Work Charter, a confidential microaggressions audit will be undertaken every six to twelve months. Material or cumulative incidents of microaggressions will be raised to the Board via the whistleblowing report.
			• We have an independent whistleblowing helpline to allow all staff to raise concerns confidentially.

2. Customers and Users	Understanding the needs of our customers allows us to provide relevant products and services where customers can make meaningful savings, in order to differentiate us from our competitors.	• Products and services' performance and efficiency • Competitiveness and value • Compliance and data protection • Range of products and services • Ease of use and convenience • Accurate and up-to-date information	• We undertake customer research including focus groups and surveys, with key insights shared with the Board and used to inform our strategy. • Our Board members listen to calls from customers to gain insight and receive reports on our customer NPS metric and other customer related KPIs. • We host a forum on MoneySavingExpert providing users with a community to share their views and ask money-saving questions. • Our user experience researchers are assessing the accessibility of MoneySuperMarket for visually impaired customers and users. • The voice of the customer is brought to the Board via the functional Customer Update agenda item which is presented biannually for MSM customers and annually for MSE users. Elements of customer voice which are specific to Home Services, Insure, Money, Travel and Decision Tech are brought to the Board through their specific agenda items.
3. Shareholders	Access to capital is vital to the long-term performance of our business. We ensure that we provide fair, balanced and understandable information to shareholders and equity analysts and work to ensure they have a strong understanding of our purpose, strategy, performance, culture, values and ambitions.	• Financial performance and economic impact • Governance and transparency • Operating and financial information • Confidence in the Company's leadership • Dividend growth and return on investment	• Our Directors and senior management engage with shareholders through regular updates, meetings and our AGM, at which shareholders can hear about our performance and put questions to the Board of Directors. • The Chair engages directly with our major shareholders to discuss governance matters, performance against strategy and any material changes. The chair of the Remuneration Committee also consults with shareholders in relation to our Remuneration Policy. • Feedback is gathered from key investors at results roadshows and investor conferences and tabled to the Board. • Investor Associations' voting recommendations and commentary on our general meeting resolutions and Annual Report is brought to the Board's attention ahead of a general meeting. • The investor relations section of our corporate website provides investor information and presentations, alongside other information reported to the market via the regulatory news service. • Analyst reports are provided to the Board, via our Board portal.

Sustainability and Stakeholder Engagement continued

	Why it is important to engage	Stakeholders' key interests	How we engage
4. Suppliers	Our suppliers are critical to our performance. We engage with our suppliers to build trusting relationships from which we can mutually benefit and to ensure that they are performing to our standards and conducting business to our expectations.	• Cost-efficiency • Long-term relationships • Responsible procurement, trust and ethics • Technological advances, including digital solutions • Payment practices	• We have a rigorous onboarding process to drive responsible procurement practices forward. This includes the General Data Protection Regulation ('GDPR') and information security, Modern Slavery, Anti-Bribery and environmental impact. • We engage our suppliers in a variety of ways including tender processes and more informal meetings and dialogue. These interactions cover a broad range of topics such as cost efficiencies and ways of working. • We conduct a 360-feedback programme with certain key suppliers, which provides insight into the supplier experience and ensures continual improvement. This programme will be rolled out more broadly to our supplier base in 2021. • Our top tier suppliers are overseen, and performance managed by a third-party management programme. • We monitor the diversity of our supply chain to gain a better understanding of how minority groups are represented across our supply chain. • In line with the BEIS response to their call for evidence 'Creating a Responsible Payment Culture', we report on our payments to suppliers.
5. Providers	We engage with our providers to build strong relationships and work collaboratively to identify opportunities to help our customers, including new and market-leading exclusive products.	• Long-term relationships • Trust and ethics • Efficient customer acquisitions • Value creation • Data	• Our Provider teams focus on managing the relationships with our providers across the different product types. • We work collaboratively with our top two tiers of providers to agree joint business plans, a highly successful initiative that has increased engagement. • We proactively engage with our providers to seek feedback on how we can improve the quality of relationships such that they are not simply transactional. • We have invested to enhance our provision of performance data to our insurance providers and launched a new version of our market IQ portal in 2020 to give insurers pricing insights. • We recognise that we have more to do to engage at senior level in our Money vertical, where trading has been tougher as a result of COVID-19 as providers tightened their lending criteria, and we are working to address this. • We ran a provider survey in May 2020. The results showed a high level of partner satisfaction, particularly in areas which had previously been flagged as concerns, such as the quality and consistency of our account management. • Whilst looking to hold and build on our operational and partner improvements, the focus of our partner specific development now needs to shift to meet data needs. This will be prioritised alongside other 2021 initiatives and should help underpin our ability to negotiate further rate increases in insurance and in particular, energy. • Key provider updates are brought to the Board through the Vertical agenda items for Home Services, Insurance, Money, Travel and B2B and in the annual strategy sessions.
6. Communities/ Charities	We are committed to building positive relationships with the communities in which we operate. We support communities and groups local to our offices and consider the environmental and social impacts of our operations.	• Local operational impact • Health and safety and environmental performance • Long-term partnership and strategic alignment	• We support charities local to our offices and beyond with fundraising and volunteering initiatives. Further, the Group has led several COVID-19 charitable initiatives, for example collaborating with a local charity in Flintshire to cook and deliver an average of 750 meals a week for the local community since the first lockdown. • As part of our partnership with The Prince's Trust which provides meaningful support to deprived young people over the long term, we set ourselves the goal of raising a further £100,000 by the end of the year. COVID-19 has meant that we have had to postpone all major fundraisers and all fundraising activities moved online. In June 2020, the Group announced its commitment to continue to fundraise throughout the year and, in addition, to make a one-off donation to The Prince's Trust to bring us to our 2020 fundraising target of £100,000. • The Board receives an annual update on our charities and communities initiatives from the Chief People Officer. • We strive to reduce our environmental impact and have met our goal of becoming 'Beyond Carbon Neutral' by the end of 2020. In order to further reduce our impact on the environment, the Green Team is working on initiatives to decrease our carbon emissions.
7. Regulators / Government	Open communications and dialogue help to create understanding of our business, strategy and culture and ensures regulatory and legislative compliance.	• Openness and transparency • Proactive and compliant with new regulations and legislation • Treating customers fairly • Impact on the environment	• We maintain regular and ongoing dialogue with key regulatory bodies, including the FCA, Ofgem and CMA and, where appropriate, the ICO, ASA and Ofcom; and our Risk & Compliance team works across the Group to ensure it remains compliant with any new and existing regulation. • We have monitored and responded to new and emerging regulatory developments, including the Senior Managers and Certification Regime and engaged with the FCA to ensure that we remain compliant. • Regular updates are provided to the Board as well as specific reports/updates on major interactions with regulators. • We continue to comply with our duties under the GDPR regime.

Sustainability and Stakeholder Engagement continued

Sustainability overview

The Board recognises that the management of safety, wellbeing, environmental, social and ethical matters forms a key element of effective corporate governance, which in turn supports the strategy, long-term performance and sustainability of the business

At Moneysupermarket Group, we understand that our behaviour, operations, and how we treat our employees all have an impact on the environment and society. We also understand the importance of aligning our purpose and strategy with responsible corporate decision-making to create value for our employees, customers, shareholders and society in a sustainable way. Our focus is to make a positive economic, environmental and social contribution not just to the communities in which we operate, but to the UK as a whole. Our commitment to reducing our environmental impact continues to be recognised with the Group being a constituent of the FTSE4Good Index Series, which measures the performance of companies demonstrating strong Environmental, Social and Governance ('ESG') practices. In 2019, we stated our commitment to becoming carbon neutral by the end of 2020. Not only did we meet this commitment, we surpassed it becoming Beyond Carbon Neutral and offsetting 150% of our carbon emissions. Further information on how we became Beyond Carbon Neutral and our other environmental initiatives is detailed on pages 52 to 55.

Our commitment to sustainability underlines the responsibility we have to our stakeholders to build long-term value. To enable us to do this, we focus on the following three key ESG elements:

- Minimising our environmental impact;
- Our social responsibility; and
- Robust governance and ethics.

Minimising our environmental impact

Recent years have seen important developments in the climate change agenda and growing momentum behind the drive to tackle greenhouse gas emissions. As a responsible business, we want to play our part in addressing environmental challenges, and our employees, customers and our other stakeholders expect this.

Whilst we may not be considered a major energy user, we are aware of the impact that we have and we have been working to reduce the carbon emissions associated with our operations. This has included investing in more environmentally friendly office space, evaluating our ways of working, and reducing the amount of materials we use and waste we generate. We have also embedded our carbon neutral initiative within the Group. See page 52 for more information. During 2021, we plan to embed climate-related governance and risk management and will make disclosures structured around the TCFD framework in our 2021 Annual Report. Further information can be found on page 54.

Inclusive Company List Ranking

17

Carbon Footprint Offset

150%

Our social responsibility

We are a responsible employer and recognise that our success is dependent upon the talent and diverse skill sets of our employees. We are committed to investing in our employees' health and wellbeing. Focus areas for 2020 included the health, safety and wellbeing of our employees, continuing to embed our culture of diversity and inclusion and promoting an environment where our employees can continue to grow and develop. See pages 48 to 51 for further details.

In addition to the Group's purpose of helping households save money, we want to do more to maximise the social value that we create. Through our partnership with The Prince's Trust, we strive to broaden and deepen our impact and create a lasting legacy by running a range of money management initiatives for young people.

Robust governance and ethics

The Group recognises that driving better corporate behaviours will provide improved returns over the longer term and we are committed to operating responsibly and with high ethical standards. We encourage innovation whilst championing best practice and strong corporate ethics to ensure that the impacts of our business activities are appropriately balanced.

We are proud of our robust corporate governance and risk management processes and have a range of policies designed to ensure that we maintain best practice in all our business activities. Our policies include Cyber Security, Data Protection, Modern Slavery and Anti-Bribery, and are accompanied by an interactive training programme to ensure that these principles remain front and centre in our employees' minds. See page 59 for further details.

People Case Study:
An employee's experience of joining the Group remotely

It was the usual mix of excitement and apprehension for starting a new job, during a global pandemic. Initially, I was concerned how the Group would adapt to the challenges of lockdown and how I would be onboarded into my role. Would I have to wait until the pandemic is over to get stuck into my role?

From day one, everything ran smoothly, from setting up my equipment, getting to know the business including the different teams and their roles/responsibilities. The team and management were always on hand to answer questions and provide guidance. I'm still impressed by how prepared everyone was to get myself and others set up from home.

It didn't take long before it became clear that I was working with a great leadership team, who embrace creativity and innovation to help drive a user experience and design culture throughout the business. This is something which is rare in many other organisations, so it made it even more special to be a part of this culture, vision and journey.

One of the benefits I've felt is the speed in which I've got to know people around the Group. The focus on connecting with colleagues has really helped me feel like I can be myself sooner. Understanding the wider company strategy and vision; being introduced and liaising with key stakeholders has been a big plus. The opportunity has enabled me to grow – challenging my experience and knowledge acquired from previous roles, allowing me to be a part of a forward-thinking and dynamic team who want to design, build and deliver great user-centric products to our ever-increasing customer base. I have gained insight on how other individuals and teams tackle problems, research, design solutions and test the output to measure success.

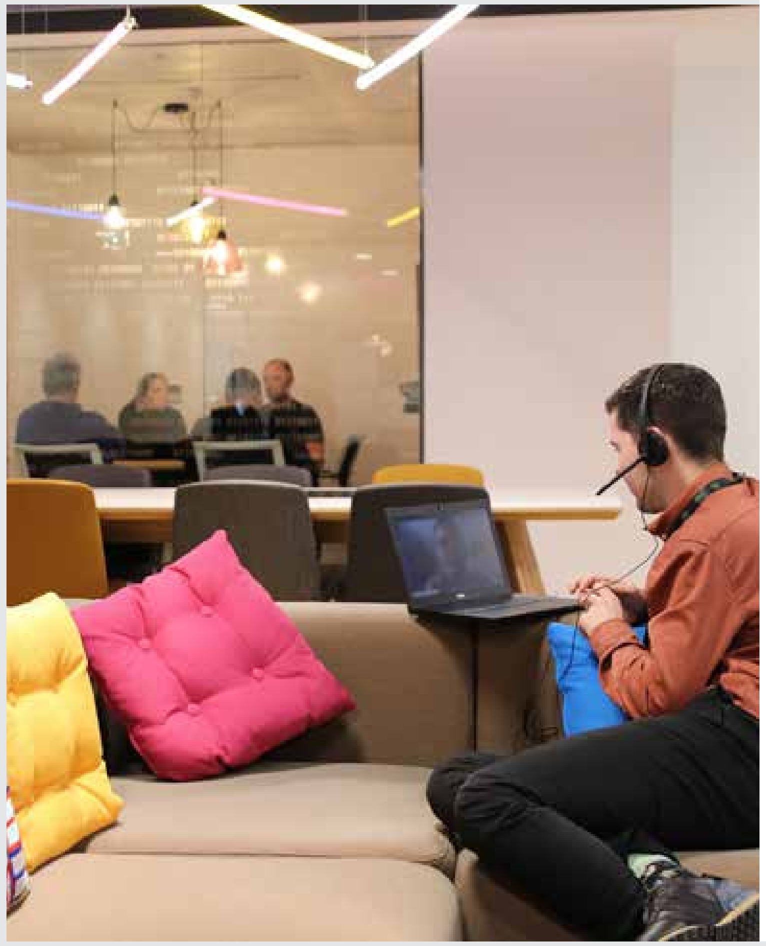
Overall, my first four months have been fantastic, the whole team have made me feel so welcome and I feel like I belong! I'm eager to contribute in helping the business progress and evolve and I'm looking forward to a long and exciting career at Moneysupermarket Group.

Baeddan Youd
Product Designer

Sustainability and Stakeholder Engagement continued

People and culture

Our people are the engine of our success. Delivering for our customers and users in the fast, evolving COVID-19 landscape has meant empowering everyone to work safely and collaboratively across the Group



At Moneysupermarket Group, we have been supporting our employees by investing in tools and training, nurturing an environment of inclusion and equality with the health, safety and wellbeing of our employees being the number one priority during 2020.

As the COVID-19 pandemic took hold, we moved all our employees to remote working, ahead of official Government guidance, increasing the frequency of internal communications and introduced paid COVID-19 Care Leave for parents of young children with no childcare support and key worker partners. We set out to safeguard jobs and balance resources by redeploying 30 employees across the Group and avoided drawing on any Government support. Enhanced mental health and wellbeing support became central to our day-to-day operations. These decisions drove overwhelming positive sentiment from our employees, which has been maintained throughout the crisis.

"I just wanted to say how proud I am to be working for MSMG right now. The speed that we pivoted towards full-time remote work and getting everything sorted for our staff has been incredible. Thank you to the Exec, IT and other relevant teams."

Priyanka Kruijen,
SEO Executive

Lockdown challenged us to find different, virtual ways of hiring and welcoming new joiners to the Group. From video interviewing using Microsoft Teams and completing the Right to Work checks virtually, to redesigning onboarding and welcome events – the end-to-end experience became completely digital. To enable us to connect with new joiners we couriered laptops to individual homes and welcomed people via a livestream. In total, during 2020 we welcomed 93 new joiners and appointed another 29 employees into new jobs, through promotion and progression moves.

Diversity, inclusion and equality

At Moneysupermarket Group, we are committed to embracing and promoting diversity, inclusion and equal opportunity and aspire to reflect the various diverse communities in which we operate. We also aim for employees to see themselves represented at all levels, have equal access to development and progression opportunities and not feel disadvantaged or unlawfully discriminated against.

During 2020, we launched our Race Equity Action Plan, a multi-year commitment to be anti-racist and improve ethnic minority representation at all levels of Moneysupermarket Group. To keep us externally accountable for progress, we've signed the Race at Work Charter, with our Board committing to zero-tolerance of bullying and harassment, and our CEO becoming the Executive sponsor for Race.

The plan includes employee education in understand and tackle everyday bias, microaggressions, white privilege and allyship. We've also delivered our first microaggressions audit which helped us better understand employee experiences of everyday bias, microaggressions and non-inclusive behaviours. The findings will inform targeted educational interventions in 2021.

The Group has been recognised at number 17 on the Inclusive Top 50 UK Employer List; an improvement of 19 places since last year.

"Thank you for adapting so quickly to the changing situation and being so inclusive of different situations and feelings. The roadmap to reopening is another example of this."

Emma Harvey
(Floor brief comment)

Gender diversity and gender pay gap

In 2020 our gender diversity continued to improve with women accounting for 44% of our workforce; a 2% increase on 2019.

At the time of submitting our Hampton-Alexander gender data in November 2020, the number of women in executive management stood at 40%, and women accounted for 41% of their direct reports – an improvement of 9 and 8% respectively. This means that we continue to exceed the Hampton-Alexander target of 33% for women in Executive management and amongst their direct reports.

Our long-term aim is to close our gender pay gap by addressing systemic barriers to balanced gender representation. In 2020 our mean gender pay gap reduced by 13.2% points to 5.3%. Unfortunately, our median gender pay gap has worsened for the second year. This is largely due to relative under-representation of women in our Technology and Data functions, and which reflects the wider UK challenge of female under-representation in technical roles. We are taking action to continue to minimise our gender pay gap, as outlined in the report on our corporate website at http://corporate.moneysupermarket.com

Ethnic diversity

We've started to proactively encourage employees to share their ethnicity data. We believe taking a transparent and data-driven approach is key to driving action and change. Together with our existing gender pay data, this will enable us to undertake an ethnicity equal pay audit and address any pay inequalities.

Our culture

We have further embedded behaviours of 'Create Belonging', 'Grow and Develop' and 'Innovate to Deliver' across employee experiences and processes from hiring, onboarding, performance management, to career levels and recognition. Our Group behaviours have become a common language and a clear everyday standard of what we believe in, value and expect of each other, irrespective of role. Our Employee Resource Groups and online communities are also key to developing an inclusive culture.

Our Employee Resource Groups help celebrate our differences, as well as challenge and expand our understanding of often new or complex issues. They focus on a range of topics, from mental and physical wellbeing to balanced representation, employee voice and the environment. They raise awareness through topical events such as mental health in the pandemic, cultural diversity, neurodiversity and reducing carbon footprint. Over 10% of all our people are involved in one of our groups.

The forming of online community groups has accelerated during COVID-19. These channels are the go-to places for support, tips and advice on topics such as parenting, neurodiversity, mental wellbeing and the menopause. A number of employees have also shared their personal stories through vlogs, virtual events and blogs.

Sustainability and Stakeholder Engagement continued

In 2020 we ran two employee engagement surveys and an additional survey focusing on employee wellbeing during the pandemic. 87% of employees have rated the Group's approach to managing through COVID-19 positively, with communications and effective decision-making scoring 90+ positive sentiment. The results followed our priority focus on employee wellbeing, flexibility and homeworking setup as well as an increase in communications frequency and CEO visibility.

"I think it's commendable that everyone from the business has taken to remote working so well."

Steven Robertson
(Floor brief comment)

A record high of 86% of our employees took part in our October 2020 engagement survey, which asked a variety of questions about culture and employee experience, including leadership, innovation, collaboration, career development, diversity and inclusion, and the ability to get things done. The results of the survey were shared with employees during the CEO floor brief and with the Board which facilitates visibility and discussion on our culture. Key improvements during the year included investment in leadership and management development and streamlining decision-making processes. Next we are turning our focus to how we work in future.

- 88% of employees believe their manager creates an environment where they can be themselves at work
- 84% of employees would recommend Moneysupermarket Group as a great place to work
- 82% of employees stated they are able to actively manage and balance their own work and time

Source: October 2020 Employee Engagement survey

In June we launched our new employer brand to showcase what it's like and what it takes to work at Moneysupermarket Group. This involved several employee listening and collaboration sessions to build talent profiles for prospective candidates to engage with during the attraction and hiring process. We also launched our new careers site, developed an employer brand toolkit and embedded the new brand identity into internal employee-facing communications.

We keep our employees actively involved and consulted about Group activities and business performance through a range of other communication channels, too. These include frequent CEO-led virtual floor briefs and vlogs, a biweekly e-newsletter, Microsoft Teams posts and corporate announcement emails. Following the appointment of Sarah Warby as Non-Executive Director Employee Champion in 2018, we introduced a programme of Employee Resource Groups listening meetings and Board Q&A sessions to provide the opportunity for employees to ask questions directly of Non-Executive Directors.

Learning and development

At Moneysupermarket Group personal development is fundamental and forms our 'Grow and Develop' behaviour. This guides our investment in development for everyone and our learning strategy, 'Freedom to Grow' which focuses on building skills, knowledge and experiences, as well as supporting sustainable business growth.

In 2020 we invested £430k in employee training, offering a broad and varied approach to personal and professional development, encouraging employees to explore what suits them best.

This year our focus on management and leadership capability saw the launch of LEAD, a Chartered Management Institute accredited leadership programme. Two cohorts of managers are currently completing LEAD by undertaking a series of interactive webinars, with stretch activities and assignments to demonstrate their learning, supported by one-to-one coaching. LEAD is funded by the Apprenticeship Levy (a level 5 qualification), meaning that managers commit to 20% of their time developing and practising these skills over a 12-month period.

Supporting LEAD, our newly crafted 'Manager Essentials' programme has opened to all managers. Focusing on practical management skills, these sessions cover topics from feedback and performance management through to managing mental health and career conversations.

The pandemic has enabled us to accelerate our digital learning strategy, from hosting online learning sessions all the way through to investing in a new Learning Experience Platform which aims to promote skill development and lifelong learning. Each employee now has learning resources available to develop skills, shape their career plans, track progress and monitor their development.

We continue to support employees by fully funding a wide range of professional qualifications (including CIMA, AAT, MSc Data Science) and continue to deliver internal events such as Strengthscope workshops and our bespoke Festival of Learning.

Other employee benefits

We offer a wide range of benefits supporting employee lifestyle, their future, health and wellbeing. These can all be tailored to suit individual needs. At the heart of our offering is 27 days holiday, a performance related bonus, life assurance at 4x salary, pension matched up to 5%, free breakfast and a free comprehensive employee assistance programme, LifeWorks, for guidance and support on a range of personal and professional matters. Alongside this we offer a range of flexible benefits including the opportunity to buy or sell holiday days, medical cover, gym memberships, as well as discounts on products and services. We also offer employees a variety of social and wellbeing activities, such as virtual lockdown challenges, quizzes, bake-off competitions, free yoga, Pilates and membership of the Headspace app.

We also offer employees an opportunity to share in the success of our business. Through our Employee Share Incentive Plan and Sharesave Scheme, employees can purchase ordinary shares in the Company, which encourages employee interest in the performance of the Group and alignment with shareholder interests.

Leaders engage and develop

In 2020 we launched LEAD. LEAD, a Chartered Management Institute accredited leadership programme, enables our leaders and future leaders to embed behaviours that will drive our culture, within our teams and beyond.

The 12-month programme is specifically designed to build the skills to be a great manager and leader. It includes workshops, experiences, coaching and stretch activities around self awareness, emotional intelligence, developing and leading teams, leading our business and developing influencing skills.

"I have been able to develop and refine my influencing and negotiating skills, as well as building up habits which ensure I am continually focusing on my development, as well as how I can support and evolve my team's development and their career progression."

Clara Toombs
Head of CRM strategy

Sustainability and Stakeholder Engagement continued

Minimising our environmental impact

We strive to reduce our environmental impact by reducing our carbon emissions and waste, and sourcing responsibly. We became 'Beyond Carbon Neutral' in 2020, offsetting 150% of our carbon footprint and we consider environmental and sustainability issues in all aspects of our operations and business activities

Key initiatives in 2020

During 2020 we continued to develop and drive environmental innovations across the Group. We have a proactive Green Team which devises and implements local energy-saving and waste reduction initiatives, including:

- The Ewloe office refurbishment is complete and incorporates several environmental initiatives;
- Progressed against out carbon reduction plan, including moving the Ewloe office to a 100% renewable energy tariff and sourcing food locally or through sustainable vendors;
- Offset 100% of our emissions with two certified offset projects, making the Group carbon neutral;
- Offset a further 50% of our emissions through a partnership with the Woodland Trust, planting 2,580 trees at a site in the North West;
- Increased employee awareness of green initiatives, including shared resources for Recycling Week and hosting of an external talk from WaterAid on the global water and santitation crisis;
- Introduction of car leasing benefit to incentivise employees to lease electric/low emission vehicles; and
- Appointment of Katherine Bellau as Executive sponsor to the Green Team.

Offsetting our carbon emissions via our investment in M-KOPA provides significant benefits

INCOME GENERATED

140,000
People generated income with an M-KOPA Solar system in 2018

$65
Research shows M-KOPA TV customers earn $65 per month, on average

PRODUCTIVITY

Children double study hours once a solar system enters the home and 94% of parents say school performance has improved too

46% of households used an M-KOP Solar system to suport a business or income-generated activity, worked longer hours or secured a new job thanks to the system

Nearly 100% of TV customers report improved access to critical information, such as news and vocational content

HEALTH & SAFETY

One-in-three customers experienced a physical accident, health complication or loss from harmful kerosene lanterns

MOST COMMON INCIDENTS INCLUDED:

22% BREATHING DIFFICULTIES

17% HOUSE FIRES

11% BURNS

60%
Report a health improvement once they replace kerosene lanterns with an M-KOPA Solar system

Case Study:
Beyond Carbon Neutral

To ensure that we not only reduce our negative impact but also have a long-lasting and positive legacy for the environment, we have mitigated 150% of our carbon footprint through investing 50/50 in two verified carbon offset projects and an additional 50% through tree planting in the UK in partnership with the Woodland Trust. This means we are a Beyond Carbon Neutral business.

Project 1, M-KOPA (Kenyan solar energy company)

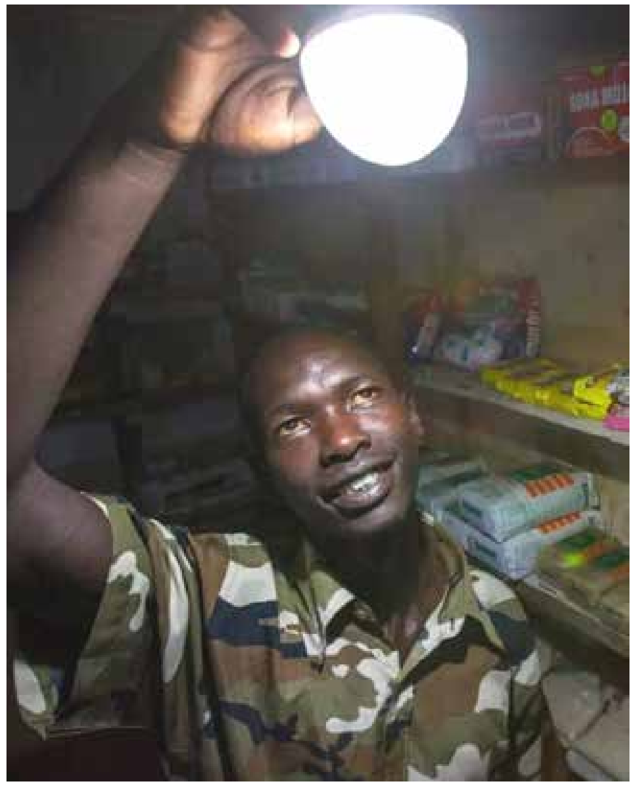
- As of September 2019, M-KOPA has connected over 750,000 homes in Kenya, Uganda and Tanzania to affordable solar power
- The use of solar lighting systems enables households to switch from high-cost kerosene to affordable, safe, off-grid renewable solar power, therefore reducing fossil fuel-based domestic energy needs
- The system comes with three LED solar lights, one of which can also be used as a torch, and a solar panel with a smart-charge-control lithium-ion battery
- In addition, households may also be provided with a solar rechargeable radio and a mobile phone charging cable
- M-KOPA has saved their customers approximately $650 over six years (through displacing kerosene and saving on phone charging expenditure), which amounts to over $400m in increased household budgets across their customer base

Project 2, Rudong wind power project (China)

- Onshore wind farm power plant with installed capacity of 100MW, located in Rudong County along the Huanghai Sea coastline of Jiangsu province, China
- All generated electricity is purchased by state-owned Jiangsu Power Company, which replaces the use of fossil fuel-fired power plants connected into the East China Power Grid. Estimated annual emission reductions are 199,251 tonnes of CO_2/year

Partnership with the Woodland Trust

- Through our 2019 assessment, we found MSMG's footprint is 1,031 tonnes CO_2e. It is generally considered that five trees are required to offset one tonne of carbon. We have planted 2,580 trees to offset an additional 50% of our carbon footprint. Tree density varies but an average of 1,000 trees per hectare equates to 2.5 hectares of new woodland planted as a result of our offset efforts
- We were hoping that employees would be able to take part in some tree planting with the Woodland Trust. Given the current circumstances, this was not possible and the Woodland Trust has planted the trees on our behalf.



Sustainability and Stakeholder Engagement continued

Our aims for 2021

- Remain Beyond Carbon Neutral whilst making further progress against our carbon reduction plan;
- To work towards compliance with the Task Force on Climate-Related Financial Disclosures;
- Our Green Teams will further engage our employees on climate change issues and share how to lead more sustainable lives through challenges, events and provision of resources;
- Completion of the Carbon Disclosure Project Questionnaire; and
- We will begin work to develop a 'Green Strategy' for the Group.

We recognise that we are only part-way through our sustainability journey. Together, with our Green Teams, we will continue to develop and implement initiatives in order to have a positive impact on our environment.

Greenhouse gas ('GHG') emissions

This section includes our mandatory reporting of greenhouse gas emissions and gloabl energy use pursuant to the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the streamlined energy and carbon reporting ('SECR') under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The methodology used to calculate our emissions is based on the GHG Protocol Corporate Standard. Emissions reported correspond with our financial year.

In addition to the disclosure of our Scope 1 and Scope 2 emissions, as required under SECR, we have also assessed our Scope 3 emissions in order to assess the wider impact of our business operations. Emission factors are from UK Government GHG conversion factors for Company Reporting.

Impact of COVID-19

We have seen a large decrease in our GHG emissions in 2020, largely driven by the move to remote working. Use of couriers increased as the Group utilised couriers to transport work equipments and other materials to employee homes. Emissions from the increase in couriers was more than compensated by the emission savings from reduced occupancy in offices and reduced travel.

Carbon reduction plan

We recognise that 2020 has been an unusual year and as such our carbon reduction plans will continue to be based on 2019, the year our baseline GHG assessment was carried out. During 2020, the following steps helped to reduce our GHG emissions:

- moving the Ewloe office to 100% renewable energy tariff;
- elimination of Scope 1 emissions arising from the Group's sole vehicle; and
- a 38% reduction in data energy use.

During 2021, we will continue to work on our carbon reduction plan, in line with global targets, to reduce our carbon emission as a far as possible. The plan will assume a return to usual operating patterns once COVID-19 restrictions are lifted.

Global energy use:

	kWhs	
Emissions from:	2020	2019
Scope 1: Heating Fuels	**180,844**	132,934
Scope 1: Company Vehicles	**0**	11,397
Scope 2: Purchased Electricity	**903,582**	1,300,573
Scope 3: Employee mileage	**20,537**	130,415
Total emissions	**1,104,963**	1,575,319

Greenhouse gas ('GHG') emissions in tonnes of CO_2e:

	Tonnes of CO_2e	
Emissions from:	2020	2019[1]
Scope 1 (Direct)	**33.25**	27.39
Scope 2 (Indirect)	**210.66**	332.43
Scope 3 (Indirect)	**5.09**	33.41
Total Gross Emissions	**249.00**	393.23
Carbon removal	**(249.00)**	(393.23)
Woodland Carbon	**(124.50)**	(196.61)
Total Net Emissions	**(124.50)**	(196.61)

1 *The baseline GHG assessment was conducted in 2019. As part of the 2020 assessment, we have reviewed the 2019 calculations and, where estimations were made in the event of incomplete data, revised the calculations as more detailed data became available.*

Intensity ratios:

	2020	2019
Floor area: kWh/sq.ft/year	**10.23**	14.25
Employees: t CO_2e/employee/year	**0.32**	0.48
Revenue: tCO_2e/£m/year	**0.72**	1.01

Task Force on Climate-Related Financial Disclosures ('TCFD')

We recognise the climate crisis and the role we must play to mitigate the impacts on both the wider world and our own business. Climate change could pose particular challenges to our production, supply chain and operations. We plan to embed climate-related governance and risk management during 2021 and will make disclosures structured around the TCFD framework in our 2021 Annual Report. We will develop the depth of our TCFD disclosure over time as we complete this analysis.

Governance

We recognise that evaluating and monitoring the challenges we face regarding climate change as a business requires the embedding of a climate change focused mindset, supported by an effective governance process. Climate-related governance will be implemented from 2021 onwards. This will include climate change related targets to further drive changes to our business practices. A key enabler of our activities in this area is our Green Team ERG who champion environmentally sustainable behaviours across the organisation. We will also create a TCFD working group who will be responsible for assessing and identifying risk as part of our risk management process.

Strategy

Reducing our impact on the environment will be embedded into our strategy, underpinned by environmental targets that have been informed using climate-related risks and opportunities that will be identified over the short, medium and long term. These targets will cover the areas that are most material to our business: the emissions we create, the waste we make, the sustainability of our supply chain, and the everyday culture of the business. In 2021, we will also conduct scenario analysis to understand the risks and opportunities climate change poses to the business, and the ways to mitigate and adapt to different possible outcomes. The results of our scenario analysis will inform our long-term strategic business planning.

Risk management

During 2021, the processes for identifying, assessing and managing climate-related risks will be integrated into the organisation's overall risk management processes, which are described on pages 36 to 39.

Metrics and targets

In 2019, we committed to becoming carbon neutral and this was achieved in 2020 by offsetting 150% of the Group's carbon emissions by investing in certified carbon offset projects. Further targets and metrics will be set during 2021, these will be supported by the actions of the Green Team.

Sustainability and Stakeholder Engagement continued

Community

Being an active contributor to our chosen charities and the communities in which we operate is a core part of our ethos.

We are proud to have supported diverse causes with our fundraising and volunteering initiatives. In addition to a full programme of fundraising activities, we encourage all our employees to help those in need using paid volunteering time

The Prince's Trust

In 2020 we entered into our second year of a three-year partnership with The Prince's Trust which helps disadvantaged young people aged 11-30 get into jobs, education and training. We took part in the Future Steps initiative in February which was a huge campaign encouraging employees to take sponsored exercise. Soon after that, all future planned fundraising events and our first ever internship programme had to be postponed due to the COVID-19 outbreak. Our fundraising efforts moved online, with employees taking part in 'The Great Create' craft sessions, a virtual Mount Everest challenge and the Big Quiz – hosted by our Executive team. In June 2020, the Company announced its commitment to continue to fundraise throughout the year and in addition, to make a one off donation to The Prince's Trust to bring us to our 2020 fundraising target of £100,000.

In August we launched our 'Phones for Futures' initiative, a collaboration between The Prince's Trust and Decision Tech – which remains ongoing. This recycling scheme encourages employees to donate their old and broken smartphones and iPads which raise critically needed funds. The fundraising year ended with some much needed cheer through an online '12 Days of Christmas' virtual raffle.

Through the Group's volunteering scheme and despite the challenging conditions of remote working, employees volunteered their time to work remotely with The Prince's Trust, facilitating different volunteering opportunities including employability workshops, money management courses and offering one-to-one mentoring.

The Prince's Trust is currently facing the most challenging time in its existence, both in terms of fundraising and volunteering. Many of the young people supported by the Trust have been disproportionally affected by the pandemic through job losses, particularly in the hospitality and retail sectors. The Group remains firmly committed to supporting the Trust in its final year of the partnership.

.community

As part of our response to the COVID-19 outbreak, Moneysupermarket Group doubled the .community budget in 2020 to £50k, which allowed us to support local community groups that had been significantly affected by the pandemic.

This meant that we have been able to:

- Support several local food banks with cash donations to see them through the year;
- Donate to many local support groups delivering food packages to those sheltering and communities in need during the lockdowns and the firebreak.

Our fantastic Bytes catering team in Ewloe have been making an average of 750 meals a week for the local community since the first lockdown. They have been working in partnership with Nanny Biscuit, a local not-for-profit community business launched at the start of the pandemic that has delivered emergency and subsidised food packs, and buddy phone calls to those isolating.

In addition, we have supported several local charities and hospices by funding PPE and other necessary equipment to keep their staff and residents safe during the pandemic. Our support has also extended to emergency accommodation organisations such as the Southall Black Sisters to support increased demand in shelter for those fleeing abusive homes.

The MSE Charity

Throughout 2020 MoneySavingExpert continued to donate to The MSE Charity, which gives grants of up to £7.5k to UK not-for-profit grassroots groups that provide education, information and support to help people learn how to manage their money better. Due to the COVID-19 pandemic the Charity had to suspend the March grant round and pivoted to support the assessment of applications to the Martin Lewis' Coronavirus Poverty Relief fund.

In September's 'Building and Developing Financial Resilience' grant round, the Charity donated a total of £58,467 to nine groups for projects starting in January 2021.

Case Study: Academoney

MoneySavingExpert and The Open University teamed up to launch an ambitious new project to help give the nation the skills and knowledge to master their finances with a new, completely free and independent course.

The course is made up of six sessions of study covering all key aspects of personal finance:

1. Making good spending decisions
2. Budgeting and taxation
3. Borrowing money
4. Understanding mortgages
5. Saving and investing
6. Planning for retirement

The course is totally flexible – students can study at their own pace, perhaps even choosing to complete just one topic to brush up. It is available to anyone wanting to improve their knowledge of personal finance for their own interest and financial capability, or, for those who work in the consumer help industries, it can provide some academic grounding to support their work.

"With such financial turmoil across our society, it's crucial everyone is properly financially educated, so we can improve our nation's poor financial capability, entrenched by a lack of early-life money lessons going back decades. Education is a form of financial self-defence, and so we're delighted to encourage people to tool themselves up in our 'Academoney'."

Martin Lewis, Founder of MSE

Sustainability and Stakeholder Engagement continued

Non-Financial Information Statement

We comply with the Non-Financial Reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. The below table outlines our position on non-financial matters and provides signposts to where these issues are addressed in the report

Reporting requirement	Policies and Standards which govern our approach	Additional information and risk management
Stakeholders	Group Data Protection Policy Code of Conduct	Stakeholder engagement pages 42 to 43 s172 statement pages 42, 67 to 68 Board activities page 67 Sustainability disclosures pages 46 to 57 Employee engagement pages 48 to 51, 69 Governance report pages 60 to – 75 Audit Committee report pages 82 to 87
Environmental	Environmental Policy	Sustainability disclosure pages 46 to 57
Employees	Code of Conduct Equal Opportunities and Diversity Policy Flexible Working – 'Work Your Way' Policy Whistleblowing Framework Health and Safety Policy Statement	Sustainability disclosure pages 46 to 57
Human Rights	Anti-Slavery and Human Trafficking Policy Code of Conduct	Page 58 Corporate Governance report pages 60 to 75
Social Matters	Anti-Slavery and Human Trafficking Policy Volunteering Guide (Time-Off Policy)	Sustainability disclosures pages 46 to 57 Directors' report pages 107 to 110
Anti-Corruption and Bribery	Anti-Bribery Policy Competition Law Policy Conflicts of Interest Policy Hospitality and Gifts Policy How to Buy Guidelines	See page 59
Principal Risks and Impact on the Business		Risk management pages 36 to 39 Principal risks pages 40 to 41 Business model pages 18 to 19 Risk Committee report pages 88 to 90
Description of Business Model		Business model pages 18 to 19

People

At Moneysupermarket Group, we understand that our behaviour, operations and how we treat our employees all have an impact on the environment and society. We recognise the importance of health and safety and the positive benefits to the Group. The Group has a Health and Safety Policy which is communicated to all employees through a health and safety handbook, which is regularly reviewed and updated. Behaving ethically is an essential part of working for our Group, fundamental to how we do business and vitally important to the reputation and success of our Group. Our Code of Conduct applies to all employees and sets out our commitment to:

- behave ethically;
- comply with relevant laws and regulations; and
- do the right thing.

Human Rights

Our Code of Conduct also confirms that we respect and uphold internationally proclaimed human rights principles as specified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work ('ILO Convention') and the United Nations' Universal Declaration of Human Rights. In addition, we have an Anti-Slavery and Human Trafficking Policy for suppliers and a separate one for employees. Training is provided to all employees on issues of modern slavery in conjunction with the Code of Conduct e-learning module. We have a zero-tolerance approach to modern slavery, are committed to acting ethically and with integrity in all our business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains. We publish our Modern Slavery Act Transparency Statement annually and this, together with previous statements, can be viewed on our website at http://corporate.moneysupermarket.com.

Anti-Corruption and Anti-Bribery

We also have Anti-Bribery and Anti-Corruption, Competition Law and Whistleblowing Policies that incorporate the Group's key principles and standards, governing business conduct towards our key stakeholder groups.

We believe we should treat all of these groups with honesty and integrity. Our Anti-Bribery Policy is supported by clear guidelines and processes for giving and accepting gifts and hospitality from third parties.

Whistleblowing

Our Whistleblowing Policy is supported by an external, confidential reporting hotline which enables employees of the Group to raise concerns in confidence. Any reported issues will be reported to the Audit Committee and, where appropriate, remedial actions taken.

Tax Policy

Our Group is guided by our purpose to help households save money. We believe that our business makes a valuable contribution to UK society and we are proud to have helped 11.5m active users to save an estimated £2.0bn on their households bills in 2020, by finding a better deal on their energy, insurance and banking products.

Alongside this, we want to make our contributions to the communities that our customers live in by paying the right amount of tax, at the right time. In 2020, we paid £24.8m in corporation tax and over £28.1m in other taxes (including VAT and employer's National Insurance). We are committed to acting with integrity and transparency in all tax matters. We will not support proposals to reduce our tax cost through implementing artificial structures, but we will seek to structure commercial transactions in an efficient and legitimate way. A copy of our tax strategy is available at http://corporate.moneysupermarket.com.

Dividend Policy

In determining the level of dividend in any year in accordance with the policy, the Board also considers a number of other factors that influence the proposed dividend through its annual and strategic planning processes and the scenario planning described below in our viability review section, which includes: the level of available distributable reserves in the parent company; future cash commitments and investment needs to sustain the long-term growth prospects of the business; potential strategic opportunities; a prudent buffer and the level of dividend cover.

Moneysupermarket.com Group plc, the parent company of the Group, is a non-trading investment holding company, which derives its distributable reserves from dividends paid by subsidiary companies. The Board reviews the level of distributable reserves in the parent company biannually, to align with the proposed interim and final dividend payments. The distributable reserves of the parent company approximate to the balance on the profit and loss account reserve, which at 31 December 2020 amounted to £112.6m (2019: £103.1m) (as disclosed in the Company balance sheet on page 147). The total external dividends relating to the year ended 31 December 2020 amount to £62.8m (2019: £62.8m).

The Group is well positioned to continue to fund its dividend, which is suitably covered by cash generated by the business. The distributable reserves are sufficient to pay dividends for a number of years as, when required, the parent company can receive dividends from its subsidiaries to increase its distributable reserves. Details on the Group's continuing viability and going concern can be found on pages 34 to 35.

The ability of the Board to maintain future dividend policy will be influenced by a number of the principal risks identified on pages 40 to 41 that could adversely impact the performance of the Group.

The Strategic Report was approved by the Board of Directors and signed on its behalf by:

Peter Duffy
Chief Executive Officer
17 February 2021

Chair's Introduction to Governance

Dear shareholder

I am pleased to present the Group's corporate governance statement for 2020

Robin Freestone
Chair

Board focus areas in 2020

- appointment and induction of new Chief Executive Officer;
- appointment and induction of two new independent Non-Executive Directors;
- oversaw the Group's response to COVID-19;
- robust assessment of the Group's strategy and strategic initiatives;
- monitored and reviewed the Group's emerging and principal risks;
- reviewed the Group's Diversity and Inclusion strategy;
- assessment of environmental initiatives, including progress made against the plan to become carbon neutral by the end of 2020; and
- continuing review of the 2018 UK Corporate Governance Code, with steps taken to achieve full compliance in 2020.

As a Board, we aim to maintain a governance structure which provides effective control and oversight of the Group, while promoting the entrepreneurial spirit which has been central to the Group's success in helping households save money. In this report we describe how our purpose, values and strategy are aligned with our culture and how we consider all our stakeholders in key decisions.

UK Corporate Governance Code

In our Corporate Governance Report on pages 65 to 75, we aim to provide a clear and meaningful explanation of how we as a Board lead the Group and discharge our governance duties. It also outlines the governance initiatives we have undertaken during the year. In reviewing our Board's effectiveness, we have taken into account the Financial Reporting Council's 2018 Guidance on Board Effectiveness and applied its guidance where appropriate. Our statement of compliance with the 2018 UK Corporate Governance Code is set out on page 66.

The Board also reviewed its governance framework to ensure it remains fit for purpose and is compliant with the SM&CR which now applies to solo-regulated firms and was implemented across the Group in December 2019.

Purpose and culture

The cultural tone of the business begins in the Boardroom. Our purpose of helping households save money is enabled by the behaviours that are embedded into our business and is aligned with our strategy. Together, these help to create a culture which optimises performance and delivers long-term results.

The Board endeavours to promote integrity and diversity of thought at all levels of the Group. We are committed to developing a diverse workforce and an inclusive working environment. This commitment is demonstrated in the implementation of our Diversity and Inclusion initiatives, including our commitment to the Race Equity at Work Charter.

Further details on our culture, purpose and values can be found in our Strategic Report on pages 2 to 59.

Board changes

We continue to operate a clear line of distinction between management, led by the CEO, who are responsible for the day-to-day running of the business, and the Board, acting under my leadership. The Board provides constructive challenge to management, an open culture and active debate, focused on creating and preserving value for our stakeholders.

As described in my Chair Statement on page 7, there have been some changes to the Board's composition during the year. Mark Lewis stepped down as CEO in August 2020 and Peter Duffy joined as CEO in September 2020 bringing with him significant experience of digital businesses and a dynamic leadership style.

Andrew Fisher stepped down from the Board in May 2020 and Supriya Uchil and James Bilefield joined the Board earlier this year. Our new members are all valuable additions and complement the diverse backgrounds and experience of our Board.

Looking forward

We will continue as a Board to maintain our high standards of corporate governance across the Group, underpinning the delivery of our strategy and our purpose. Over the next 12 months we will also be focused on delivering our social and environmental commitments, as well as the continued engagement of our employees and implementation of our Diversity and Inclusion strategy.

Robin Freestone
Chair
17 February 2021

Governance at a Glance

Board meeting attendance

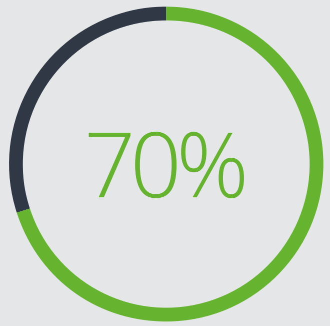
Read more in the Corporate Governance statement on pages 65 to 75

Female representation on our Board

Ethnic minority representation on our Board

Dividend per share in 2020

Employee commitment score for 2020



Glassdoor rating (out of 5)

Board changes

The Board spent a significant amount of time considering succession planning during the year. The Board appointed a new CEO and two new Non-Executive Directors in accordance with the Board's Diversity Policy:

- Mark Lewis retired on 31 August 2020 after three years as CEO;
- Andrew Fisher retired on 7 May 2020 after six years as a Non-Executive Director;
- Supriya Uchil joined the Board as an Independent Non-Executive Director on 1 March 2020;
- James Bilefield joined the Board as an Independent Non-Executive Director on 1 May 2020 and Chair of the Remuneration Committee on 21 May 2020.

Read more in the Nomination Committee report on pages 76 to 81

Governance improvements

- dedicated Board session reviewing risk management processes, including risk tolerances of the Group;
- reviewed the organisational structure of the Executive team; appointed a Chief Operating Officer, Chief Data Architect, Chief Data Scientist and an Interim Chief Product Officer;
- employee engagement mechanisms were enhanced to take into account the move to homeworking as a result of COVID-19;
- updated and approved the Matters Reserved for the Board and Board Committee's Terms of Reference.

Major Board decisions

- **Decision to pay final and interim dividend**
- **Strategy for Diversity & Inclusion Leadership**
- **Evolution of Group Strategy**

Read more in the Key Activities of the Board on page 67

Board of Directors

Who we are
Welcoming our new Board members

Selection process
During the year, we welcomed Peter Duffy, James Bilefield and Supriya Uchil to the Board. The Company has a formal, rigorous and transparent selection process for the appointment of new Directors. The Nomination Committee is responsible for identifying and nominating all Board candidates and, before any appointment is made, evaluates the mix of skills, experience, knowledge and diversity to ensure the correct balance is maintained.

Induction and onboarding
On joining the Board, it is the responsibility of the Chair and Company Secretary to ensure that all newly appointed Directors receive a full and formal induction, which is tailored to their individual needs. The induction programme includes a comprehensive overview of the Group, dedicated time with the Directors and Senior Management, as well as guidance on the duties, responsibilities and liabilities as a Director of a listed company.

Further information on both the selection process and induction programmes for Peter, Supriya and James is on pages 75 and 78.

Read about Board employee engagement on page 69

Read about key Board activities on page 67

Read about Board roles and responsibilities on page 70

Robin Freestone
Chair of the Board

Committees N

Term of Office: Robin was appointed to the Board as a Non-Executive Director in August 2015 and became Chair of the Board in May 2019.
Independent: On appointment.
Skills and Experience: Robin has transformation and diversification experience within leading global and digital businesses. He was Chief Financial Officer of Pearson PLC from 2006 to 2015, and Deputy Chief Financial Officer prior to that. Robin has also held a number of senior financial positions at Amersham plc (2000 to 2004), Henkel Ltd (1995 to 2000) and ICI plc (1984 to 1995).
External Appointments: Robin is the Senior Independent Director of Smith & Nephew PLC, Non-Executive Director of Aston Martin Lagonda Global Holdings plc and a Non-Executive Director and Chair of the Audit Committee of Capri Holdings Limited. He sits on the advisory board to the ICAEW's Financial Reporting Committee and also chairs the ICAEW's Corporate Governance Committee.

Peter Duffy
Chief Executive Officer

Term of Office: Peter was appointed to the Board as Chief Executive Officer in September 2020.
Independent: Not applicable.
Skills and Experience: Peter has extensive experience in digital businesses and a dynamic leadership style. He was previously CEO of Just Eat and before that was Chief Commercial Officer at easyJet and Marketing Director of Audi UK. Peter started his career in banking, holding positions with Barclays, Yorkshire Bank and TSB.
External Appointments: Peter is a Non-Executive Director of Close Brothers plc, where he is a member of the Risk Committee. He is currently President of ISBA – the UK trade body for leading British advertisers.

Scilla Grimble
Chief Financial Officer

Term of Office: Scilla was appointed to the Board as Chief Financial Officer in February 2019.
Independent: Not applicable.
Skills and Experience: Scilla has a strong financial background and extensive consumer experience. She was formerly Director of Group Finance and Interim Chief Financial Officer at Marks and Spencer Group Plc (2016 to 2018). Scilla previously held senior finance roles at Tesco PLC and was a managing director at UBS Investment Bank. Scilla is a qualified chartered accountant, having trained and qualified with PwC.
External Appointments: Scilla will join the Board of Taylor Wimpey plc as a Non-Executive Director with effect from 1 March 2021.

Sally James
Senior Independent Non-Executive Director

Committees A N Ri Re

Term of Office: Sally was appointed to the Board as a Non-Executive Director in April 2013 and became Senior Independent Director in May 2017.
Independent: Yes.
Skills and Experience: Sally has experience in the financial services sector having been a Non-Executive Director of UBS Limited (2009 to 2015) and before that she held a number of senior legal roles in investment banks in London and Chicago, including Managing Director and EMEA General Counsel at UBS Investment Bank from 2001 to 2008.
External Appointments: Sally is a Non-Executive Director of Rotork PLC where she is Senior Independent Director, a Non-Executive Director of Hermes Fund Managers Limited and a Non-Executive Director of Bank of America Europe D.A.C.

Sarah Warby
Non-Executive Director and Non-Executive Director Employee Champion

Committees A N Ri Re

Term of Office: Appointed to the Board as a Non-Executive Director in June 2018.
Independent: Yes.
Skills and Experience: Sarah has experience of building valuable brands across consumer sectors. She was previously Chief Executive Officer of Lovehoney and before that, Chief Growth Officer of HyperJar Ltd. Prior to that, Sarah was Chief Marketing Officer at J Sainsbury plc and Marketing Director of Heineken UK. She is a fellow of the Marketing Society and Marketing Academy and an adviser to the Museum of Brands.
External Appointments: Sarah is Chief Customer Officer at Nando's UK&I.

Caroline Britton
Independent Non-Executive Director

Committees A Ri Re

Term of Office: Caroline was appointed to the Board as a Non-Executive Director in September 2019.
Independent: Yes.
Skills and Experience: Caroline has a strong financial background, retiring as audit partner at Deloitte LLP after 30 years of service (2000 to 2018 as audit partner). Caroline is an FCA of the Institute of Chartered Accountants in England and Wales and holds an MA in Economics from Cambridge University.
External Appointments: Caroline is a member of the Audit, Finance and Investment Committee for Make-A-Wish Foundation International, Non-Executive Director and Chair of the Audit Committee of Sirius Real Estate and Non-Executive Director and Chair of the Audit Committee of Revolut Ltd.

Supriya Uchil
Non-Executive Director

Committees A N Ri Re

Term of Office: Appointed to the Board as a Non-Executive Director in March 2020.
Independent: Yes.
Skills and Experience: Supriya is the product-focused Non-Executive Director of Depop.com, a peer-to-peer social shopping app. Previously, she was Chief Product Officer of Booking Go, part of Booking.com, between 2016 and 2018, and prior to that held senior roles at Amazon.com. Supriya is also a product and digital transformation adviser.
External Appointments: Non-Executive Director of Depop.com, Chairwoman of the advisory board for Ounass and CEO of Accelerate Product.

James Bilefield
Non-Executive Director

Committees A N Ri Re

Term of Office: Appointed to the Board as a Non-Executive Director in May 2020.
Independent: Yes.
Skills and Experience: James is currently Chair of SThree plc and Non-Executive Director of Stagecoach Group plc, where he has served as a member of the Remuneration Committee since 2016. James was previously Non-Executive Chair of Cruise.co and Ticketscript. During his executive career, James held senior roles at Condé Nast, OpenX, Skype, Yahoo! and JP Morgan Chase.
External Appointments: Chair of SThree plc and Non-Executive Director of Stagecoach Group plc.

Katherine Bellau
Company Secretary and General Counsel

Term of Office: Katherine was appointed Company Secretary and General Counsel on 8 February 2019.
Skills and Experience: Katherine was appointed General Counsel and Company Secretary in February 2019. She joined the Group from MoneySavingExpert after overseeing its sale in 2012. Katherine's expertise covers legal, regulatory and governance issues and their impact on digital businesses. Previously, Katherine practised at two leading international law firms and lectured at The University of Law. She holds a Post-Graduate Diploma in Commercial Intellectual Property Law.
External Appointments: None.

Committee Membership

A Audit Committee
N Nomination Committee
Ri Risk Committee
Re Remuneration Committee
Denotes Chair

Our Governance Framework

The Board

The Board is responsible for the long-term sustainable success of the Group, with the overall aim of delivering shareholder value. Principally, we achieve this through:

- setting and monitoring strategy and ensuring the necessary resources are in place;
- providing entrepreneurial leadership within an effective risk management framework and internal control system; and
- reviewing management's performance.

The Board
Pages 62 to 63

Key Board Activities
Page 67

Division of Responsibilities
Pages 70 to 71

Audit Committee	Risk Committee	Remuneration Committee	Nomination Committee
The Audit Committee is responsible for ensuring appropriate challenge and governance of accounting treatment and the internal control environment and ensuring that the Annual Report as a whole is fair, balanced and understandable.	The Risk Committee is responsible for overseeing the Group's risk management framework, ensuring that risks are appropriately identified, managed and mitigated, and advising the Board on risk appetite, structure and culture.	The Remuneration Committee's key responsibility is to determine and apply the Remuneration Policy to ensure that it promotes the delivery of our strategy and the long-term sustainable success of the Group.	The Nomination Committee is responsible for reviewing the Board's size, structure and composition, including the recommendation of appointments to the Board, succession planning and development plans for the Board and overseeing the Group's diversity plans.

Audit Committee report
Pages 82 to 87

Risk Committee report
Pages 88 to 90

Remuneration Committee report
Pages 91 to 106

Nomination Committee report
Pages 76 to 81

CEO and Exec

Responsibility for the development and implementation of the Group's strategy and overall commercial objectives rests with the CEO, supported by the Executive team and Senior Leadership Group. The Executive team is responsible for day-to-day operations, for delivering results and for driving growth, ensuring this is done in a sustainable and ethical manner.

Corporate Governance Statement

Strategy

The Board is responsible for delivering value for shareholders by setting the Group's strategy and overseeing its implementation by the Executive Team and members of the Senior Leadership Group. High standards of corporate governance are critical to this, together with effective decision making that creates sustainable long-term value for the mutual benefit of all of our stakeholders. Further information on the delivery of our strategy is on pages 20 to 22.

Responsibility for the development and implementation of the strategy and overall strategic initiatives sits with the CEO who is supported by senior management.

The Board undertook a review of the Group's strategy at a number of meetings attended by the Board and senior management, where it received presentations on the strategies for the business and functional areas, as well as a review of the overall strategy. The Board also receives regular in-depth updates on progress against strategic initiatives.

Stakeholder engagement

The success of the Group's strategy is reliant on stakeholder engagement. The Board is focused on driving long-term sustainable performance for the benefit of our customers, shareholders and wider stakeholders. The Board does not seek to balance the interests of the Company and those of stakeholders. Instead, it considers all the relevant factors and chooses the course of action which is most likely to lead to the Group's long-term success. Further information on how the Group engages with its stakeholders and the Group's s.172 statement can be found on page 42.

Shareholder engagement

The Board actively seeks and encourages engagement with major institutional shareholders and other stakeholders. The CEO and CFO regularly meet with analysts and institutional shareholders to keep them informed of significant developments and to develop an understanding of their views which are then discussed with the Board. In addition, the CEO met with analysts and major shareholders as part of his induction programme. The Investor Relations team are also in regular contact with investors and analysts, via one-to-one meetings and investor conferences. During 2020, we had over 200 contacts with more than 100 existing and potential investors.

Formal presentations are given to analysts and shareholders covering the full-year and half-year results, and briefings are also given on quarterly trading. Virtual roadshows were attended by the CEO and CFO during the year to meet with our material and prospective UK and US investors. The Company also seeks to maintain a dialogue with various bodies which monitor the Company's governance policies and procedures. The Investor Relations Director generally deals with ad hoc queries from individual shareholders.

The Chair initiates contact with major shareholders after the Annual Report and Accounts is published to invite them to engage prior to the Annual General Meeting. It is also an opportunity to discuss important matters such as our strategy. The Remuneration Committee Chair also engages in discussion with shareholders on significant matters relating to executive remuneration, in particular any amendments or material changes to our remuneration policy. Our Senior Independent Non-Executive Director is available to shareholders if they have concerns which contact through the normal channels of the Chair, the CEO or the CFO has failed to resolve, or for which such contact is inappropriate.

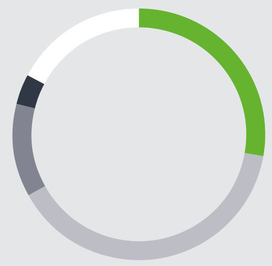
All Directors receive formal reports and briefings during the year about the Company's Investor Relations programme. Directors also receive detailed feedback obtained by the Company's brokers after meetings, allowing them to develop an understanding of the views of major shareholders. External analysts' reports on the Group are also regularly circulated to Directors. The Directors also receive investor feedback reports on quarterly results.

Annual General Meeting ('AGM')

Our 2020 AGM was held on 7 May 2020 at which shareholders representing 75% of the Company's issued share capital voted. We were delighted to receive in excess of 92% votes in favour for all of our resolutions, including over 99% approval to reappoint all our Directors. In response to COVID-19, the AGM was held as a closed meeting, with a quorum of two shareholders. Shareholders were given the opportunity to submit questions to the Board ahead of the AGM and a Q&A session was recorded and published on our corporate website.

Board Leadership and Company Purpose

Allocation of time



- **28%** Business Performance
- **39%** Strategy
- **12%** Finance and Investor Relations
- **4%** Leadership and employees
- **17%** Governance and Risk Management

Number of Board meetings

12

Corporate Governance Statement continued

2020 Board attendance

Board members	Meeting attendance
Robin Freestone	12/12
Scilla Grimble	12/12
Caroline Britton	12/12
Sally James	12/12
Sarah Warby	12/12
Supriya Uchil[1]	10/10
James Bilefield[2]	9/9
Mark Lewis[3]	8/8
Andrew Fisher[4]	4/4
Peter Duffy[5]	4/4

1 Supriya Uchil joined the Board on 1 March 2020.
2 James Bilefield joined the Board on 1 May 2020.
3 Andrew Fisher resigned as Director on 7 May 2020.
4 Mark Lewis stepped down as Director and CEO on 31 August 2020.
5 Peter Duffy joined as Director and CEO on 1 September 2020.

Ad hoc conference calls and Committee meetings were also convened to deal with specific matters which required attention between scheduled meetings.

Compliance with the 2018 UK Corporate Governance Code

The primary responsibility of the Board in complying with the 2018 UK Corporate Governance Code (the 'Code') is to provide effective, entrepreneurial leadership to ensure that it promotes the long-term success of the Company for the benefit of its members as a whole.

During the year ended 31 December 2020, we have been compliant with the provisions and principles contained in the Code. The table below shows where shareholders can evaluate how the Company has applied the principles of the Code and where key content can be found in this report.

The Financial Reporting Council ('FRC') is responsible for the publication and periodic review of the UK Corporate Governance Code, and this can be found on the FRC website www.frc.org.uk.

Section	Further information
Board Leadership and Company Purpose The cultural tone of the business begins in the Boardroom. The Board has established a clear purpose, set of values and strategy, taking into account the interests of our wider stakeholders. The right resources, structures and processes are in place to ensure that these are implemented throughout the Group.	Business model – pages 18 to 19 Risk management report – pages 36 to 39 Shareholder engagement – pages 42 to 43, 65 Workforce engagement – pages 42 to 43, 69
Division and Responsibilities The respective roles and responsibilities of the Executive and Non-Executive Directors are clear and consistently applied, providing for effective and constructive dialogue and clear accountability.	Board of Directors – pages 62 to 63 Division of responsibilities – page 70 Nomination Committee report – pages 76 to 81
Composition, Succession and Evaluation The Group has a strong Board with a balance of skills, experience, knowledge and diversity. The appointment process is rigorous and carefully applied, with annual evaluation keeping the effectiveness of the Board and its Committees under regular review.	Nomination Committee report – pages 76 to 81 Board skills and experience – page 73 Board evaluation – page 74
Audit, Risk and Internal Control The Board has established clear processes and procedures to ensure that risks are carefully identified, monitored and mitigated against and then reported externally in an open and transparent manner. This helps ensure that the Company's financial statements are fair, balanced and understandable. Effective risk management is critical to achieving our strategy.	Risk management report – pages 36 to 39 Audit Committee report – pages 82 to 87 Risk Committee report – pages 88 to 90
Remuneration Remuneration supports the Company's strategy and is appropriate to the size, nature, complexity and ambitions of the business. The Board aims to report in a clear manner, demonstrating that pay, performance and wider interests are aligned.	Business model – pages 18 to 19 Remuneration Committee report – pages 91 to 106

Key Board activities

Strategy

- oversaw the Group's response to COVID-19;
- undertook a review of the Group's strategy at a number of meetings attended by the Board and senior management, including a two-day strategy meeting at which we:
  - tested and reviewed the progress of the strategy and strategic priorities including optimisation, marketing, personalisation, data, customers, and corporate development;
  - approved the Investment Policy;
  - reviewed the markets in which we operate; and
  - reviewed the regulatory and risk environment in which we operate, with a focus on price comparison websites;
- approval of minority investment and option in CYTI;
- reviewed the Group's plans against the Board's risk appetite to ensure that our ambitions for the business are aligned with our ability to manage risk;
- reviewed various business development and investment opportunities; and
- held 'deep-dives' at our Board meetings into various aspects of the business including cyber security, third-party risk management and our strategic priorities.

Governance and risk management

- reviewed and revised our annual programme of business for the Board and each of the Committees, tailoring the deep dives to reflect our strategic priorities;
- progressed the actions from the 2019 external Board evaluation process and conducted an internal Board evaluation process, details of which are on page 74;
- reviewed our governance framework to ensure it remains fit for purpose and is compliant with SM&CR;
- considered whistleblowing processes throughout the Group and received a whistleblowing update;
- oversaw the implementation of upgrades to our cyber and data security capabilities;
- reviewed our application and compliance of the Code including receiving a stakeholder engagement update and reviewing our wider engagement mechanisms;
- considered, discussed and revised the Principal Risks and uncertainties, identifying emerging risks which could impact the Group;
- reviewed the effectiveness of our internal control and risk management processes; and
- received an update on environmental and climate change legislation.

Leadership and employees

- reappointed Sarah Warby as our Non-Executive Director Employee Champion and approved an enhanced programme of engagement activities with employees;
- received 'Employee Voice Updates' as a standing board agenda item for every meeting; and
- received updates on the Group's people and culture, organisational structure, diversity, talent management and employee engagement including reviewing results of employee surveys and feedback from the various employee focus groups (diversity and inclusion, mental health awareness and environmental matters).

Finance and investor relations

- approved the annual budget and financing strategy;
- approved audited financial statements for the year ended 31 December 2019;
- received reports and updates at each meeting on investor relations activities;
- reviewed capital allocation options including approving the interim dividend, recommending the final dividend to shareholders and approval of extension of the Group's RCF; and
- received updates on the finance data programme.

Business performance

- reviewed the strategic and operational performance of each of our businesses;
- reviewed market and trading updates and considered Group financial performance against budget and forecast; and
- agreed Group OKRs and KPIs for 2020 onwards which are aligned with the Group's strategic priorities.

s.172: How we bring the stakeholder voice into the Boardroom

- The Board receives a paper in each board pack reminding them of their s.172 and other Directors' duties and having regard to the Group's stakeholders when making decisions;
- The Board receives biannual updates from the Chief People Officer on people, culture, diversity, talent and engagement;
- 'Employee Voice Update' has been added as a standing agenda item and our NED Employee Champion, Sarah Warby, provides feedback on engagement sessions for further discussion by the Board;
- At the annual strategy meeting between the Board and Executive Team, potential impacts to stakeholders are discussed and considered, when deciding and agreeing on strategic initiatives;
- Members of the Board and the Executive Team meet with major shareholders and feedback is shared with the wider Board;
- Provider feedback is received through business updates given to the Board during the year;
- Customer and user updates are provided to the Board by the senior management team on a regular basis;
- Key advisers attend and contribute to Board and Committee meetings; and
- Regulatory updates are provided to the Risk Committee and, where appropriate, to the whole Board, including direct interaction with the FCA and other regulatory bodies.

Corporate Governance Statement continued

s.172 of the Companies Act 2006	Our approach
Long-term decision-making (s.172 (a)) The Board delegates day-to-day management and decision making to its senior management whilst maintaining oversight of the Company's performance, and reserves to itself specific matters for approval, including the strategic direction of the Group, M&A activity and entering into material contracts above set thresholds.	**In 2020 the Board:** • Received presentations on specific business areas and through ongoing discussion with members of senior management, determined strategic priorities in the context of our three-year plan, and the development of robust supporting operating plans; • Agreed the Group's principal risks, considered emerging risks and received regular risk management and internal control reviews throughout the year, including specific consideration of risks arising from COVID-19; • Set annual budgets and capital allocation and oversaw business performance against targets, enabling the Board to confirm the going concern statement and the Group's longer-term viability.
Employee interests (s.172(b)) The success of the Group depends upon a highly skilled and motivated workforce, and an entrepreneurial and innovative culture, set within structures that provide fairness for all.	**In 2020, the Board:** • Received updates from the NED Employee Champion on employee engagement; • Reviewed and amended employee engagement mechanisms to respond to a move to homeworking; • Received the results of the employee engagement surveys; • Assessed progress against the Group's Diversity and Inclusion Strategy, including a new commitment to the Race Equity at Work Charter; • Reviewed succession planning across the Group to ensure that both short-term and long-term interests are aligned between all stakeholder groups and the Company's values and culture.
Relations with external parties (s.172(c)) The Group works with a significant number and variety of customers, suppliers, providers and other third parties. It is of great importance that relations with those parties are appropriate.	**In 2020, the Board:** • Regularly considered the marketplaces within which the Group's customers operate and the challenges they face, and opportunities available. This helped shape the way in which resources were allocated in order to ensure that the Group was well-positioned to meet the needs of its third parties; • Received updates on provider surveys and implemented plans to address any issues raised.
Community and environment (s.172(d)) The Group seeks to ensure that it provides a positive contribution to the communities in which it operates and to the environment.	**In 2020 the Board:** • Continued its support of The Prince's Trust in addition to supporting local charities; • Achieved its aim of becoming Beyond Carbon Neutral, offsetting 150% of the Group's 2019 carbon emissions.
Reputation for high standards of business conduct (s.172(e)) The Board is responsible for developing a corporate culture across the Group that promotes integrity and transparency. It has established a comprehensive corporate governance framework and approves policies and procedures which promote corporate responsibility and ethical behaviour.	**In 2020 the Board:** • Received regular reports from the Chief Risk Officer designed to strengthen governance and compliance, and the identification and management of existing and emerging risks; • Received regular governance updates and training on key areas of law and regulation; • Approved the Company's Modern Slavery Act Statement, describing the steps it had taken to ensure that slavery and human trafficking were not taking place; • Reviewed the Group's implementation of the 2018 UK Corporate Governance Code, with steps taken to achieve full compliance in 2020.
Acting fairly as between members of the Company (s.172(f)) The Board aims to understand the views of shareholders and to always act in their best interests.	**In 2020 the Board:** • Maintained close relations with its main shareholders through regular dialogue, both after the publication of full-year and half-year results; • Recommended a final dividend payment be paid to shareholders; • Received Investor Relations updates at every Board meeting and direct feedback from investors during specific consultation exercises and on publication of trading results and updates.

A conversation with Sarah Warby, our NED Employee Champion

Sarah Warby
NED Employee Champion

2020 highlights

- adaption of employee engagement mechanisms to respond to COVID-19 and homeworking;
- increased and improved interaction between NEDs and employees ;
- 86% of employees participated in the employee engagement survey;
- vlog introductions from our newest Board members; and
- continued focus on employees' health, safety and wellbeing.

How would you describe the role of NED Employee Champion?

I have had the privilege of being appointed as NED Employee Champion and it is a rewarding and evolving role. As NED Employee Champion, I help the Board understand the views of employees and ensure that their interests are considered in Board discussions and decision making, providing challenge to the Executive Directors as required. I do this by getting to know our employees and understanding their perspectives and opinions.

The various engagement mechanisms we have in place through the year, including regular meetings with our Employee Resource Groups, allow me and my fellow Non-Executive Directors to meet a variety of employees and gather their views and experiences of working at Moneysupermarket Group. This feedback is communicated to the Board via a standing Employee Engagement agenda item and, where appropriate action is required, communicated to senior management for following through. Feedback is then provided to employees on steps taken to address their concerns, or an explanation provided as to why particular steps have not been taken. The formal role of NED Employee Champion is in its second year and whilst we continue to see positive results, I will continue to evolve and develop the role into 2021.

2020 has been an unprecedented year – how has this impacted employee engagement?

Employee engagement has remained a priority throughout 2020 as employees responded to the challenges of homeworking. Many of the engagement mechanisms used in previous years had to be amended, adapted or scrapped in favour of virtual coffees and communication via Teams channels. I am pleased to confirm that as well as increasing internal communications, new methods of employee engagement were implemented, including virtual breakfasts and Q&A sessions with the Board; and the direct interaction between Non-Executive Directors and employees continued.

A key focus in 2020, as in prior years, was the health, safety and wellbeing of our employees. Our response to COVID-19 was communicated to employees on a regular basis to aid transparency of decision making and feedback from employees was shared with my fellow Directors. In addition to our usual biannual employee engagement surveys, we also carried out an additional employee survey focussing on employee wellbeing, the results of which were shared with the Board.

Despite the challenges of COVID-19, we have ensured that the employee voice remains heard and that their feedback is shared with the Board. We have responded proactively to concerns raised, including the implementation of the COVID-19 Care Leave, additional investment in learning and development and streamlining decision-making processes.

Considering the interests of our stakeholders

The Board has continued to consider the interests of all of our stakeholders when responding to the impact of COVID-19 on the Group.

At the start of lockdown, the Board took the decision not to take advantage of the Government's Coronavirus Job Retention Scheme ('furlough'). Where roles were impacted by lockdown measures, we temporarily redeployed employees into other roles/new projects. In addition, we adapted its Work Your Way flexible working model to include time shifting, using annual leave in non-standard ways, for example reducing the working day by deploying one day's annual leave over several days, and unpaid leave.

Our primary aim was to continue to maintain our business at close to full capacity during COVID-19, in a time where we had increased responsibility to our customers and users to help ease the significant financial anxiety that COVID-19 created.

As lockdown continued, we received feedback that some of our employees found themselves in a position of having extremely limited availability for work, either due to having very young children and/or no co-parenting support.

In response to this feedback, we introduced a furlough equivalent, a Group funded 'COVID-19 care leave' to support our employees facing hardship due to childcare issues. The purpose of COVID-19 care leave is to mirror furlough and to ensure that employees who need to significantly reduce their working hours would not be worse off financially than if they had been furloughed.

Corporate Governance Statement continued

Division of responsibilities

Roles and responsibilities

Board members have clearly defined roles and responsibilities, as set out in the table below. As set out in their biographies on pages 62 to 63, each member of the Board has a range of skills and experience that is relevant to the successful operation of the Group.

Independence of Non-Executive Directors

The Nomination Committee reviews the independence of the Non-Executive Directors annually and has confirmed to the Board that it considers each of the Chair and the Non-Executive Directors to be independent in accordance with the Code.

Time commitment

All Non-Executive Directors are required to devote sufficient time to meet their Board responsibilities and demonstrate commitment to their role. During the year, the Nomination Committee considered the time commitment of all the Directors and agreed that the required time commitment from them is still appropriate.

External appointments

In accordance with the Code, full Board approval is sought prior to a Director accepting an external appointment. Prior to the approval of any external appointments, the Board considers the time commitment required by Directors to perform their duties effectively. As part of the selection process for any new Board candidates, any significant time commitments are considered before an appointment is agreed.

Access to advice

Should any Director judge it necessary to seek independent legal advice about the performance of their duties with the Company, they are entitled to do so at the Company's expense. All Directors have access to the advice and services of the Company Secretary.

Roles and responsibilities table

Role	Name	Responsibility
Chair	Robin Freestone	• leading the Board and ensuring its effectiveness in all aspects of its role; • promoting the highest standards of corporate governance; • facilitating effective contribution of Non-Executive Directors and encouraging active engagement by all Directors, with the appropriate level of challenge by all Directors; • ensuring the Board receives accurate, timely and clear information and is consulted on all matters important to it; • ensuring the Board considers the interests of stakeholders and reviews mechanisms for engagement with stakeholders; and • ensuring the Company maintains effective communication with shareholders and communicating their views to the Board.
CEO	Peter Duffy	• leading the performance and management of the Group; • proposing strategies, business plans and policies to the Board; • ensuring effective implementation of the Board's decisions; • maintaining an effective framework of internal controls and risk management; and • leading, motivating and monitoring performance of the Company's executive management, and focusing on succession planning for the executive management.
CFO	Scilla Grimble	• supporting the CEO in developing and implementing strategy; • overseeing the day-to-day financial activities of the Group; and • together with the CEO, ensuring that policies and practices set by the Board are adopted at all levels of the Group.
Senior Independent Director	Sally James	• meeting with the Company's shareholders and representative bodies when requested and, if necessary, discussing matters with them where it would be inappropriate for those discussions to take place with either the Chair or the CEO; • acting as a sounding board for the Chair and as an intermediary for the other Directors when necessary; and • leading the annual appraisal and review of the Chair's performance.
Non-Executive Directors	James Bilefield Caroline Britton Supriya Uchil Sarah Warby	• bringing external perspective, independent judgement and objectivity to the Board's deliberations and decision making; and • constructively challenging the Executive Directors and senior management team and helping develop proposals on strategy.
Non-Executive Director Employee Champion	Sarah Warby	• helping the Board to establish what channels of engagement are appropriate, in order to gather and bring the views and experiences of the workforce into the Boardroom; • working with the Board to take appropriate steps to evaluate, and where possible mitigate, the impact that the Board's proposals and decisions may have on the workforce; • challenging the Executive Directors, when required, as to the way in which workforce engagement is undertaken and the steps to be taken to address workforce concerns arising out of business-as-usual activities; and • giving feedback to employees, where appropriate, on steps taken to address their concerns or explain why particular steps have not been taken.
Company Secretary	Katherine Bellau	• managing the provision of timely, accurate and considered information to the Board; • recommending corporate governance policies and practices to the Chair and CEO; and • advising the Board and its Committees on corporate governance and compliance within the Group and appropriate procedures for the management of their meetings and duties.

Risk management and internal control

The Board has overall responsibility for setting the risk appetite of the Group, maintaining the Group's risk management and internal control system and reviewing the system's effectiveness. We have an ongoing process for identifying, evaluating and managing the Principal Risks faced by the Group which has been in place for the year under review and up to the date of approval of the Annual Report. The Risk Committee and the Audit Committee assist us in discharging these duties.

A description of the process for managing risk together with a description of the emerging and Principal Risks and strategies to mitigate those risks, is provided on pages 36 to 41.

The main features of the Group's risk management and internal controls in respect of financial reporting and the preparation of accounts are:

- a comprehensive annual business planning and budgeting process, requiring Board approval, through which risks are identified and appraised;
- a comprehensive financial reporting system, regularly enhanced, within which actual and forecast results are compared with approved budgets and the previous year's figures on a monthly basis and reviewed by the Board;
- a review of Group policies relating to the maintenance of accounting records, transaction reporting and key financial control procedures;
- an investment evaluation procedure to ensure an appropriate level of approval for all capital expenditure and other capitalised costs;
- monthly finance team meetings which include reviews of internal financial reporting issues and financial control monitoring; and
- ongoing training and development of financial reporting employees.

Other controls in place to manage our business in accordance with our Risk Appetite Framework include:

- an annual strategy meeting to discuss and approve the Group's strategic direction, plans and objectives and the challenges to achieving them;
- a schedule of matters reserved for approval by the Board to ensure it maintains control over appropriate strategic, financial, organisational, compliance and capital investment issues;
- an organisational governance structure with clearly defined lines of responsibility and delegation of authority;
- a formal risk management framework with supporting policies and procedures manuals;
- regular reviews of the Principal Risks facing the Group to ensure they are being identified, evaluated and appropriately managed;
- a process for regular assessment of the effectiveness of key internal controls across the Group;
- a Risk & Compliance function responsible for overseeing the implementation of the Risk Appetite Framework;
- an Internal Audit function providing assurance over key risks, processes and controls; and
- a whistleblowing hotline which employees can use to report any instances of suspected wrongdoing.

Our internal control effectiveness is assessed through the performance of regular checks, which in 2020 included the following areas:

- reviewing and testing the Group's financial reporting processes;
- completion of the Group's internal audit plan;
- performing compliance business partnering and monitoring activities including financial promotion reviews and call listening;
- assessment of the identification and management of risks connected to the Group's capital investment programme;
- assessment of the Group's processes for identifying and mitigating potential conflicts of interest;
- assessment of the identification and management of technology risks across the Group, including cyber risk, data security and change management; and
- monitoring the completion of the Group's mandatory 'Introduction to Regulation', data protection, cyber security and Code of Conduct training for new starters and refresher training for all employees.

Corporate Governance Statement continued

Risk review and assessment

The Group's systems and procedures are designed to identify and manage and, where practicable, reduce and mitigate the risk of failing to achieve the Group's objectives. They are not designed to eliminate such risk, but the Group seeks to understand its key risks and manage them within our risk appetite.

Each year the Group's Principal Risks and the Group Risk Appetite Framework and Statement are reviewed by the Board. During these reviews, the Board takes account of the significance of any environmental, social and governance matters to the business of the Group, ensuring any related risks and associated mitigation have been identified.

The risk register is a key element in our risk management framework and is used in the assessment and reporting of key risks being managed by the Group. Senior management work alongside the Risk & Compliance function to ensure the risk register incorporates any new risks and movements in risks. The risk register is managed by the Risk & Compliance function, risks and internal controls are owned by a member of the Executive team who is responsible for the ongoing effectiveness assessment and the delivery of mitigating actions. Robust risk and control assessments are regularly carried out across all areas of the business, in order to understand the strength and performance of the controls in place, and potential gaps and weaknesses. The results of risk register assessments together with risks identified through other tools within our Risk Management framework, including findings from Internal Audit and Risk & Compliance monitoring are reviewed on a regular basis by the Risk Committee.

The Risk & Compliance function provides challenge to management in their assessment and management of risks with particular focus on the actions being taken to reduce risk. Reporting to the Executive team and Risk Committee provides clear visibility of the most significant risks, identifies areas of concern and/or priority, analyses root cause and identifies underlying trends. Reporting to the Risk Committee enables the Directors to have clear visibility of the most significant risks; identify areas of concern and/or priority; and ensure actions to potentially mitigate the impact of new risks are taken in a timely manner. Twice a year the Board reviews the Group's Principal Risks and the Group Risk Appetite Framework and Statement. During these reviews it also takes account of the significance of any environmental, social and governance matters to the business of the Group, ensuring any related risks and associated mitigation have been identified.

Process for review of effectiveness

The Audit Committee is responsible for reviewing the effectiveness of the systems of internal controls. The steps it takes in relation to the review are set out on pages 38 and 86. The Audit Committee makes a recommendation to the Board on effectiveness, which the Board considers, together with reports from the Risk Committee, in forming its own view on the effectiveness of the risk management and internal control systems.

We regularly review and update our internal control and risk management processes. During 2020, the Board reviewed the effectiveness of the Group's risk management and internal control systems. We confirm that the processes outlined above and on pages 36 to 39 and 86 have been in place for the year under review and up to the date of approval of this Annual Report, and that these processes accord with the 2018 Corporate Governance Code and the FRC Guidance on Risk Management, Internal Control and Related Financial and Business Reporting (September 2016 version). We have strengthened and expect to continue to embed enhanced controls in respect of cyber security and data privacy. A summary of actions we have taken in 2020 is set out in the Risk Committee Report on pages 88 to 90. The Board has carried out a robust assessment of the emerging and Principal Risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity and these, together with how they are managed or mitigated, are set out on pages 40 to 41.

Composition, succession and evaluation

Board composition

Our Board comprises the Chair (who was independent on appointment), five independent Non-Executive Directors and two Executive Directors. The details of their career background, relevant skills, Committee membership, tenure and external appointments are set out on pages 62 to 63. Further details on the role of the Chair and members of the Board can be found on page 70. The Chair, Senior Independent Director and Non-Executive Directors are appointed for a three-year term, subject to annual re-election by shareholders following consideration of the annual Board effectiveness evaluation. The composition of our Board has been an area of focus this year for the Nomination Committee to ensure that it retains the necessary balance of skills, experience and independence, in accordance with the Board Diversity Policy, the statement for which is detailed in the Nomination Committee report. Any new appointments to the Board result from a formal, rigorous and transparent procedure, responsibility for which is delegated to the Nomination Committee, although decisions on appointment are a matter reserved for the Board. Further information on the work of the Nomination Committee is on pages 76 to 81.

During 2020, the Board and Nomination Committee have fully considered Board succession to ensure that the Board has the right mix of skills and experience, as well as the capability to provide constructive challenge and promote diversity. Additional detail can be found within the Nomination Committee report on page 78.

Board training and development

Directors are continually updated on the Group's business, the markets in which we operate and changes to the competitive and regulatory environments through presentations and briefings to the Board from Executive Directors and senior management.

As part of the annual individual effectiveness evaluation, the Chair discusses training and development requirements with each Director so that any needs which are identified through the formal evaluation or during the year can be addressed. The Company Secretary also maintains a record of each individual Director's training.

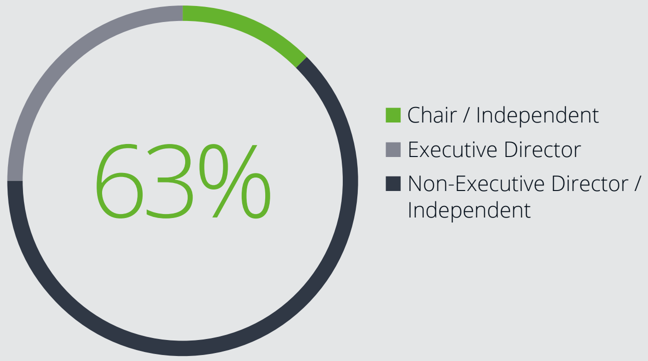
Directors received briefings from the Company Secretary during 2020 on governance and compliance matters and relevant legislative changes. The Board was also provided with training materials on competition law, environmental regulations and diversity and inclusion. In addition, individual Directors receive tailored training where beneficial or required in order for them to adequately discharge their duties. For example, Supriya Uchil received training on Listing Rules and the Market Abuse Regulations and James Bilefield attended a bespoke session on the Company's Remuneration Policy and remuneration reporting.

To ensure that Directors are able to fully acquaint themselves with current trading and matters requiring discussions and decisions, comprehensive Board papers and Committee papers are circulated electronically approximately one week prior to scheduled meetings.

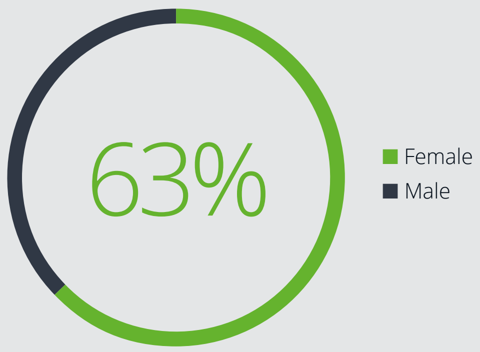
Board Tenure as at 17 February 2021

Sally James	7 – 8 years
Robin Freestone	5 – 6 years
Scilla Grimble	2 – 3 years
Sarah Warby	2 – 3 years
Caroline Britton	1 – 2 years
Supriya Uchil	<1 year
James Bilefield	<1 year
Peter Duffy	<1 year

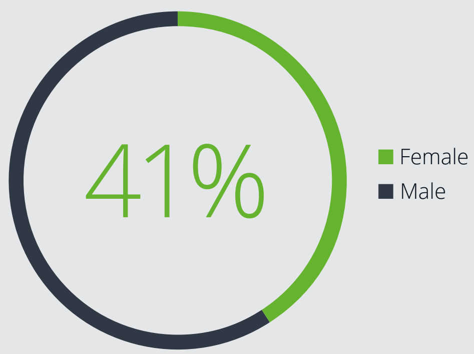
Board Independence/Roles



Board Gender Diversity



Senior Management Gender Diversity



The Directors also have available to them an electronic 'Resource Centre' acting as a Board manual which includes extensive information including financial and analyst reports, current and historical regulatory publications, Group codes and policies, organisational structure documentation, and information on Directors' duties.

Directors may, in the furtherance of their duties, take independent professional advice at the Company's expense.

Directors' resources

Directors have access to our online resource library, which is regularly reviewed and updated. The library includes the corporate governance framework and best practice, guidance and training materials and investor relations updates. It also contains past strategy documents as well as relevant Group policies and procedures.

Directors' skills and experience

An effective Board requires the right mix of skills and experience. Our Board is a diverse and effective team focused on promoting the long-term success of the Group. The Board skills and experience matrix opposite details some of the key skills and experience that our Board has identified as particularly valuable to the effective oversight of the Company and execution of our strategy.

Current Board skills matrix:

	James Bilefield	Caroline Britton	Peter Duffy	Robin Freestone	Scilla Grimble	Sally James	Sarah Warby	Supriya Uchil
Banking/Insurance industry experience	●	●	●		●	●		
Digital/Customer experience (front office)	●		●	●	●		●	●
Finance and Accounting		●		●	●			
International experience	●		●	●		●		●
Governance	●	●		●	●	●		
Risk and Regulation		●	●	●	●	●		
Technology (back office)			●	●				●
Marketing	●		●				●	●
Strategy	●	●	●	●	●	●	●	●
Tenure (MM/YY)	06/20	09/19	09/20	08/15	02/19	04/13	06/18	03/20

Corporate Governance Statement continued

Board evaluation

The annual Board evaluation provides the Board and its Committees with an opportunity to consider and reflect on the quality and effectiveness of its decision making, the range and level of discussions and for each member to consider their own contribution and performance. An effectiveness review of the Board Committees was undertaken by the Company Secretary, who is well placed to serve as an independent sounding board to the process. The external effectiveness evaluation process of the Board, Chair and individual Directors was deferred until November 2020 in order to allow the new CEO and Non-Executive Directors the ability to fully embed into the Company. The externally facilitated process is being conducted by SCT Limited and the findings will be presented to the Board in March 2021. A detailed description of the evaluation findings will be provided in the 2021 Annual Report.

Board, Committee and Directors' effectiveness evaluation cycle

Year 1	Year 2	Year 3
Internal effectiveness evaluation conducted by the Chair	Internal effectiveness evaluation conducted by the Chair	Externally facilitated evaluation process conducted by third party

The 2020 external evaluation will be divided into five stages:

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
Briefing meetings held with the Chair and the Governance Team. Prior Board and Committee papers, together with the reports of previous evaluations, were provided to SCT.	One-to-one interviews carried out by SCT with Directors, the Company Secretary, and members of senior management who regularly attend meetings.	SCT will observe the Board, Audit, Nomination, Risk and Remuneration Committee meetings in February 2021, having previously received prior Board and Committee papers.	The external evaluation effectiveness report will be shared with the Chair and the Company Secretary. The final report will be presented to the Board in March 2021, with an overview of recommendations provided by SCT.	Following a review of the final report by the Board, an action plan will be created to address the areas of recommended improvement.

Committee effectiveness evaluation

During 2020, the Board conducted an internal evaluation of the performance of the Committees, taking into account the principles and provisions of the 2018 Code. The evaluation process involved the completion of questionnaires by individual Directors. The results were then analysed and presented for discussion at the relevant Committee meeting.

The Directors' many positive responses indicated their widely held view that ongoing improvements have been made since the previous evaluation of the Committees in 2019. In particular, members considered that the Committees worked effectively and as a team; the Committees were kept informed of material issues between meetings; and that the engagement and quality of advice from external consultants was strong and had improved.

An area of continued focus across all Committees was succession planning. In response, the Board and Committees put in place emergency succession planning for each of the Board and Committee Chairs. Succession planning remains a key area of focus for the Nomination Committee, including the pipeline of talent within the Group and succession planning for senior management. Further detail on the actions arising from this review and progress made can be found in the relevant Committee reports.

Progress against 2019 evaluation actions

The Board also reviewed its progress against actions identified in the internal 2019 Board evaluation. An update on progress against these actions during 2020 is set out below:

2019 Board evaluation

Action Item	Our Progress
Skills, experience and diversity Greater focus on succession planning, ensuring that future appointments consider diversity and any skills gaps	• The Nomination Committee have ensured that our external executive search agencies are aware of our Board diversity policy; • The Board has achieved its target of appointing a person of an ethnic minority background by 2024; and • The Nomination Committee recommended the appointment of an additional Non-Executive Director with digital experience.
Culture Assessing and monitoring culture (build on 2019 improvements)	• The Board receives biannual updates from the Chief People Officer on people, culture, diversity, talent and engagement; and • Metrics on monitoring culture, e.g. results of the employee engagement surveys are presented to the Board.
Strategy Ensure strategy is translated into a clear implementation plan with clear accountabilities and deliverables	• The CEO and CFO presented the updated strategic implementation plan to the Board in May, including timings, deliverables and accountabilities; and • The Group implemented OKRs in order to monitor strategic implementation during 2020.
Talent Develop further the Group's talent and people strategies	• The Chief People Officer presented the people plans and organisational structure to the Board in November 2020; and • High potential list from senior management and talent pipeline presented to the Board.
Stakeholder voice Ensuring the stakeholder voice is actively and regularly considered by the Board	• CEO presented a stakeholder voice update to the Board in November 2020; • Stakeholder voice is a standing annual Board agenda item; • Employee voice is discussed at every Board meeting; • Agenda items on charities/communities, environmental initiatives, suppliers and providers have been added to the Board's annual programme of activities; and • Additional engagement sought with shareholders and regulators.
Induction of Directors Review process to ensure it remains fit for purpose	• The Company Secretary reviewed and updated the induction process ahead of the appointment of the new Non-Executive Directors; and • Successful induction programme carried out for the new CEO.
Board Committees Review size and composition; ensure sufficient time allocation for discussions	• Committee composition was reviewed as part of the annual programme of business of the Nomination Committee; and • The forward-looking agendas of the Board and Committees were reviewed and updated to ensure sufficient time allocation.

Individual Director evaluations

The individual effectiveness review for each Director will take place as part of the externally facilitated Board evaluation. Following these reviews, each of the Directors will be appraised individually in the form of an interview with the Chair, taking into account feedback received as part of the Board effectiveness evaluation.

The Chair's evaluation will be undertaken by the Senior Independent Director, taking into account the views of the other Directors obtained as part of the external effectiveness evaluation. The Senior Independent Director will discuss the findings with each of the Directors following the presentation to the Board of the external evaluation report in March.

Induction programme

We develop a detailed, tailored induction for each new Non-Executive Director. This includes one-to-one meetings with the Chair and each of the existing Non-Executive Directors. They have one-to-one meetings with the CEO, CFO and the Company Secretary along with other members of senior management. New appointees to the Board would usually meet members of the operational team and visit our three offices in London, Manchester and Ewloe. New Directors receive a briefing on the key duties of being a Director of a listed company as well as the requirements of the SM&CR. We regularly review the induction programme, building in feedback from new appointees and the internal and external Board effectiveness evaluations.

CEO induction

Peter Duffy joined the Board as CEO in September 2020. A summary of his key induction visits and events are set out below:

- granted access to an electronic resource handbook which includes information on the Group's structure and strategy;
- meetings with Mark Lewis, the former CEO, in order to ensure an effective senior management handover, as required under the SM&CR;
- held one-to-one meetings with senior executives to understand the roles played by our senior management team;
- held one-to-one meetings with the Non-Executive Directors;
- met with senior management of Podium and CYTI;
- held meetings with analysts and major shareholders;
- met with our auditors, KPMG LLP, in order to provide an overview of the Group's audit process;
- met key external stakeholders, including brokers, lawyers, remuneration consultants and strategy advisers;
- received tailored director training on listed company and SM&CR requirements with our corporate lawyers, Herbert Smith Freehills, and remuneration reporting with Deloitte LLP; and visited our Ewloe and Manchester offices, complying with COVID-19 guidelines in place at the time, which included socially distanced meetings with various members of senior management.

Nomination Committee Report

"The Nomination Committee is responsible for reviewing the structure, size and composition of the Board and its Committees; taking into account skills, knowledge, experience and diversity, and making recommendations to the Board with regard to any changes"

Robin Freestone
Chair of the Nomination Committee

Committee members and meetings attended

Board members	Meeting attendance
Robin Freestone	3/3
Sally James	3/3
Sarah Warby	3/3
Supriya Uchil[1]	2/2
James Bilefield[2]	2/2
Andrew Fisher[3]	2/2

1 *Supriya Uchil joined the Board on 1 March 2020.*
2 *James Bilefield joined the Board on 1 May 2020.*
3 *Andrew Fisher resigned as Director on 7 May 2020.*

Number of meetings of the Nomination Committee

3

Dear Shareholder

As Chair of the Nomination Committee, I am pleased to present the Nomination Committee's report for the year ended 31 December 2020. I have set out below my role and activities in reviewing the Board's size, structure and composition, including the recommendation of appointment of a new CEO and two Non-Executive Directors, reviewing succession and development plans for the Board and executive management, and overseeing the Group's diversity and inclusion strategy.

The Board supports the recommendations of the Hampton-Alexander Review on gender diversity and the Parker Review on ethnic diversity. The Board has achieved the minimum recommended composition; this currently stands at five female Directors (63%) and includes one recently appointed Non-Executive Director from an ethnic minority background.

The Nomination Committee plays a key role supporting the Board within the Governance Framework in reviewing the composition of the Board and its Committees. This includes an assessment of whether the balance of skills, experience, knowledge and independence of the Board is appropriate to enable it to operate effectively. The Committee also assisted the Board in its consideration of conflicts of interest and independence issues. No conflicts of interest or independence issues were identified as a result of this activity.

2020 highlights

Achievements

- conducted comprehensive searches for:
  - a CEO successor;
  - two new Non-Executive Directors and Chair of the Remuneration Committee;
- reviewed the size, structure and composition of the Board and its Committees;
- reviewed the Group's diversity and inclusion strategy; and
- continued to review talent within the Group, with an increased focus on succession planning and development at the level below executive management.

Allocation of time

- **14%** Committee updates
- **51%** Succession planning and development
- **22%** Review of Committee effectiveness and structure
- **14%** Diversity and inclusion

In 2020, we:

- reviewed the composition of the Board, including the balance of skills, knowledge and experience, taking into account the experience and understanding of our stakeholder groups;
- conducted a search for, considered and recommended to the Board the appointment of a new CEO, Non-Executive Director and Non-Executive Director with the role of Remuneration Chair;
- reviewed progress made against the Board Diversity Policy, including a target of 33% female representation and a target of one Director from an ethnic minority background by 2024;
- reviewed the pipeline of top talent to run the business, particularly at the level below executive management, with presentations from executive management which also included updates on diversity plans for their areas of the business;
- considered and recommended to the Board the re-election of all Directors at the 2021 Annual General Meeting; and
- reviewed and updated the Committee's Terms of Reference conflicts of interest and the register of Directors' conflicts of interest.

Talent development

We recognise the importance of developing our people and, as such, the talent pipeline within our business remains a key focus for the Committee. Our senior leadership population is a source of future executive talent, with three members of our Executive Team, Harvinder Atwal, Katherine Bellau and David Halsey, progressing through this route. Our LEAD Programme, launched in April 2020, is one of the key investments we are making into developing senior leadership over the next two to three years. LEAD is a 12-month programme, resulting in each participant gaining the CMI Level 5 Qualification in Management and Leadership. In response to COVID-19, the programme was moved from a classroom-based programme to full remote delivery in order to prevent any delays to its launch.

Quick facts

- All members of the Committee in 2020 were independent Non-Executive Directors, with the exception of Robin Freestone (who was independent on appointment).
- Only members of the Committee have the right to attend Committee meetings. Other individuals such as the CEO, the Chief People Officer, senior management and external advisers may be invited to attend meetings as and when appropriate.
- The Committee's Terms of Reference were updated in November 2020 and are available on the Investor section of the Group's website at http://corporate.moneysupermarket.com

Nomination Committee Report continued

Diversity and inclusion

As described earlier in this report, the Board and Committee continue to drive the agenda of diversity and inclusion across the Group and are proud of the progress made, especially in respect of female representation on the Board and Executive Team of 63% and 40% respectively. A breakdown by gender of the number of persons who were Directors of the Company, senior managers (as defined in the 2018 Code and Companies Act 2006), and other employees is set out opposite. To reflect the Group's continued focus on this area, diversity and inclusion, including progress against our diversity strategy, has been added as a standing agenda item for all Nomination Committee meetings.

The Board's Statement on Diversity is as follows:

"The Board recognises the importance of diversity in its broadest sense as one of the key drivers of Board effectiveness. Diversity encompasses diversity of perspective, insight, experience, educational and professional background, and personal demographics such gender identity, race and ethnicity, age, disability, neurodiversity, social mobility and sexual orientation.

Diverse membership of the Board supports better decision making and reduces the risk of groupthink by providing different viewpoints, ideas and challenges.

The Board supports the recommendations of the Hampton-Alexander Review on gender diversity and the Parker Review on ethnic diversity. The Board has achieved the recommended composition and is committed to maintaining at least 33% female Board membership and a minimum of one Director of an ethnic minority background. At the same time, the Nomination Committee will keep under review and evaluate, on behalf of the Board, its balance to ensure that it has the appropriate mix of skills, experience, independence and knowledge to ensure their continued effectiveness.

As at the review date of this statement, the Board had a total of eight Directors. The skill set of the Non-Executive Directors includes financial, economic, financial services, banking, digital, technology, communications and consumer expertise.

All appointments to the Board will be made on merit and against objective criteria. The process will take into account suitability for the role, the Board composition, its balance and the required mix of skills, background and experience, including a consideration of all aspects of diversity. Other relevant matters will also be taken into account, such as independence, subject matter knowledge and the ability to fulfil required time commitments. Combined, this will form part of the role specification for all Board recruitment.

Prior to making any recommendations for appointment to the Board, the Nomination Committee will consider suitably qualified candidates for Non-Executive Director roles from as wide a pool as appropriate and whose skills and experience will add value to the Board.

The Nomination Committee will work with executive search consultants who understand and agree with the Group's approach to diversity and inclusion, including this Board Diversity Statement, and will consistently apply it when identifying and proposing suitable candidates.

In 2020 the Group has become an official signatory of the Race at Work Charter, a public commitment to prioritising action on race equity, as part of the Group's Race Equity Plan. The Charter requires us to do five things:

- appoint an Executive Sponsor for race;
- capture ethnicity data and publicise progress;
- board level commitment to zero tolerance of bullying and harassment;
- making clear that supporting equality is the responsibility of all leaders and managers; and
- supporting career progression of employees from an ethnic minority background.

The Board has committed that all allegations of racial bullying or harassment will be taken seriously, managed consistently and in line with the Group's Anti-Bullying and Harassment Policy, with formal action taken where necessary. Any material grievances will be reported to the Audit Committee via the whistleblowing report."

Appointments to the Board

The Nomination Committee has a formal, rigorous and transparent procedure for the appointment of new Directors to the Board. When the need to appoint a Director is identified, we prepare a candidate profile indicating the skills, knowledge and experience required, taking into account the Board's existing composition and the relevant experience and understanding of our stakeholder groups. We engage external executive search consultants and consider the gender, nationality, educational and professional background of candidates, as well as individual characteristics which will enhance diversity of thinking on the Board. Suitable candidates are interviewed by Committee members.

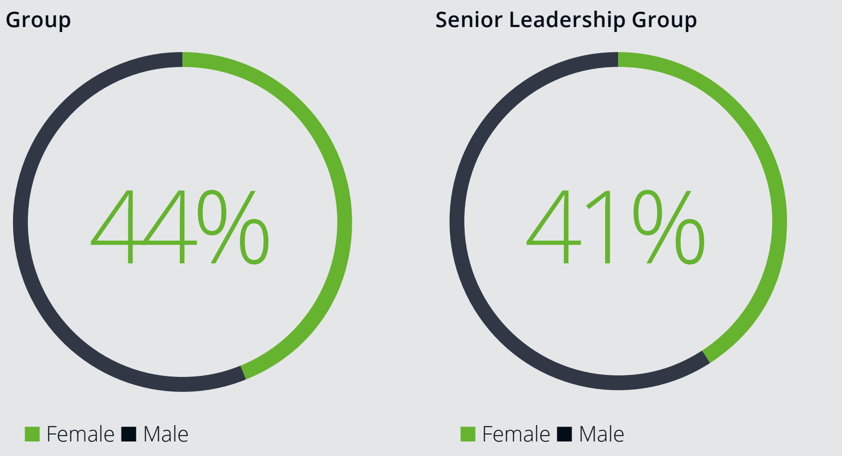
We give careful consideration to ensure proposed appointees have enough time available to devote to the role and that the balance of skills, knowledge and experience on the Board, with regard to experience and understanding of our stakeholder groups, is maintained.

When the Nomination Committee has identified a suitable candidate, we then make a recommendation to the Board with the Board making the final decision.

We followed the procedure outlined above for the search for the new CEO and Non-Executive Directors, engaging Russell Reynolds and Korn Ferry International as external executive search consultants for the appointment of the CEO and the appointment of the Non-Executive Directors.

Russell Reynolds and Korn Ferry are both signatories to the Voluntary Code of Conduct for Executive Search Firms on gender diversity and best practice and have no other connection with the Company. Neither of the search consultants have any other relationship with the Company or individual Directors. The Committee briefed the search consultants on our diversity expectations, and we considered and interviewed a wide and diverse range of candidates for each role. The Board was unanimous in its decision to appoint Peter Duffy as CEO and Supriya Uchil and James Bilefield as Non-Executive Directors.

Gender Diversity % as at 31 December 2020



Board Diversity % as at 31 December 2020

Group Employees

339 Female | **444** Male

Board

5 Female | **3** Male

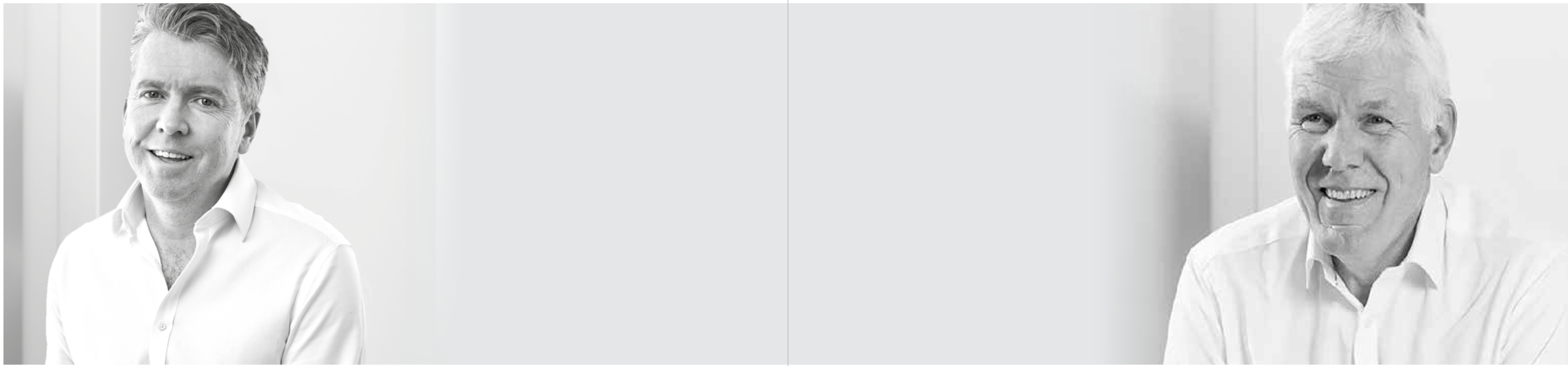
Senior Leadership

10 Female | **14** Male

"Moneysupermarket Group is number 2 on the FTSE 250 ranking for gender balance on Board and in Leadership"

The Hampton-Alexander Review 2019, figures as at 30.06.2019.

Nomination Committee Report continued



Case Study:
CEO Succession

One of the key activities during the year was the Committee's search for a new CEO. This process was led by the Chair of the Board. A summary of the process overseen by Robin Freestone is set out below.

A key factor in the CEO succession plan was the importance of retaining the cultures within the Group. The Committee was clear that as part of the recruitment process, due consideration had to be given to the suitability of the candidate to continue to build on the Company's purpose, values and culture. The Board approved the role specification and the Committee provided regular feedback to the Board during the recruitment process. Extensive references were sought in respect of the preferred candidates, from investors, peers and companies they had worked for. It was after careful consideration that the Committee recommended the appointment of Peter Duffy as CEO.

1. Production of a detailed candidate brief and role specification
2. Review of external search providers
3. Selection and appointment of Russell Reynolds
4. The Chair provided a detailed brief to Russell Reynolds on the candidate brief and role specification
5. Regular update meetings were held between the Chair and Russell Reynolds, with regular updates provided to the Committee
6. The Committee reviewed the long list and selected candidates to proceed to the short list stage
7. All shortlisted candidates met with each Board member on a one-to-one basis
8. Extensive external referencing was sought, and individual Director feedback was discussed and considered by the Committee
9. Preferred candidate selected
10. The Committee made its recommendation to the Board

Director conflicts and independence

The Committee conducted its annual review of individual Director conflict authorisation as recorded in the Conflicts of Interest Register in October 2020. Additionally, the Board and Committee considers conflicts of interest at every meeting.

The Conflicts of Interest Register sets out any actual or potential conflict of interest situations which a Director has disclosed to the Board in line with their statutory duties. When reviewing conflict authorisations, the Committee considers any other appointments held by the Director as well as the findings of the Board effectiveness review. Following the review, the Committee recommended to the Board that each conflict authorisation remained appropriate.

The independence of the Non-Executive Directors is formally reviewed annually by the Nomination Committee. The Nomination Committee and Board consider that there are no business or other circumstances that are likely to affect the independence of any Non-Executive Directors and that all Non-Executive Directors continue to demonstrate independence. In accordance with the 2018 UK Corporate Governance Code, all of the Directors will retire at this year's AGM and submit themselves for appointment or reappointment by shareholders. Each of the Non-Executive Directors seeking reappointment are considered to be independent in judgement and character.

Nomination Committee effectiveness

In 2020, we carried out an internal evaluation of Nomination Committee effectiveness which involved the completion of a questionnaire, with the results being analysed and presented at a Committee meeting for discussion. The Committee determined it continues to be effective in fulfilling its role and remains independent. In response to required actions identified in the 2019 evaluation, the Committee has put in place emergency succession planning for the Chair. In early 2021, SCT Limited will also carry out an effectiveness review as part of the externally facilitated Board evaluation process.

Overview of Committee activities for 2021

Succession planning has been an area of focus for the Committee in 2020. This focus will continue into 2021. As part of this process, the Nomination Committee will review the composition and tenure of the Board noting that Sally James, our longest serving Non-Executive Director, will have served on the Board for nine years in 2022. The Committee will also review the talent pipeline within the business as part of its broader review of management succession planning.

The Committee will also contribute to the external evaluation of the Board focusing on the Board's composition and diversity and how effectively the Board members work together to achieve objectives.

This report was approved by the Board and signed on its behalf by:

Robin Freestone
Chair of the Nomination Committee
17 February 2021

Audit Committee Report

"The Audit Committee plays a key role in monitoring the integrity of the Group's financial reporting, reviewing the material financial reporting judgements and assessing the internal control environment"

Caroline Britton
Chair of the Audit Committee

Committee members and meetings attended

Board members	Meeting attendance
Caroline Britton	5/5
Sally James	5/5
Sarah Warby	5/5
Supriya Uchil[1]	4/4
James Bilefield[2]	4/4

1 Supriya Uchil joined the Board on 1 March 2020.
2 James Bilefield joined the Board on 1 May 2020.

Number of meetings of the Audit Committee

5

Dear Shareholder

I am pleased to share the Audit Committee's report for the year ended 31 December 2020. I have set out our role and activities in ensuring appropriate challenge and governance around accounting treatment and the internal control environment, and ensuring that the Annual Report as a whole is fair, balanced and understandable.

Role

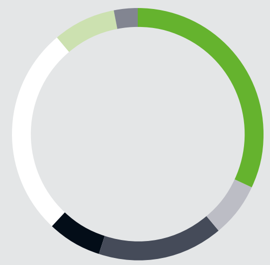
The primary role of the Audit Committee is to ensure the integrity of the financial reporting and audit processes and monitor the effectiveness of the Group's internal control and risk management systems. This includes:

- monitoring the integrity of the Financial Statements of the Company, discussing formal announcements relating to the Company's financial performance and any significant issues and judgements contained in them;
- reviewing the Group's Financial Statements and the material financial reporting judgements contained in them;
- advising the Board on whether the Committee believes this Annual Report and the Financial Statements contained within it, when taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional regulatory requirements;
- developing and implementing a policy on the level, amount and pre-approval of non-audit services provided by the external auditor;
- advising the Board on the appointment, reappointment and removal of the external auditor and the remuneration and terms of engagement of the external auditor;
- monitoring the effectiveness of the Group's internal control and risk management systems, including whistleblowing and fraud controls;
- reviewing the scope, activities and results of the Group's Internal Audit function;
- reviewing the Audit Committee's Terms of Reference, carrying out an annual performance evaluation exercise and noting the satisfactory operation of the Committee; and
- reporting to the Board how it has discharged its responsibilities.

2020 highlights

- focussed on financial reporting, including the processes in place to ensure the Annual Report & Accounts is fair, balanced and understandable;
- considered the impact of COVID-19 on key accounting judgements;
- reviewed the effectiveness of external and internal audit processes and the effectiveness and appropriateness of our system of internal controls;
- considered and approved the Group's tax strategy for publication;
- oversaw the review of the Group's Whistleblowing Framework, expanding reporting to capture microaggressions as part of our broader Diversity and Inclusion strategy;
- reviewed and strengthened going concern process in line with revised auditing standards;
- oversaw the Internal Audit team's review of the Group's information security management controls;
- approved the Internal Audit Charter;
- reviewed Audit and Non-Audit Fees (including review of controls over Non-Audit Work and Policy);
- recommended the reappointment of the External Auditor;
- oversaw continued improvements in Internal Reporting to the Committee; and
- reviewed Tax and Treasury Policies.

Allocation of time



32%	Financial Management and Results
7%	Governance
16%	External Audit
7%	Tax
27%	Internal Audit and Controls
8%	NED Session with auditors
3%	Miscellaneous

The Committee, and its individual members, act in a way that we consider is most likely to promote the success of the Company for the benefit of its members as a whole, including shareholders, as set out in s.172 of the Companies Act 2006. This ensures that the interests of our shareholders and broader stakeholders, are properly considered and reflected in the decision-making processes. Additional information on how the Board and Audit Committee have considered stakeholders in their decision making can be found on pages 67 to 69.

Financial Statements and reports

The Committee is responsible for reviewing the appropriateness of the Group's half-year reporting and annual Financial Statements. We do this by considering, among other things: the accounting policies and practices adopted by the Group; the correct application of applicable reporting standards and compliance with broader governance requirements; the approach taken by management to report the key judgemental areas of reporting; and the comments of the external auditor on management's chosen approach.

Quick facts

- All members of the Committee in 2020 were independent Non-Executive Directors.
- The Chair of the Committee has recent and relevant financial experience as required by the 2018 Code. As a whole, the Committee has competence relevant to the sector in which the Company operates through the collective digital, financial services and customer experience of Supriya Uchil, Sarah Warby, Caroline Britton, James Bilefield and Sally James.
- Only members of the Committee have the right to attend Committee meetings. Other individuals such as the Chair of the Board, CEO, CFO, Chief Risk Officer, Director of Internal Audit, Group Finance Director, Group Financial Controller, General Counsel and Company Secretary, other members of senior management, representatives from the External Auditor and other external advisers may be invited to attend meetings as and when appropriate.
- The Committee regularly holds private discussions with the Director of Internal Audit and the External Auditor separately, without executive management present.
- The Committee Chair regularly holds separate meetings with the CFO, the Director of Internal Audit, the External Auditor and with Committee members outside the meetings to better understand any issues or areas for concern.
- The Committee's Terms of Reference were updated in January 2020 and are available on the Investor section of the Group's website at http://corporate.moneysupermarket.com

Audit Committee Report continued

One of the Committee's key roles is to advise the Board that it is satisfied that the Annual Report and Accounts are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy. In doing so, we ensure that management's disclosures reflect the supporting detail or challenge them to explain and justify their interpretation and, if necessary, re-present their position. The External Auditor supports and challenges this process, in the course of its statutory audit, by auditing the accounting records of the Company against agreed accounting practices, relevant laws and regulations. We are pleased to advise the Board that the 2020 Annual Report and Accounts are fair, balanced and understandable and that the Directors have provided the necessary information for our shareholders to assess the Company's position, prospects, business model and strategy. Our review process is described in further detail on page 85.

In 2020, we:

- reviewed the long-term viability statement made on page 34, in particular the maintenance of the three-year term, prior to making a recommendation to the Board;
- reviewed the basis of preparation of the financial statements as a going concern as set out in the accounting policies, considering the requirements of the revised auditing standard and challenging the treatment of COVID-19 in the assessment;
- reviewed the 31 December 2019 Annual Report and Financial Statements and the half-year statement to 30 June 2020, together with reports from the external auditors;
- reviewed the key accounting judgements effected by COVID-19, including revenue recognition and impairment testing of assets;
- considered Internal Audit reports and satisfied ourselves that management had resolved or was in the process of resolving any outstanding issues or actions;
- reviewed and approved the approach for the Internal Audit plan for 2020-21;
- reviewed the quality and effectiveness of Internal Audit and the effectiveness of current co-source arrangements;
- reviewed and challenged management's judgements in respect of variable future consideration for new insurance contracts;
- oversaw the transition in the Group's segmental reporting, ensuring it aligned to the way the business is managed. The Committee assessed and challenged the cost allocations and assumptions to ensure the segments accurately reflected the costs directly attributable to Verticals and those which are shared across the Group. In considering this, the Committee also took into account the needs of external stakeholders in understanding the performance of the Group;
- monitored the changing control landscape, including considering management's assessment of readiness for the recommendations of the Brydon review;
- considered management's and Internal Audit's assessment of the effectiveness of key fraud and high dependency controls during remote working, in particular improvements made to the documentation and evidence of controls;
- examined key points of disclosure and presentation to ensure adequacy, clarity and completeness of the Financial Statements; and
- reviewed the Committee's Terms of Reference to align with the 2018 Corporate Governance Code.

Significant financial statement reporting issues

We identified the issues below as being significant in the context of the 2020 Financial Statements. We consider these areas to be significant taking into account the level of materiality and degree of judgement exercised by management. We discussed the issues in detail to ensure that the approaches taken were appropriate. This included reviewing presentations and reports from both management and the external auditor.

Issue	Committee review
Revenue recognition: revenue accrual As more fully described on pages 113 and 138, the majority of the Group's revenue is derived from success-based commercial deals which reward the Group for each product sold by a provider to a customer referred to it by the Group. The Group recognises this revenue at the point at which a customer leaves one of the Group's websites, based on the number expected to click through and purchase a product from a provider site.	We reviewed and assessed management's key controls in relation to the recording of revenue which include: (a) a completeness check which is performed by reconciling all 'click' activity on the website and ensuring that an invoice has been raised, or revenue has been accrued, where appropriate; (b) a review to compare accrued revenue at the end of the previous month and actual revenue invoiced during the following month, with significant differences investigated to provide evidence that revenues are correctly stated; (c) controls monitoring the ongoing appropriateness of judgements around variable consideration; and (d) a programme of revenue assurance by the Group's Internal Audit Function. The revenue assurance work helps provide us with assurance that revenues are correctly stated by reviewing provider systems and controls to ensure that sales made by providers resulting from referrals made by the Group have been correctly identified and allocated in the provider systems. In addition, management regularly reviews the quantum and ageing of any accrued revenue balances. Revenue assurance audits reference the Group's information system which records the clicks, together with the reconciliation of revenue to cash receipts. The results of KPMG's testing are included in the first-half and full-year reports prepared for the Committee. The Committee reviews the reports in detail and discusses with the external auditors.
Capitalisation of software and development costs As more fully described on pages 135 to 136 of the Group's Financial Statements, the Group holds intangible asset balances arising from the capitalisation of certain software and development costs principally relating to developments in the Group's front-end platforms and back-office data warehouse.	The judgements in relation to software and development assets largely relate to the future economic benefits associated with the assets and confirm that capitalisation is in accordance with the relevant accounting standards. We assessed the operation of key financial controls operated relating to investment appraisal, capitalisation and ongoing monitoring of intangible assets and we were comfortable with their integrity as reported by management. Sample testing was also conducted by the Internal Audit team on the related controls as part of that core assurance programme. We are also reassured by the fact that business plans in relation to the capitalised assets have received Board approval.

We also reviewed and considered the following areas due to their materiality and the application of judgement. In particular, considering the impact of COVID-19 given its effect on the wider economic market conditions. However, following review, we still considered them to be stable in nature and therefore did not classify them as significant issues in the context of the 2020 Financial Statements.

Issue	Committee review
Intangible assets impairment testing	We reviewed the judgements, assumptions and estimates made by management in preparing the impairment review to ensure that they were appropriate. We also obtained the external auditors' views on the appropriateness of the approach and conclusions. The results of this review were that we were satisfied with the conclusions reached.
Revenue recognition	We reviewed and challenged the judgements, assumptions and estimates made by management regarding variable consideration under new and existing contracts. We also obtained the external auditors' views on the appropriateness of the approach and conclusions. The results of this review were that we were satisfied with the conclusions reached.
Going concern and viability statements	In assessing the validity of the statements detailed on pages 34 to 35, we reviewed and obtained the external auditors' views on the work undertaken by management to assess the Group's resilience to the Principal Risks under various scenarios and gained appropriate assurance that sufficient rigour was built into the process.

Fair, balanced and understandable Annual Report and Accounts

One of the key governance requirements is for the Annual Report and the Financial Statements, taken as a whole, to be fair, balanced and understandable and to provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy. Ensuring this standard is met requires continuous assessment of the financial reporting issues affecting the Group, in addition to the focused exercises which take place during the production of the Annual Report and Financial Statements. These focused exercises can be summarised as follows:

- a qualitative review of disclosures and a review of internal consistency throughout the Annual Report and Financial Statements;
- a review by the Committee of all material matters, as reported elsewhere in this Annual Report and Financial Statements;
- a risk comparison review, which assesses the consistency of the presentation of risks, and significant judgements throughout the main areas of risk disclosure in this Annual Report and Financial Statements;
- a review of the balance of good and bad news; and
- ensuring it correctly reflects:
  - the Group's position and performance as described on pages 30 to 34;
  - the Group's business model, as described on pages 18 to 19; and
  - the Group's strategy, as described on pages 20 to 22.

The Directors' statement on a fair, balanced and understandable Annual Report and Financial Statements is set out on page 111.

External auditor

The Committee is responsible for making recommendations to the Board in relation to the appointment of the external auditor. We also approve the terms of engagement and fees of the external auditor, ensuring they have appropriate audit plans in place and that an appropriate relationship is maintained between the Group and the external auditor.

In 2020, the Committee:

- reviewed, considered and agreed the scope and methodology of the audit work to be undertaken by the external auditor;
- evaluated the independence and objectivity of the external auditor, having regard to: (a) a report from the external auditor describing their arrangements to identify, report and manage conflicts of interest; (b) the extent and nature of non-audit services provided by the external auditor; and (c) considering the tenure of the audit partner, who is required to rotate every five years in line with ethical standards;
- assessed the effectiveness of the external auditor and made a recommendation to the Board on the reappointment of KPMG as the external auditor;
- oversaw the transition to the new audit partner;
- agreed the terms of engagement and fees to be paid to the external auditor for the audit of the 2020 Financial Statements; and
- reviewed recommendations made by the external auditor in their management letters and the adequacy of management's response.

Audit Committee Report continued

Independence and non-audit services

There are policies and procedures in place in relation to the provision of non-audit services by the external auditor which are reviewed regularly. This ensures that the Group benefits in a cost-effective manner from the cumulative knowledge and experience of its auditor, whilst also ensuring that the auditor maintains the necessary degree of independence and objectivity. The external auditor is not permitted to perform any work which they may later be required to audit, or which might affect their objectivity and independence or create a conflict of interest. Key points from our internal procedure for approval of work given to the external auditor are:

- no non-audit work may be placed with the external auditor without the specific approval of the Audit Committee;
- any approved non-audit services must be in line with the cap limits introduced by EU legislation (as referred to below);
- the non-audit fees are reported regularly to the Committee; and
- various services are prohibited, including the provision of most types of tax services, valuation services, appraisals or fairness opinions, outsourcing of Internal Audit services, management functions, recruitment services and legal services.

During the year, the value of non-audit services provided by the external auditor amounted to £0.05m (2019: £0.04m). Non-audit services amounted to 12% of the value of the audit. EU legislation on permitted non-audit services came into effect from 17 June 2016 which introduced a permitted non-audit services fee cap of 70% of the average audit fee over a consecutive three-year period. This cap came into effect for the Group in the financial year ending 31 December 2020. The non-audit services during 2020 and 2019 related to the review of the Group's half-year reporting, which is not part of the audit fee cap.

The assurance provided by the external auditor on this item is considered by the Group as strictly necessary in the interests of the Group. The non-audit services offered reflects the auditor's knowledge and understanding of the Group. The Group has also continued with the appointment of other accountancy firms to provide certain non-audit services to the Group in connection with internal audit, tax, systems and regulatory advice and anticipates that this will continue in 2021.

The external auditor was not engaged during the year to provide any services which may have given rise to a conflict of interest. The Committee is satisfied that the overall levels of audit and non-audit fees are not material, relative to the income of the external auditor as a whole, and therefore that the objectivity and independence of the external auditor was not compromised.

External audit effectiveness

The Committee considered the quality and effectiveness of the external audit process, in light of the FRC's Audit Quality Practice Aid for Audit Committees (May 2015). We worked with KPMG to understand their judgements about materiality and looked at the way they communicated key accounting and audit judgements. This approach was supplemented by members of the Committee completing a detailed questionnaire. The questionnaire evaluated the overall effectiveness of the external auditor including the audit partner's and his team's approach, communication, independence, objectivity, and reporting. The results of the questionnaire were then reported to and discussed by the Committee. We also assessed the audit fees proposed by KPMG. We reported our findings to the Board as part of our recommendation.

The assessment of effectiveness was completed as part of an ongoing process of review throughout the year, with the Audit Committee seeking assurances and understanding of the auditor's approach to the audit. At the planning meetings for the half-year review and year-end audit, the external auditor was required to explain their understanding of significant risks to audit quality, by reference to the Company's specific circumstances and changes in the risks and reasons for those changes. We explored the auditor's understanding of our business and industry knowledge which informed their approach to identifying risks.

The Committee held private meetings with the external auditor as necessary after Committee meetings to review key issues within their sphere of interest and responsibility.

Reappointment of the external auditor

KPMG has acted as the auditor to the Group since 2004 and was appointed as the auditor to the Company on its flotation in 2007. The lead audit partner rotates every five years to ensure independence. The KPMG audit partner, Stuart Crisp, rotated off the audit on 30 April 2020, in accordance with the FRC's Ethical Standard 3 (Revised). The Committee approved the appointment of the new audit partner, Suvro Dutta, who has led the audit for 2020.

Following a formal competitive tender exercise during 2016, in relation to the audit for the Group for the year ended 31 December 2017, the Board approved the Audit Committee's recommendation to put a resolution to shareholders at the 2017 Annual General Meeting to reappoint KPMG, which shareholders subsequently approved.

We have therefore complied with the requirement to ensure the external audit contract is tendered within the ten years prescribed by EU and UK legislation and the Code's recommendation. We confirm we have complied with the provisions of The Statutory Audit Services for Large Companies Market Investigation (Mandatory use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014.

Since KPMG's reappointment, we have considered further the length of KPMG's tenure and the results of the detailed questionnaire when assessing their continued effectiveness and independence. We continue to remain satisfied with the work of KPMG and that it continues to remain independent and objective. In accordance with ISAs (UK) 260 and Ethical Standard 1 issued by the Financial Reporting Council, and as a matter of best practice, the external auditor has confirmed its independence as auditor of the Company, in a letter addressed to the Directors.

Internal control

The Committee is responsible for monitoring and reviewing the effectiveness of the Group's internal control and risk management systems. Through monitoring the effectiveness of its internal controls and risk management, the Committee is able to maintain a good understanding of business performance, key judgemental areas and management's decision-making processes.

In 2020, the Committee:

- reviewed the framework and effectiveness of the Group's system of internal control and risk management, including financial, operational and compliance controls;
- received regular updates from management and Internal Audit on internal control improvements including adoption by Decision Tech, as well as resilience of key financial fraud and operational controls in light of COVID-19 risks;
- reviewed reports from the external auditor, KPMG, of the results of its controls testing as part of the external audit;
- assessed the framework of internal control and risk management to ensure that it was compliant with the Senior Manager and Certification Regime; and
- reported to the Board on our evaluation of the operation of the Group's internal control and risk management systems, informed by reports from Internal Audit (including PwC) and KPMG.

We consider the adequacy of management's response to matters raised and the implementation of recommendations made. The Board's statement on internal control and risk management can be found on page 72.

Internal Audit

The Group has an Internal Audit function which, together with the PwC co-source arrangement, delivers a risk-based internal audit plan to provide independent assurance over the Group's key risks. The Audit Committee meets with the Director of Internal Audit without management present on an annual basis. In addition, the Director of Internal Audit meets separately with the Chair of the Committee to discuss internal audit objectives.

In 2020, we:

- continued to oversee our Internal Audit function, ensuring it has the right expertise and experience to provide effective challenge throughout the organisation;
- measured the effectiveness and value of the function through metrics and assessments, including with reference to the IIA Code of Practice;
- reviewed and approved the Internal Audit Charter;
- reviewed the rolling 12-month Internal Audit plan for appropriate risk coverage, including quarterly in-year updates for any changes;
- considered the different sources of assurance against the Group's key risks to ensure there is comprehensive risk and assurance coverage;
- agreed and monitored the balance of audit focus across strategic, operational, third-party and core assurance areas, with particular focus for 2020 on Information Security;
- considered risks as triggered by the COVID-19 pandemic and received additional assurance from Internal Audit on continued effectiveness of relevant key controls in-year, as well as the Group's response to the pandemic;
- reviewed results from audits carried out including any unsatisfactory audit findings and related action plans, as well as consideration of root causes such as cultural issues;
- reviewed open audit actions, together with monitoring progress against the actions; and
- agreed the plan and received summary reports on the progress of the Revenue Assurance function.

Whistleblowing

The Group has established procedures by which all employees may, in confidence, report any concerns. Our whistleblowing process sets out the ethical standards expected of everyone that works for and with us, and includes the procedures for raising concerns in strict confidence. Our workforce can raise concerns through their manager, senior management and through our confidential and independent whistleblowing helpline. All investigations are carried out independently with findings being reported to the Audit Committee.

The Board, as a whole, monitors and reviews the effectiveness of the Group's whistleblowing arrangements annually, to ensure that it has sufficient oversight of whistleblowing to support its work on culture, risk and stakeholder engagement. The Audit Committee receives reports on investigations and all significant whistleblowing matters are reported directly to the Board. The Board has reviewed the whistleblowing arrangements and is satisfied that they are effective, facilitate the proportionate and independent investigation of reported matters and allow appropriate follow-up action to take place.

Risk Committee

The Group has a separate Risk Committee which is chaired by Sally James. The Risk Committee operates separately but alongside the Audit Committee. A separate report of the work and responsibilities of the Risk Committee is set out on pages 88 to 90. The Group also has a separate Risk & Compliance function, headed by the Chief Risk Officer.

Audit Committee effectiveness

In 2020, we carried out an internal evaluation of Audit Committee effectiveness which involved the completion of a questionnaire, with the results being analysed and presented at a Committee meeting for discussion. The Committee determined it continues to be effective in fulfilling its role and remains independent. In response to actions identified in the 2019 evaluation, the Committee has put in place emergency succession planning for the Chair. In early 2021, SCT Limited will also carry out an effectiveness review as part of the externally facilitated Board evaluation process.

Overview of Committee activities for 2021

Our priorities for 2021 will be:

- monitoring completion of the Finance Data Programme and assessing post-programme controls effectiveness, in particular for revenue risk;
- continued focus on assurance over the Group's Information Security controls;
- enhancing reporting measures on Internal Audit impact and effectiveness; and
- overseeing management's preparations and responses to the changing control landscape, including the Brydon review.

This report was approved by the Board and signed on its behalf by:

Caroline Britton
Chair of the Audit Committee
17 February 2021

Risk Committee Report

"The Risk Committee is responsible for overseeing the Group's risk management framework, ensuring that risks are appropriately identified, managed and mitigated, and advising the Board on risk appetite, strategy and culture"

Sally James
Chair of the Risk Committee

Committee members and meetings attended

Board members	Meeting attendance
Sally James	3/3
Sarah Warby	3/3
Caroline Britton	3/3
Andrew Fisher[1]	2/2
Supriya Uchil[2]	2/2
James Bilefield[3]	2/2

1 Andrew Fisher resigned as Director on 7 May 2020.
2 Supriya Uchil joined the Board on 1 March 2020.
3 James Bilefield joined the Board on 1 May 2020.

Number of meetings of the Risk Committee

3

Dear Shareholder

As Chair of the Risk Committee, I am pleased to present the Risk Committee's report for the year ended 31 December 2020. I have set out our role and activities in overseeing the Group's risk management framework, ensuring risks are appropriately identified, managed and mitigated, and advising the Board on risk appetite, strategy and culture.

The Risk Committee maintains close links with the Audit Committee, with the Chair of each Committee being a member of the other. This cross-membership and liaison between the Committees, on agenda items and reports, facilitates effective linkage between both Committees and ensures that any matters relating to internal control and financial reporting are considered in an effective and timely manner. In addition, the Chair of the Risk Committee is also a member of the Remuneration Committee to enable the consideration of risk when setting the Group's remuneration policy.

Role

The primary role of the Risk Committee is to assist the Board in its oversight of risk management within the Group. This includes:

- advising the Board on the overall risk appetite, tolerance, strategy and culture;
- overseeing and advising the Board on the current risk exposures and future risk strategy;
- overseeing the application of the risk management framework;
- overseeing conduct risk within the Group;
- reviewing reports received from management, the Risk & Compliance function and, where appropriate, Internal Audit or third parties on the identification, management and mitigation of risks;
- reviewing reports from the legal team in relation to legal matters affecting the Group;
- receiving 'deep dive' updates into key risk areas including cyber, data protection and third-party risks;
- overseeing compliance with relevant legal and regulatory requirements; and
- considering and approving the remit of the Risk & Compliance function and ensuring it has adequate resources.

2020 highlights

- monitored reports from the Chief Risk Officer and management on the Group risk landscape, including enhancements to the Group's compliance with the Senior Manager and Certification Regime ('SM&CR') and overseeing the Group's response to COVID-19 and the move to homeworking;
- continued to focus on technology and data security risk and management's progress on improvements to cyber security;
- oversaw management's progress in embedding enhanced data protection processes and controls;
- monitored and advised the Board on the risks associated with the Group's current and future strategic priorities;
- reviewed and assessed the identification and management of the Group's business model risks;
- assessed the risks associated with the Group's oversight of third parties; and
- reviewed and updated the Group's risk acceptances.

Allocation of time

- **52%** CEO and Exec Team Remuneration
- **14%** LTIP
- **4%** SAYE
- **25%** Governance
- **5%** Miscellaneous

Principal activities in 2020

The Committee has an annual schedule of work, developed from its Terms of Reference, with standing items that it considers at each meeting, in addition to any specific matters upon which the Committee has decided to focus. This schedule of work is expected to evolve to reflect the Group's strategy and changes to the economic and regulatory environment in which the Group operates. The Risk Committee receives regular reports from the management team, the Chief Risk Officer and the General Counsel and Company Secretary.

In 2020, the Committee:

- monitored and reviewed the Group's response to COVID-19, the operational impact of moving to homeworking and the impact on the Group's emerging and principal risks and activities;
- updated and approved the Group Risk Appetite Framework and Statement following scenario analysis and consideration by management, ensuring it is aligned with the Group strategy;
- received reports from management on risks associated with the strategic initiatives and received ad hoc reports relating to new or emerging risks;
- reviewed and assessed the identification and management of the Group's business model risks;
- oversaw improvements in the management of technology risks, with a focus on cyber security;
- received reports from the Executive team on the Group's risk acceptances, a new process overseen by the Executive team;
- received updates and oversaw management's actions in relation to the implementation and embedding of the SM&CR;
- oversaw and monitored the embedding of enhanced data protection processes and controls;

Quick facts

- All members of the Committee in 2020 were independent Non-Executive Directors.
- Only members of the Committee have the right to attend Committee meetings. Other individuals may be invited to attend meetings as and when appropriate, including the Chair of the Board, CEO, CFO, Chief Risk Officer, Head of Internal Audit and the General Counsel and Company Secretary, together with appropriate members of the management team with responsibility for management of key risks and the external auditor.
- The Committee regularly holds private discussions with the Chief Risk Officer, without executive management present.
- The Committee's Terms of Reference are available on the Investor section of the Group's website at http://corporate.moneysupermarket.com.

Risk Committee Report continued

- reviewed, oversaw and received regular progress updates on management's approach to third-party oversight through the embedding of the Supplier Management framework;
- reviewed the conduct scorecards at each meeting to ensure we are putting customers at the heart of the business;
- continued to enhance reporting of legal matters and regulatory developments; and
- oversaw compliance with evolving regulation and interactions with our regulators including the FCA, in particular in relation to the General Insurance Pricing Market Study.

Risk & Compliance

The Group has a Risk and Compliance function, led by the Chief Risk Officer, which reviews the Group's risks and controls together with the Group's compliance with the requirements of the various bodies that regulate the Group's activities. These regulatory bodies include the CMA, the FCA, the ICO, Ofgem (which operates a voluntary code, relating to energy price comparison, to which MoneySuperMarket subscribes) and Ofcom (which operates a voluntary code relating to telephone, broadband and pay-TV price comparison to which Decision Tech subscribes).

In 2020, the Committee:

- reviewed and approved the Risk and Compliance plan, which defines the scope of the work that the function will undertake including compliance monitoring and assurance activities across the Group – this included assurance activities relating to FCA regulation and compliance with GDPR, both internally and in relation to key third parties which support our business;
- considered the updates against the Risk & Compliance plan and results of the work performed since the previous meeting and management's response; and
- reviewed the resources of the Risk and Compliance function.

Risk Committee effectiveness

In 2020, we carried out an internal evaluation of Risk Committee effectiveness which involved the completion of a questionnaire, with the results being analysed and presented at a Committee meeting for discussion. The Committee determined it continues to be effective in fulfilling its role and remains independent. In response to an action identified in the 2019 evaluation, the Committee has enhanced processes on communication of material matters between meetings, including using the Risk and Audit Committee agendas interchangeably, and ensuring timely updates to the Committee of material regulatory changes or material issues. In early 2021, SCT Limited will carry out an effectiveness review as part of the externally facilitated Board evaluation process.

Overview of Committee activities for 2021

The management of operational and conduct risks will continue to be our priority for 2021. We will focus on management of risks associated with the delivery of the strategic initiatives and review the Group's updated business continuity arrangements. We will oversee the ongoing embedding of enhanced controls in respect of cyber security, data privacy and third-party management. We will also oversee the Group's preparation for upcoming regulatory developments, including the FCA (General Insurance Pricing Market Study, PCW Portfolio Supervisory Letter and the Senior Management & Certification Regime).

The Group recognises that regulation in general, and in particular the activities of the FCA, ICO, Ofgem and the CMA, will continue to be a feature of the price comparison market. The Group has invested, and will continue to invest, in skills and resources in this area in 2021.

This report was approved by the Board and signed on its behalf by:

Sally James
Chair of the Risk Committee
17 February 2021

Directors' Remuneration Report

Remuneration at a glance

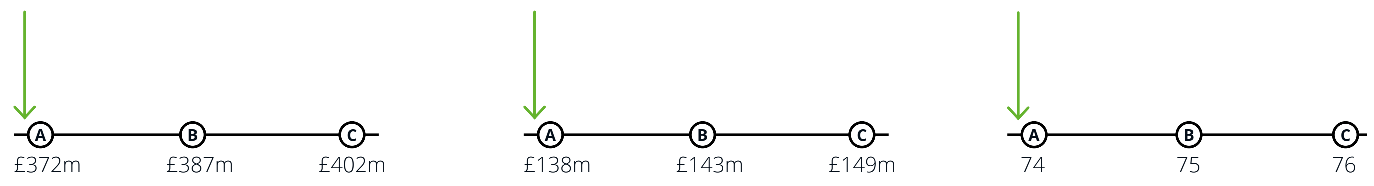
As a Committee we ensure that our remuneration framework continues to align with our Group strategy

How we performed in the year

Group revenue	Group adjusted EBITDA	Net promoter score
£344.9m	£107.8m	72
(2019: £388.4m)	(2019: £141.5m)	(2019: 74)

How performance links to Executive Directors' annual bonus

Group revenue — Group adjusted EBITDA — Net promoter score



(A) Threshold (B) Target (C) Maximum ↓ Achieved

Personal targets

Performance targets are set each year by the Remuneration Committee by reference to factors such as the budget and strategic objectives for the year, progress against the prior year and market expectations. Personal targets for 2020 included continued delivery of the Group strategy, delivering the budget and our focus on delivery at pace across the Group.

See page 102

Total remuneration received by our Executive Directors

	Salary	Taxable Benefits	Pension	Annual Bonus	LTIP/Other	
Peter Duffy CEO	£191,667	£5,296	£9,583	£0	£0	£206,546
Mark Lewis Former CEO	£374,933	£11,198	£73,520	£0	£0	£459,651
Scilla Grimble CFO	£387,600	£14,127	£76,000	£0	£0	£477,727

See pages 100 to 101

Remuneration Committee Report

"The Remuneration Committee's key responsibility is to determine and apply the Remuneration Policy to ensure it promotes the delivery of our strategy and the long-term success of the Group"

James Bilefield
Chair of the Remuneration Committee

Committee members and meetings attended

Board members	Meeting attendance
James Bilefield[1]	3/3
Caroline Britton	5/5
Andrew Fisher[2]	3/3
Sally James	5/5
Supriya Uchil[3]	4/4
Sarah Warby	5/5

1 James Bilefield was appointed as a Director on 1 May 2020.
2 Andrew Fisher stepped down as a Director on 7 May 2020.
3 Supriya Uchil was appointed as a Director on 1 March 2020.

Number of meetings of the Remuneration Committee

5

Dear Shareholder

I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2020.

Our current Remuneration Policy was approved by over 92% of shareholders at the 2020 AGM. A summary of the approved Policy is set out on pages 95 to 98.

Pages 98 to 106 of this report constitute the Annual Remuneration Report, summarising the 2020 outcomes and how we intend to operate the Policy in 2021. This will be subject to an advisory vote at the forthcoming Annual General Meeting.

I would like to thank my predecessor, Andrew Fisher, for his hard work and leadership of the Committee, and also thank the Committee members for their engagement and balanced judgement during an exceptional year.

2020 Remuneration Policy

Our reward philosophy remains unchanged; a simple and transparent framework which rewards our Executives based on the financial and strategic performance of the business, the value created for our stakeholders, and for their individual performance. We also recognise that investor expectations around executive pay continue to evolve, and we made a number of changes to ensure we remain aligned with investor expectations and the UK Corporate Governance Code.

Pay for performance in 2020

Our 2020 annual bonus was payable for performance in respect of stretching EBITDA, revenue and strategic targets. However, our business like many others has been adversely impacted across our portfolio as a result of the COVID-19 pandemic. As a Committee, we decided not to reset these targets during the year due to uncertainty on how the pandemic would impact our business and for how long.

As described elsewhere in the Annual Report and Accounts, the pandemic has impacted the financial performance of the Group with revenue decreasing by 11% to £344.9m and adjusted EBITDA decreasing by 24% to £107.8m. Both consumers and providers were impacted across many of our channels which resulted in the decrease compared to 2019. Due to this, both the threshold EBITDA and revenue targets were not achieved and therefore the outturn for this portion of the annual bonus was zero. The threshold target for customer satisfaction, using our external net promoter score measure, was also not achieved.

The Committee's assessment of Scilla Grimble's performance against her personal objectives (comprising a maximum of 20% of the bonus) resulted in an outturn of 23% of salary, reflecting a number of achievements in the year. However, after reviewing remuneration outcomes to ensure that they are consistent with the overall performance of the Group, taking into account the impact of the COVID-19 pandemic on all of our key stakeholders, the Committee used its discretion to determine that no bonus would be payable for 2020 for Scilla or any other members of the Executive team. This was a difficult decision for the Committee in view of the excellent job Scilla and the wider workforce have done, with the leadership team adapting to lead the Group through these difficult and unprecedented times, ensuring employee safety and wellbeing was at the forefront of their decisions. In line with the terms of his appointment, Peter Duffy waived his right to be eligible for an annual bonus in respect of 2020.

The 2018 LTIP award, which was based on a combination of stretching compound annual growth in adjusted EPS and comparative total shareholder return targets, will vest at only 4% of the maximum based on performance over the three-year performance period to 31 December 2020. For the adjusted EPS element (80% weighting), actual performance fell below the lower end of the target range and therefore the level of vesting was 0%. For the TSR element (20% weighting), we achieved TSR performance at the median of the FTSE 250 (excluding investment trusts) which resulted in a vesting level of 20% for this portion of the award, resulting in a vesting of 4% of the total award. Neither of the current Executive Directors held 2018 LTIP awards.

2020 highlights

- obtained approval for a new Remuneration Policy at the 2020 AGM following a review of the executive remuneration framework and comprehensive shareholder consultation;
- approved the remuneration arrangements for the incoming CEO; and
- determined the incentive outcomes for the Executive Directors and Executive team, after carefully considering the impact of the COVID-19 pandemic on the performance of the business, our shareholders and the wider workforce.

Allocation of time

- **52%** CEO and Exec Team Remuneration
- **14%** LTIP
- **4%** SAYE
- **25%** Governance
- **5%** Miscellaneous

Quick facts

- All members of the Committee in 2020 were independent Non-Executive Directors.
- Only members of the Committee have the right to attend Committee meetings. Other individuals may be invited to attend meetings as and when appropriate, including the Chair of the Board, CEO, CFO, Chief People Officer, Head of Reward, the General Counsel and Company Secretary and the external remuneration consultant.
- The members of the Remuneration Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.
- The Committee's Terms of Reference are available on the Investor section of the Group's website at http://corporate.moneysupermarket.com.

Remuneration Committee Report continued

Approach to remuneration in 2021

Both incumbent Executive Directors will not receive an increase to their base salaries in 2021, which is aligned to the approach we have taken for the wider Group.

The proposed performance measures and weighting for both the annual bonus and the LTIP are summarised below:

- 2021 bonus: Group EBITDA (50%), Group revenue (20%), net promoter score (7%), and individual objectives (23%);
- We have increased the weighting on the individual objectives to reflect the significant importance of the delivery of our Diversity & Inclusion plan, which is a key objective for the Group and part of our wider social responsibilities;
- 2021 LTIP award: EPS growth (50%), revenue (30%), relative TSR (20%);
- Threshold to stretch targets over the three-year performance period are: 5% to 15% EPS growth per annum; 4% to 9% revenue growth per annum; median to upper quartile TSR performance versus the FTSE 250 (excluding investment trusts);
- All of the performance targets remain the same as for the 2020 LTIP awards. The Committee is of the view that these remain very stretching in the context of the current macroeconomic environment.

Board changes in 2020

Mark Lewis stepped down from the Board on 31 August 2020. He was replaced by Peter Duffy who was appointed to the Board on 1 September 2020.

The Company paid Mark a sum in respect of salary, contractual benefits and pension supplement in lieu of the balance of his notice period in accordance with the provisions of his service agreement and the Directors' Remuneration Policy. He was not eligible to be considered for a bonus payment in relation to 2020 and his outstanding LTIP awards for 2018 and 2019 both lapsed. Mark did not receive a 2020 LTIP award.

Peter was appointed on to the new remuneration framework approved by shareholders at the 2020 AGM and will continue on that framework in 2021 (see page [95]). Peter received a reduced LTIP award for 2020 equal to 125% of base salary to reflect his start date being after the start of the 2020 performance year. This award has the same structure and performance conditions as the normal annual LTIP award and is disclosed in full in this report. Upon joining, Peter waived his right to be eligible for an annual bonus in respect of 2020.

Executive Director pensions

As part of last year's Policy renewal it was agreed that any new Executive Director appointment will be eligible to receive pension contributions (or a cash allowance in lieu) at a maximum rate which is aligned to that received by the wider workforce (currently 5% of salary). The Committee also froze pension arrangements for incumbent Directors at the 2019 monetary value.

Peter Duffy was appointed with a pension contribution of 5% of salary.

During 2020 the Committee reviewed whether any further changes to Scilla Grimble's pension contribution levels were appropriate in the context of evolving market practice and feedback that the Committee received during its shareholder consultation for the 2020 Policy. The outcome of this review is that Scilla's pension level will be reduced to the rate available to the wider workforce by the end of 2022, in line with shareholder guidance.

Alignment with shareholders

We are mindful of our shareholders' interests and are keen to ensure a demonstrable link between reward and value creation. We remain committed to an open and ongoing dialogue with our shareholders on the issue of executive remuneration and the Committee welcomed the feedback we received in our consultation of the new Policy.

We are pleased with the support we have received from shareholders with over 92% approval for our Remuneration Policy and 98% for the Annual Remuneration Report at last year's AGM. We look forward to receiving your continued support at the forthcoming AGM.

James Bilefield
Chair of the Remuneration Committee
17 February 2021

Directors' Remuneration Policy

At the Annual General Meeting held on 7 May 2020 shareholders approved the Remuneration Policy which became effective as at that date. An extract of the Remuneration Policy table from the Remuneration Policy is reproduced below for information only. The full Remuneration Policy is contained on pages 89 to 95 of the 2019 Annual Report which is available in the Investor Relations section of the Group's website (http://corporate.moneysupermarket.com).

Remuneration Policy table

Base salary

Purpose and link to strategy	To provide competitive fixed remuneration to attract and retain Executive Directors of the calibre required to deliver the business strategy for shareholders.
Operation	The base salary for Executive Directors may be reviewed annually by the Committee. Individual salary adjustments may take into account each Executive Director's performance and experience in role, changes in role or responsibility, the Group's financial performance, as well external market data.
Maximum	There is no prescribed maximum base salary. Salary increases are ordinarily in line with the broader employee population but on occasions may need to recognise, for example, an increase in the scale, scope or responsibility of the role and developments in the wider competitive market. Current base salary levels are set out on page 98.
Performance targets	No specific targets although the Committee will take into account individual performance when considering salary increases.

Pension

Purpose and link to strategy	To provide an appropriate retirement benefit that is competitive in the relevant market.
Operation	Executive Directors may participate in the Company's defined contribution pension scheme and/or receive salary supplements, or such other allowance as the Committee considers appropriate.
Maximum	A maximum contribution or cash supplement of 20% of 2019 base salary for existing Executive Directors. Pension contributions for current Executive Directors will be capped at the current monetary value and will not increase with any future pay rises. Newly appointed Executive Directors from 2020 will have a maximum opportunity in line with the wider workforce (currently 5% of base salary).
Performance targets	Not applicable.

Benefits

Purpose and link to strategy	To provide market competitive benefits.
Operation	Current benefit provision includes a car allowance, life insurance and private medical insurance. Other benefits may be provided where appropriate including, for example, relocation and travel expenses and reimbursed business expenses (including any associated tax liability) incurred when travelling in performance of duties.
Maximum	There is no prescribed maximum monetary value for benefit provision. Benefits are set at a level which the Committee determines is reasonable and appropriate and the value may vary depending on the benefit provided and the market cost of the benefit given the individual's personal circumstances.
Performance targets	Not applicable.

Remuneration Committee Report continued

Remuneration Policy table continued

Annual bonus

Purpose and link to strategy	Incentivises the delivery of stretching financial, operational and strategic annual performance targets. Deferral into Moneysupermarket.com Group PLC shares increases long-term alignment with shareholders.
Operation	The annual bonus is based on performance against stretching targets set at the start of the year by the Committee and assessed following the end of the year. A proportion of any annual bonus earned (at least one third) will be deferred into an award of Moneysupermarket.com Group PLC shares under the terms of the Deferred Bonus Plan ('DBP'). DBP awards will normally vest at least two years after grant. The remainder will be paid in cash following the year end. Clawback provisions apply for a period of two years following the payment of a cash bonus and the grant of any DBP award.
Maximum	The maximum annual bonus opportunities in respect of a financial year will be: • CEO: 150% of base salary; • CFO: 135% of base salary. Where considered appropriate in exceptional circumstances, the Committee may determine that the maximum annual bonus opportunity in respect of a particular financial year is up to 200% of base salary.
Performance targets	Payment is determined by reference to performance assessed over one financial year based on financial and strategic performance measures which the Committee considers to be aligned to the strategy and the creation of shareholder value. Such measures may include: • Adjusted EBITDA; • Revenue; • Measures aligned to the strategy or KPIs; • Personal objectives. The Committee determines the weightings of the performance measures each year. The overall framework will normally be weighted towards financial measures of performance. The performance measures and weightings for the 2021 financial year are shown on page 99. The Committee retains discretion to use different or additional measures or weightings in future years to ensure that the bonus framework appropriately supports the business strategy and objectives for the relevant year. Performance targets are set each year by the Committee by reference to factors such as the budget and strategic objectives for the year, progress against the prior year and market expectations. Pay-out will be based on a scaled performance target schedule, with the level of pay-out for threshold performance being no higher than 15% of the maximum. The target schedule will be disclosed retrospectively in the Annual Remuneration Report. The Committee has the discretion to adjust performance targets for any exceptional events that may occur during the year. The Committee has discretion to override the formulaic outcome from the performance targets if appropriate (for example, in order to reflect the Group's overall performance).

Long-Term Incentive Plan

Purpose and link to strategy	Designed to align with both the strategic objectives of delivering sustainable earnings growth and the interests of shareholders.
Operation	Awards are made under the 2017 Long Term Incentive Plan, approved at the 2017 AGM. Awards of Moneysupermarket.com Group PLC shares which vest subject to performance measured over a period of at least three years. Vested awards may then be subject to an additional holding period, which unless the Committee determines otherwise, will apply up to the fifth anniversary of the date of grant. Clawback provisions apply for a period of five years from the date of grant.
Maximum	The maximum award levels in respect of a financial year will be: • CEO: 175% of base salary; • CFO: 150% of base salary. Where considered appropriate, the Committee may make an LTIP award in respect of a particular financial year of up to 200% of base salary, in line with the rules of the plan.
Performance targets	Vesting is determined by reference to performance assessed over a period of at least three years, based on performance measures which the Committee consider to be aligned with the delivery of strategy and long-term shareholder value. For awards to be made in 2021, the measures are: • Adjusted earnings per share ('EPS') – 50% • Revenue – 30% • Comparative total shareholder return ('TSR') – 20% The Committee has discretion to use different or additional performance measures or weightings for awards in future years to ensure that the LTIP remains appropriately aligned to the prevailing business strategy and objectives. Performance targets are set for each award by the Committee. The threshold level of vesting will be no higher than 20% of the maximum award. Any performance target may be amended if an event occurs during the performance period which causes the Committee to consider an amended performance target would be more appropriate and not materially less difficult to satisfy. The Committee has discretion to override the formulaic outcome from the performance targets if appropriate (for example, in order to reflect the Group's overall performance).

All employee share plans

Purpose and link to strategy	To encourage wider employee share ownership and thereby increase alignment with shareholders.
Operation	Executive Directors are eligible to participate in all employee share plans, which are offered on similar terms to all employees, such as HMRC-approved Sharesave plans and Share Incentive Plans.
Maximum	The maximum which applies to all employees, which includes the limits for any HMRC-approved plans are as defined by HMRC from time to time.
Performance targets	Not applicable.

Share ownership guidelines

Purpose and link to strategy	To increase long-term alignment between executives and shareholders.
Operation	Executive Directors are required to build up and maintain a substantial holding of Moneysupermarket.com Group PLC shares of 200% of base salary. To achieve this, Executive Directors must retain 50% of the net of tax vested LTIP shares until the guideline is met. Unvested deferred bonus shares and vested shares subject to a holding period under the LTIP will count towards the guideline (on a net of tax basis).
Maximum	Not applicable.
Performance targets	Not applicable.

Post-employment shareholding

Purpose and link to strategy	To align Executive Director and shareholder interests after they have left the Group.
Operation	Post-cessation shareholder guidelines of 200% of salary (or actual holding if lower) in year 1 and 100% of salary (or actual holding if lower) in year 2. This will apply to share awards made after the approval of the new Policy at the 2020 AGM. • Unvested deferred bonus shares will continue to be subject to the two-year deferral period; • Vested LTIP shares will continue to be subject to the two-year holding period; and • Unvested LTIP awards will continue for 'good leavers' on a time pro-rated basis, subject to the original performance targets, and on the original vesting and holding timeline such that no shares will be delivered before five years from grant.
Maximum	Not applicable.
Performance targets	Not applicable.

Remuneration Committee Report continued

Remuneration Policy table continued

Non-Executive Director fees

Purpose and link to strategy	To provide market competitive fees which reflect the time commitment and responsibilities of each role.
Operation	The fees for the Non-Executive Directors (excluding the Chair) are determined by the Board and comprise a base fee with additional fees payable for additional responsibilities. The fees for the Chair are determined by the Committee and are structured as a single fee. Fees may be reviewed on an annual basis. The Non-Executive Directors do not participate in any Company pension arrangements, nor do they currently receive any benefits. Non-Executive Directors may be reimbursed for business expenses (and any associated tax liabilities) incurred when travelling in performance of duties.
Maximum	There is no prescribed maximum annual increase. The Board is guided by the general increase in the Non-Executive Director market and for the broader employee population but on occasions may need to recognise, for example, an increase in the scale, scope or responsibility of the role. Current fee levels are set out on page 100 and will not exceed the aggregate maximum levels set out in the Company's Articles of Association.
Performance targets	Not applicable. Non-Executive Directors do not participate in variable pay arrangements.

Service agreements for Executive Directors

The service agreements of the Executive Directors are not fixed term and are terminable by either the Company or the Director on 12 months' notice and make provision, at the Board's discretion, for early termination by way of payment of salary, benefits and pension in lieu of 12 months' notice. Under these service agreements, the Committee has discretion to make such payments on a phased basis, subject to mitigation.

Non-Executive Directors

Non-Executive Directors are appointed under arrangements that may generally be terminated by either the Company or the Director on up to three months' notice and their appointment is reviewed annually. The remuneration package for a newly appointed Non-Executive Director would normally be in line with the structure set out in the Remuneration Policy table.

Annual Report on Remuneration

Implementation of the Remuneration Policy for the year ending 31 December 2021

A summary of how the Directors' Remuneration Policy will be applied during the year ending 31 December 2021 is set out below.

Base salary

The Remuneration Committee has determined there will be no base salary increases for the Executive Directors as set out below. Normally any increase to base salary would take effect from 1 January 2021.

	2021 £	2020 £	% increase
Peter Duffy	**575,000**	575,000	0
Scilla Grimble	**387,600**	387,600	0

The Group's employees are, in general, not receiving salary increases at this time.

Pension arrangements

Any new Executive Director appointment will be eligible to receive pension contributions (or a cash allowance in lieu) at a maximum rate which is aligned to that received by the wider workforce (currently 5% of salary). Peter Duffy was appointed to the Board in September 2020 with a pension contribution of 5% of salary. At the start of 2020, the Committee decided to cap incumbent pension contributions at their 2019 monetary value (Scilla Grimble: £76,000) so they would not increase in quantum with any future salary increases and hence would result in a decrease over time in pension contributions as a percentage of salary. However, the Committee recognises evolving market practice and the feedback that the Committee received during its shareholder consultation for the 2020 Policy and has therefore agreed to align Scilla's pension contribution with that available to the wider workforce by the end of 2022, in line with shareholder guidance.

Annual bonus

For the year ending 31 December 2021, the maximum annual bonus opportunities will be in line with the Policy, as shown in the following table:

	% of salary
Peter Duffy	150%
Scilla Grimble	135%

Awards will be determined based on a balanced combination of Group financial and operational performance and individual performance, directly aligned to our KPIs and strategic objectives, as shown below. For 2021, the Board will continue to focus on adjusted EBITDA and revenue growth as key financial metrics for our strategic delivery. We are retaining the Group-wide customer satisfaction measure (net promoter score) which aligns to the Group's strategic objectives and the Group's KPI reporting (see page 32) and a final component based on personal objectives, which includes objectives related to the delivery of a number of key priorities. The weightings for the various metrics are set out below:

Metric	Weighting (% of bonus)
Adjusted EBITDA	50%
Revenue growth	20%
Net promoter score	7%
Personal objectives	23%

Maximum bonus will only be payable when performance has significantly exceeded expectations. The Committee believes that the underlying targets are commercially sensitive and cannot be disclosed at this stage. To the extent that they are no longer commercially sensitive, they will be disclosed in next year's Report.

In line with the Remuneration Policy, one third of any bonus earned will be deferred into Moneysupermarket.com Group PLC shares for a period of two years.

Long-term incentives

For the year ending 31 December 2021, annual LTIP awards will be in line with the Policy, as shown in the following table:

	% of salary
Peter Duffy	175%
Scilla Grimble	150%

The extent to which 2021 LTIP awards will vest will be dependent on three independent performance conditions as follows:

Metric	Weighting (% of award)	Performance condition	Threshold	Maximum
Vesting (% of maximum)			20%	100%
Compound annual growth in adjusted earnings per share ('EPS')	50%	Compound annual growth in adjusted earnings per share over the three-year performance period.	5%	15%
Compound annual growth in Group revenue	30%	Compound annual growth in Group revenue over the three-year performance period.	4%	9%
Comparative total shareholder return	20%	Comparative total shareholder return against the constituents of the FTSE 250 Index (excluding Investment Trusts). Three-month averaging is applied at the start and end of the performance period.	Median	Upper quartile

Vesting is on a straight-line basis between threshold and maximum.

The targets for this aware remain unchanged from prior years, as the Committee considers the target ranges to represent an appropriate level of stretch in the current environment.

Upon vesting, the 2021 LTIP awards will be subject to an additional holding period which expires on the fifth anniversary of the date of grant.

Employee engagement

In 2020, the Group engaged directly with a representative group of employees to explain how executive remuneration aligns with wider Company pay policy and we will continue to deliver further sessions throughout 2021. The Remuneration Committee reviews workforce remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for Executive Director remuneration.

Remuneration Committee Report continued

Non-Executive Directors

The fees for the Non-Executive Directors for 2021 remain unchanged from 2020 and are as follows:

	2021 £	2020 £	% increase
Chair	**251,000**	251,000	0
Base fee	**60,800**	60,800	0
Additional fees:			
Senior Independent Director	**15,000**	15,000	0
Committee Chair fee	**11,000**	11,000	0
Committee membership fee per Committee	**1,500**	1,500	0
Employee Champion fee	**7,500**	7,500	0

Remuneration received by Directors for the year ended 31 December 2020 (audited)

Directors' remuneration for the year ended 31 December 2020 was as follows:

	Salary/fees (£)	Taxable benefits[1] (£)	Pension[2] (£)	Total fixed (£)	Annual bonus[3] (£)	Vesting LTIPs[4] (£)	Other Remuneration[5] (£)	Total variable (£)	Total (£)
Peter Duffy (appointed 1 September 2020)									
2020	**191,667**	**5,296**	**9,583**	**206,546**	**—**	**—**	**—**	**—**	**206,546**
2019	—	—	—	—	—	—	—	—	—
Mark Lewis (stepped down 31 August 2020)									
2020	**374,933**	**11,198**	**73,520**	**459,651**	**—**	**—**	**—**	**—**	**459,651**
2019	551,400	16,859	110,280	678,539	461,430	93,422	—	554,852	1,233,391
Scilla Grimble (appointed 4 February 2019)									
2020	**387,600**	**14,127**	**76,000**	**477,727**	**—**	**—**	**—**	**—**	**477,727**
2019	346,750	12,815	69,667	429,232	260,461	—	480,632	741,093	1,170,325
Robin Freestone									
2020	**251,000**	**—**	**—**	**251,000**	**—**	**—**	**—**	**—**	**251,000**
2019	184,771	—	—	184,771	—	—	—	—	184,771
Andrew Fisher (stepped down 7 May 2020)									
2020	**26,417**	**—**	**—**	**26,417**	**—**	**—**	**—**	**—**	**26,417**
2019	73,800	—	—	73,800	—	—	—	—	73,800
James Bilefield (appointed 1 May 2020)									
2020	**50,867**	**—**	**—**	**50,867**	**—**	**—**	**—**	**—**	**50,867**
2019	—	—	—	—	—	—	—	—	—
Sally James									
2020	**91,300**	**—**	**—**	**91,300**	**—**	**—**	**—**	**—**	**91,300**
2019	90,300	—	—	90,300	—	—	—	—	90,300
Sarah Warby									
2020	**74,300**	**—**	**—**	**74,300**	**—**	**—**	**—**	**—**	**74,300**
2019	74,300	—	—	74,300	—	—	—	—	74,300
Caroline Britton (appointed 1 September 2019)									
2020	**74,800**	**—**	**—**	**74,800**	**—**	**—**	**—**	**—**	**74,800**
2019	24,600	—	—	24,600	—	—	—	—	24,600
Supriya Uchil (appointed 1 March 2020)									
2020	**55,667**	**—**	**—**	**55,667**	**—**	**—**	**—**	**—**	**55,667**
2019	—	—	—	—	—	—	—	—	—
Bruce Carnegie-Brown (stepped down 9 May 2019)									
2020	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
2019	88,526	—	—	88,526	—	—	—	—	88,526
Genevieve Shore (stepped down 31 July 2019)									
2020	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
2019	38,967	—	—	38,967	—	—	—	—	38,967
Total									
2020	**1,578,550**	**30,620**	**159,103**	**1,768,274**	**—**	**—**	**—**	**—**	**1,768,274**
2019	1,473,414	29,674	179,947	1,683,035	721,891	93,422	480,632	1,295,945	2,978,980

Notes
1. *Taxable benefits – Benefits for the Executive Directors incorporate all benefits and expense allowances arising from employment and relate to the provision of a car allowance and health insurance.*
2. *Pension – Pension payments reflect defined contributions and/or salary supplement arrangements. The Company provided salary supplements for our Executive Directors during 2020.*
3. *Annual bonus – the amounts shown in the table above represent the full value of the annual bonus earned in respect of the year.*
4. *Vesting LTIPs – the 2019 figure has been restated to reflect the actual value of the award upon vesting. This is based on a share price of 318.7p.*
5. *Other remuneration – this relates to the value of Scilla Grimble's buyout award made in connection with her joining the Company, in respect of in-flight incentives forfeited when leaving her previous employer. The value of these awards was realised in 2019 only.*

Annual bonus

Maximum bonus entitlement for the year ended 31 December 2020 as a percentage of base salary was 135% for Scilla Grimble for the achievement of stretching targets for growth in revenue, adjusted EBITDA and customer satisfaction (YouGov Brand Index) as well as specific personal objectives.

The performance targets, weightings, and actual performance against those targets, are set out below:

	Performance targets			Scilla Grimble
Group revenue	£405.0m	0%	Weighting (% of salary)	27%
	£412.5m	33%		
	£420.0m	67%		
	£435.0m	100%		
	£344.9m	Actual	Payout (% of salary)	0%
Group adjusted EBITDA	£144.0m	25%	Weighting (% of salary)	68%
	£146.5m	44%		
	£149.5m	67%		
	£154.5m	100%		
	£107.8m	Actual	Payout (% of salary)	0%
Customer satisfaction	74.0	25%	Weighting (% of salary)	13%
	74.5	46%		
	75.0	67%		
	76.0	100%		
	72.0	Actual	Payout (% of salary)	0%
Personal	The personal targets were set individually for each Executive Director based on the key objectives for the year in their area of responsibility – see below		Weighting (% of salary)	27%
			Payout (% of salary)	23%
Total			**Payout (% of maximum)**	**17%**
			Impact of discretion	**(17%)**
			Final Payout (% of maximum)	**0%**
			Payout (% of salary)	**0%**

In accordance with the Remuneration Policy, to ensure fair and consistent performance measurement, the Group financial performance targets may be adjusted to reflect exceptional one-off and unanticipated items, including acquisitions and disposals, which do not reflect underlying business performance. However, the Committee decided not to adjust the financial targets in the wake of the COVID-19 pandemic but made an assessment of the overall performance of the Group and whether awards were appropriate, taking into account the impact on all our key stakeholders.

The personal targets were set for Scilla Grimble based on key areas of strategic focus for the year together with a component based on Delivery at Pace, reflecting our focus in this area. The Committee assessed the personal targets and determined that they should not pay out as set out in the table above, taking into account the overall performance of the Group. Detail on the underlying targets is commercially sensitive and cannot be disclosed, however, the table below highlights Scilla's key objectives and achievements against her personal targets.

Remuneration Committee Report continued

Scilla Grimble

Objective	Maximum opportunity (% of salary)	Performance outcome and key achievements
Strategic: Deliver enablers to help all functional areas of the business focus on delivery at pace	5.4%	• Introduction of OKR process across the Group. Processes for objective setting and assessment established.
Operational: Drive business to greater visibility, understanding and decision making by adopting a CLV approach to balance economic decision making	10.8%	• Metrics established delivering better understanding of underlying drivers of customer value.
Operational: Improve the quality and rigour of support and analysis delivered by functional area to the rest of the business	10.8%	• Finance trade process redesigned, risk framework and acceptance process considerably improved. Supplier framework successfully implemented.
	27.0%	

Vesting of LTIP awards

The LTIP award granted on 5 April 2018 was based on performance to the year ended 31 December 2020. Peter Duffy and Scilla Grimble were not employed by the Company in 2018 and therefore were not granted 2018 LTIP awards. Mark Lewis forfeited his award on his resignation. For completeness, the performance targets for this award, and actual performance against those targets, was as follows:

Metric	Weighting	Performance condition	Threshold	Maximum	Actual	Vesting %
Vesting			20%	100%		
Compound annual growth in adjusted earnings per share	80%	Compound annual growth in adjusted earnings per share from 31 December 2017 to 31 December 2020.	5%	15%	(7)%	–
Comparative total shareholder return	20%	Comparative total shareholder return against the constituents of the FTSE 250 index (excluding Investment Trusts) from 31 December 2017 to 31 December 2020. Comparative total shareholder return measured over three financial years with a three-month average at the start and end of the performance period.	Median	Upper quartile	Median	4%
					Total vesting	4%

Note: Vesting is determined on a straight-line basis between threshold and maximum.

In accordance with the Remuneration Policy, to ensure fair and consistent performance measurement over the period, EPS may be further adjusted to reflect exceptional one-off and unanticipated items which do not reflect underlying business performance.

The value attributed to vested shares under long-term incentives in the remuneration table for 2020 includes amounts relating to dividend equivalents payable on vested LTIP awards over the three-year period.

Long-term incentives granted during the year (audited)

During the year, the following share awards were made to the Executive Directors:

Executive Director	Type of award	Basis of award granted	Face value of award[1] £	% of maximum that would vest at threshold performance	Vesting determined by performance over
Peter Duffy	2020 LTIP	125% of salary	718,749	20%	three financial years to 31 December 2022
Scilla Grimble	2020 LTIP	150% of salary	581,399	20%	

1 *Face value for the LTIP awards was determined using the average share price over the preceding five trading days prior to the date of grant. Scilla Grimble's grant date was 1 April 2020 with an average share price of £2.8584. For Peter Duffy, it was a grant date of 1 September 2020 with an average share price of £3.0384. His award was lower than the usual CEO award level due to his start date being after the commencement of the three-year performance period.*

In the event of an increase in the share price of 50% from the date of grant to the date of vesting for each of these awards and assuming full achievement of the associated performance conditions, the 2020 LTIPs will have a gross value of £1,078,124 for Peter Duffy and £872,099 for Scilla Grimble.

The performance targets for the 2020 LTIP awards are as follows:

Metric	Weighting (% of award)	Performance condition	Threshold	Maximum
Vesting (% of maximum)			20%	100%
Compound annual growth in adjusted earnings per share	50%	Compound annual growth in adjusted earnings per share over the three-year performance period.	5%	15%
Compound annual growth in Group revenue	30%	Compound annual growth in Group revenue over the three-year performance period.	4%	9%
Comparative total shareholder return	20%	Comparative total shareholder return against the constituents of the FTSE 250 Index (excluding Investment Trusts) over the three-year performance period. Three-month averaging is applied at the start and end of the performance period.	Median	Upper quartile

Note: Vesting is determined on a straight-line basis between threshold and maximum.

Payments to past Directors (audited)

There were no payments to past Directors during the year.

Payments for loss of office (audited)

Mark Lewis stepped down from the Board and left the Group on 31 August 2020. In respect of his period in office during 2020, Mark received the remuneration shown in the single figure table on page 100.

The Committee agreed his leaving arrangements in line with the Remuneration Policy. He received a payment for the remainder of his notice period to 13 May 2021, totalling £502,411 comprising basic salary, benefits and pension in lieu of notice in accordance with the provisions of his service agreement and a contribution to his legal fees.

Statement of Directors' shareholdings and share interests (audited)

Director	Beneficially owned at 31 December 2020	Outstanding LTIP awards	Buy-out award	Outstanding share awards under all employee share plans	Total interest in shares	Beneficial shares owned as a % of base salary at 31 December 2020
Peter Duffy	32,344	236,555	—	—	268,899	14%
Scilla Grimble	75,290	360,763	22,178	6,122	464,353	49%
Mark Lewis[1]	15,499	—	—	—	—	7%
Robin Freestone	110,153	—	—	—	110,153	n/a
Sally James	20,000	—	—	—	20,000	n/a
Caroline Britton	—	—	—	—	—	n/a
Andrew Fisher	—	—	—	—	—	n/a
Sarah Warby	—	—	—	—	—	n/a
James Bilefield	10,000	—	—	—	10,000	n/a
Supriya Uchil	—	—	—	—	—	n/a

1 *Shown as at date of leaving.*

Remuneration Committee Report continued

Executive Directors are required to hold shares in the Company worth 200% of base salary and must retain 50% of the net of tax value of any vested LTIP shares until the guideline is met. The shareholding value used for the purposes of the table above is based on the average share price during December 2020 of 253.46p.

In the period from 31 December 2020 to the date of this Report, there has been no change in the Directors' interests in shares in the Company.

Outstanding share awards

The table below sets out details of outstanding share awards held by the Executive Directors.

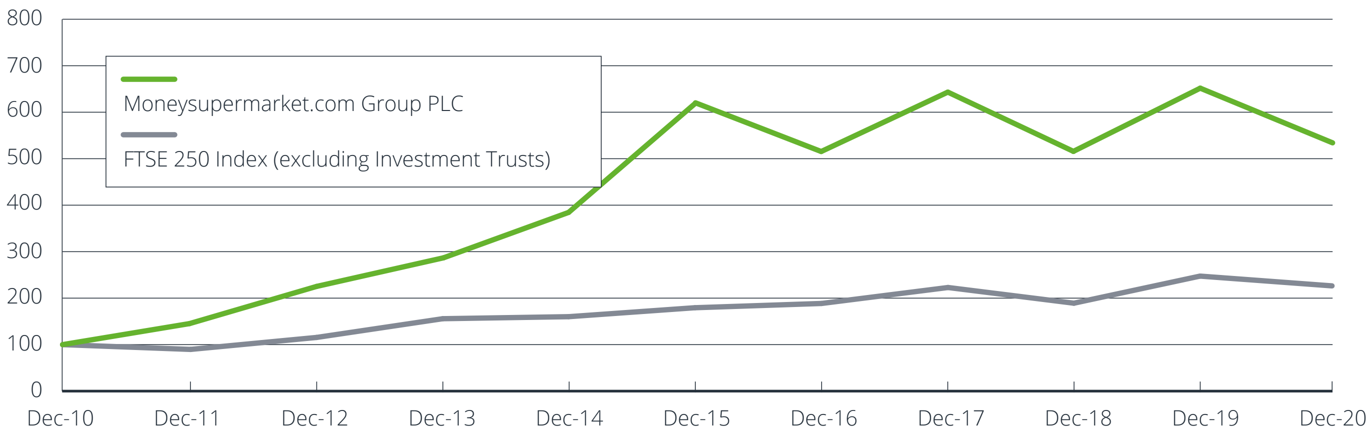
Executive Director	Scheme	Grant date	Exercise price	No. of shares at 1 January 2020	Granted during the year	Vested during the year	Lapsed during the year	No. of shares at 31 December 2020	End of performance period	Vesting/ exercise date
Peter Duffy	LTIP	01/09/2020	Nil	—	236,555	—	—	236,555	31/12/2022	01/09/2023
Scilla Grimble	LTIP	28/03/2019	Nil	157,363	—	—	—	157,363	31/12/2021	28/03/2022
	LTIP	01/04/2020	Nil	—	203,400	—	—	203,400	31/12/2022	01/04/2023
	Buy-out award	14/02/2019	Nil	113,809	—	(91,631)	—	22,178	n/a	Various[1]

1 *This award was made in connection with Scilla Grimble's recruitment to the Company to take account of compensation relinquished from her previous employer as a result of commencing employment with the Company. The total award was over 164,600 shares, and was subject to a vesting timeline (in line with the forfeited remuneration) as follows: 50,791 on 22 June 2019; 41,252 on 19 March 2020; 31,704 on 23 June 2020; 18,675 on 14 August 2020; 22,178 on 19 March 2021.*

Performance graph (unaudited)

The following graph shows the cumulative total shareholder return of the Company over the last ten financial years relative to the FTSE 250 Index (excluding Investment Trusts). The Remuneration Committee considers the FTSE 250 Index (excluding Investment Trusts) to be an appropriate index for total shareholder return and comparison disclosure as it represents a broad equity market index in which the Company is a constituent member.

This graph shows the value, by 31 December 2020, of £100 invested in Moneysupermarket.com Group PLC on 31 December 2010 compared with the value of £100 invested in the FTSE 250 Index (excluding Investment Trusts) on the same date, assuming the reinvestment of dividends. The other points plotted are the values at intervening financial year ends.



Total remuneration for Chief Executive Officer (unaudited)

The total remuneration figures for the Chief Executive Officer during each of the last ten financial years are shown in the table below. The total remuneration figure includes the annual bonus based on that year's performance and LTIP awards based on three-year performance periods ending in the relevant year. The annual bonus payout and LTIP vesting level as a percentage of the maximum opportunity are also shown for each of these years.

Year ended 31 December	2011	2012	2013	2014	2015	2016	2017	2017	2018	2019	**2020**	**2020**
CEO	Peter Plumb	Peter Plumb	Peter Plumb	Peter Plumb	Peter Plumb	Peter Plumb	Peter Plumb	Mark Lewis	Mark Lewis	Mark Lewis	**Mark Lewis**	**Peter Duffy**
Total remuneration	£1,024,156	£2,866,123	£3,059,163	£3,365,277	£2,715,342	£2,391,627	£1,064,634	£841,030	£1,156,842	£1,244,266	**£459,651**	**£206,546**
Annual bonus (% of maximum)	91%	94%	83%	85%	95%	72%	60%	47%	61%	55.8%	**n/a**	**n/a**
LTIP vesting (% of maximum)	n/a	94%	100%	98%	85%	81%	68%	n/a	n/a	9.6%	**n/a**	**n/a**

Pay ratio

The table below discloses the ratio of CEO pay for 2020, using the single total figure of remuneration ('STFR') of the CEO (as disclosed on page [100]) to the comparable earnings of the rest of the employees in the Group, at a number of prescribed data points (25th, 50th and 75th percentiles).

Year	Method	25th percentile (P25) pay ratio	Median (P50) pay ratio	75th percentile (P75) pay ratio
2020	Option A	19:1	14:1	10:1
2019	Option A	35:1	25:1	18:1
2018	Option A	35:1	24:1	17:1

Notes:
The ratios are calculated using option A in the disclosure regulations. The employees at the lower quartile, median and upper quartile (P25, P50, and P75, respectively) were determined based on total remuneration for 2020 using a valuation methodology consistent with that used for the CEO in the single figure table on page 100. This option was selected on the basis that it provided the most accurate means of identifying the median, lower and upper quartile employees. The calculation is undertaken on a full-time equivalent basis.

The total remuneration in respect of 2020 for the employees identified at P25, P50 and P75 is £35,124, £49,436, and £66,628, respectively. The base salary in respect of 2020 for the employees identified at P25, P50 and P75 is £33,495, £44,019, and £63,600, respectively.

In line with the requirements, the total pay and benefits paid to both Peter Duffy and Mark Lewis whilst in the role of CEO have been combined to calculate the total CEO pay.

The Committee considers pay ratios as one of many reference points when considering remuneration. Throughout the Company, pay is positioned to be fair and market competitive in the context of the relevant talent market, fairly reflecting market data and other relevant benchmarks for the role. The Committee notes the limited comparability of pay ratios across companies and sectors, given the diverse range of business models and employee population profiles which exist across the market. A significant proportion (over 70%) of the CEO's total remuneration is delivered in variable remuneration, and particularly via long-term share awards under the DBP and LTIP. In order to drive alignment with investors, the value ultimately received from LTIP awards is linked to stretching Company performance targets and long-term share price movement. As a result, the pay ratio is likely to be driven largely by the CEO's LTIP outcome and may therefore fluctuate significantly on a year-to-year basis.

Percentage change in the Directors' remuneration (unaudited)

The table below shows the percentage change in the Executive Directors and Non-Executive Directors's salary, benefits and annual bonus between the financial year ended 31 December 2019 and 31 December 2020, compared to that of the average percentage change for all employees of the Group for each of these elements of pay.

	Salary %	Taxable benefits %	Annual bonus %
Mark Lewis (stepped down 31 August 2020)	**2**	**0**	**(100)**
Scilla Grimble (appointed 4 February 2019)	**2**	**0**	**(100)**
Robin Freestone	**2**	**—**	**—**
Sally James	**1**	**—**	**—**
Sarah Warby	**0**	**—**	**—**
Caroline Britton	**1**	**—**	**—**
Supriya Uchil (appointed 1 March 2020)	**—**	**—**	**—**
James Bilefield (appointed 1 May 2020)	**—**	**—**	**—**
Other employees	**3**	**2**	**(100)**

The figures in the table above reflect the annualised amounts for Mark Lewis in 2020 as if he remained Chief Executive Officer for the full year. The actual amounts he received are set out in the single figure table on page 100 as he stepped down from the Board on 31 August 2020.

All employees have been selected in the comparator pool.

Remuneration Committee Report continued

Relative importance of spend on pay (unaudited)

The following table shows the Company's actual spend on pay (for all employees) relative to dividends, tax and retained profits:

	2019	2020	change %
Staff costs (£m)	61.8	**55.7**	(10)
Dividends (£m)[1]	62.8	**62.8**	0
Tax (£m)	21.1	**18.5**	12
Retained profits (£m)	94.9	**69.3**	(27)

1 2020 includes a proposed final dividend of 8.61p per share. 2019 includes the final dividend of 8.61p per share. The dividend figures relate to amounts payable in respect of the relevant financial year.

Consideration by the Directors of matters relating to Directors' remuneration

The Remuneration Committee comprises five Independent Non-Executive Directors: James Bilefield (Chair), Sally James, Caroline Britton, Sarah Warby and Supriya Uchil. Biographies of the members of the Remuneration Committee are set out on pages 62 and 63. Andrew Fisher stepped down as Chair of the Committee on 7 May 2020.

The Remuneration Committee's duties include:
- determining the policy for the remuneration of the Chair, Executive Directors and executive management;
- determining the remuneration package of the Chair, Executive Directors and executive management, including, where appropriate, bonuses, incentive payments and pension arrangements within the terms of the agreed framework and policy;
- ensuring the remuneration practices and policies for the wider workforce are aligned to our strategy and culture; and
- determining awards under the Company's long-term incentive schemes.

During 2020, the Remuneration Committee and the Company received advice from Deloitte LLP, who are independent remuneration consultants, in connection with remuneration matters including the Group's performance related remuneration policy. Deloitte LLP is a member of the Remuneration Consultants Group and is committed to that group's voluntary code of practice for remuneration consultants in the UK. Deloitte LLP has no other connection or relationship with the Group. During 2020, Deloitte LLP also provided services to the Group in respect of corporate tax and VAT advice and risk advisory work. The fees paid to Deloitte LLP for providing advice which materially assisted the Committee in relation to executive remuneration over the financial year under review was £21,900.

Outside appointments

Executive Directors are permitted to accept outside appointments on external boards so long as these are not deemed to interfere with the business of the Group. During 2020, Peter Duffy was a Non-Executive Director of Close Brothers Group plc and is President of ISBA – the UK trade body for leading British advertisers. Scilla Grimble has been appointed as a Non-Executive Director of Taylor Wimpey with effect from 1 March 2021.

Remuneration Committee effectiveness

In 2020 we carried out an internal evaluation of Remuneration Committee effectiveness which involved the completion of a questionnaire, with the results being analysed and presented at a Committee meeting for discussion. The Committee determined that it continues to be effective in fulfilling its role during 2020 and remains independent. In response to actions identified in the 2019 evaluation, the Committee has enhanced processes to ensure that remuneration continues to be aligned to the Company's purpose and values. In early 2021, SCT Limited will carry out an effectiveness review as part of the externally facilitated Board evaluation process.

Statement of voting at general meeting

The following votes were received from shareholders in respect of the Directors' Remuneration Report at last year's Annual General Meeting and in respect of the Remuneration Policy at the 2020 Annual General Meeting:

	Remuneration Report (2020 AGM)		Remuneration Policy (2019 AGM)	
	Votes	%	Votes	%
Votes cast in favour[1]	395,892,329	98.36	355,091,953	92.38
Votes cast against	6,606,079	1.64	29,305,323	7.62
Total votes cast	402,498,408		384,397,276	
Abstentions[2]	338,679		18,376,810	

1 Includes Chair's discretionary votes.
2 A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes validly cast.

This report was approved by the Board and signed on its behalf by:

James Bilefield
Chair of the Remuneration Committee
17 February 2021

Directors' Report

The Directors' Report sets out additional statutory information

Katherine Bellau
Company Secretary

Annual General Meeting

The Annual General Meeting ('AGM') of Moneysupermarket.com Group PLC (the 'Company') will be held at 1 Dean Street, London W1D 3RB on Thursday 13 May 2021 at 10.00am. The notice convening the meeting, with details of the business to be transacted at the meeting and explanatory notes is set out in a separate AGM circular which has been issued to all shareholders at the same time as this Report.

Dividend

The Directors recommend a final dividend of 8.61p (2019: 8.61p) per ordinary share in respect of the year ended 31 December 2020. If approved by shareholders at the forthcoming AGM, this will be paid on 20 May 2021 to shareholders on the register at close of business on 9 April 2021. The final dividend and the interim dividend of 3.10p per ordinary share paid in September 2020, gives a total dividend for the year of 11.71p (2019: 11.71p) per ordinary share (excluding the special dividend).

Issued share capital and control

As at 31 December 2020, the issued share capital of the Company was £107,340 comprising 536,700,541 ordinary shares of 0.02p each. Full details of the share capital of the Company and changes to share capital during the year are set out in note 20 to the Group Financial Statements on page 140.

The information in note 20 is incorporated by reference and forms part of this Directors' Report.

At the 2020 AGM, shareholders authorised the Directors to allot up to 357,385,000 ordinary shares in the capital of the Company. Directors will again seek authority from shareholders at the forthcoming AGM to allot up to 357,450,000 ordinary shares.

Holders of ordinary shares are entitled to receive dividends when declared, to receive the Company's Annual Report, to attend and speak at general meetings of the Company, to appoint proxies and to exercise voting rights.

On a show of hands at a general meeting of the Company, every holder of ordinary shares present in person or by proxy, and entitled to vote, has one vote and, on a poll, every holder of ordinary shares present in person or by proxy, and entitled to vote, has one vote for every ordinary share held. Electronic and paper proxy appointments and voting instructions must be received not later than 48 hours before the meeting. A holder of ordinary shares can lose the entitlement to vote and the right to receive dividends where that holder fails to comply with a disclosure notice issued under section 793 of the Companies Act 2006. There are no issued shares in the Company with special rights with regard to control of the Company.

The Company operates a Share Incentive Plan which entitles all employees to purchase ordinary shares in the Company using money deducted from their pre-tax salary. Plan shares are held in trust for participants by Link Market Services Trustees Limited ('Trustee').

Voting rights are exercised by the Trustee in accordance with participants' instructions. If a participant does not submit an instruction to the Trustee, no vote is registered. In addition, the Trustee does not vote on any unawarded or forfeit shares held under the Plan as surplus assets. As at the date of this report, the Trustee held 0.0179% of the issued ordinary share capital in the Company.

The Company operates a Long-Term Incentive Plan ('Plan') and shares are held by the trustees, Estera Trust (Jersey) Limited ('Estera'), pending vesting of the shares awarded under the Plan. Estera does not vote on any shares held in trust. As at the date of this Report, Estera held 0.0488% of the issued ordinary share capital in the Company.

Full details of the rights and obligations attaching to the Company's share capital are contained in the Articles of Association. The Articles of Association may only be amended by a special resolution at a general meeting of shareholders. The Board is proposing that the Company adopt new Articles of Association at the forthcoming AGM to reflect changes to company law and market

Directors' Report continued

practice. The Notice to the AGM provides details of the principal changes and a marked-up version of the Articles will be available on our corporate website.

All of the Company's share schemes contain provisions relating to a change of control. Outstanding options and awards normally vest and become exercisable on a change of control subject to satisfaction of any performance conditions at that time. Save in respect of provisions of the Company's share schemes, there are no agreements between the Company and its Directors or employees providing compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

The Company has entered into one significant agreement which would be terminable upon a change of control; the credit facility agreement entered into with Barclays Bank PLC and the Bank of Ireland in November 2020.

Restrictions on the transfer of securities

Whilst the Board has the power under the Articles of Association to refuse to register a transfer of shares, there are no restrictions on the transfer of shares other than:

- certain restrictions may from time to time be imposed by laws and regulations (for example, insider trading laws); and
- pursuant to the Listing Rules of the Financial Conduct Authority whereby certain Directors, officers and employees of the Group require the approval of the Company to deal in ordinary shares of the Company.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

Authority to purchase own shares

The Company was authorised at the 2020 AGM to purchase up to 53,600,000 of its own shares in the market. No shares were purchased under this authority in 2020. Directors will seek authority from shareholders at the forthcoming AGM for the Company to purchase, in the market, up to 53,670,000 shares. The Directors have no present intention of conducting purchases of the Company's shares but consider it prudent to obtain the flexibility this authority provides. The Directors will only use this power after careful consideration, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The Directors will only purchase such shares after taking into account the effects on earnings per share and the interests of shareholders generally.

Substantial shareholders

As at 31 December 2020, the Company had been notified of the following holdings of voting rights in its shares under Rule 5 of The Disclosure Guidance and Transparency Rules of the Financial Conduct Authority:

Shareholder	No. of ordinary shares/voting rights notified	Percentage of ordinary share capital/voting rights notified
Massachusetts Financial Services Company	30,527,976	5.69
Prudential plc group of companies	27,199,962	5.07
Ameriprise Financial, Inc. and its group	27,061,089	5.04
Standard Life Investments (Holdings) Limited	25,417,919	4.74
FIL Limited	24,758,460	4.61
Blackrock, Inc.	21,633,123	4.03
State Street Nominees Limited	20,581,165	3.84

As at 17 February 2021, the Company had not received any further notifications of holdings of voting rights.

Directors

The Directors who served during the financial year were as follows:

Director	Position	Service in the year ended 31 December 2020
Robin Freestone	Chair	Served throughout year
James Bilefield	Independent Non-Executive Director	Appointed 1 May 2020
Caroline Britton	Independent Non-Executive Director	Served throughout year
Peter Duffy	Chief Executive Officer	Appointed 1 September 2020
Andrew Fisher	Independent Non-Executive Director	Resigned 7 May 2020
Scilla Grimble	Chief Financial Officer	Served throughout year
Sally James	Senior Independent Non-Executive Director	Served throughout year
Mark Lewis	Chief Executive Officer	Resigned 31 August 2020
Sarah Warby	Independent Non-Executive Director	Served throughout year
Supriya Uchil	Independent Non-Executive Director	Appointed 1 March 2020

Their biographical details are set out on pages 62 to 63. Further details relating to Board and Committee composition are disclosed in the Corporate Governance Report and Committee Reports on pages 60 to 106.

The Articles of Association provide that a Director may be appointed by an ordinary resolution of shareholders or by the existing Directors, either to fill a vacancy or as an additional Director. All Directors will retire and offer themselves for election or re-election at the 2021 AGM in accordance with the 2018 UK Corporate Governance Code.

The Executive Directors serve under rolling contracts that are terminable upon 12 months' notice from either party. The Non-Executive Directors serve under letters of appointment. Copies of service contracts and letters of appointment are available for inspection at the Company's registered office during normal business hours and will be available for inspection at the Company's AGM.

The Directors' Remuneration Report, which includes the Directors' interests in the Company's shares, is set out on pages 91 to 106. During the year, no Director had any material interest in any contract of significance to the Group's business.

Directors' powers

The Board of Directors may exercise all the powers of the Company subject to the provisions of relevant legislation, the Company's Articles of Association and any directions given by the Company in general meeting.

Directors' indemnities

During the financial year ended 31 December 2020 and up to the date of this Directors' Report, the Company has maintained appropriate liability insurance for its Directors and officers.

The Company has granted indemnities to each of its Directors and the Company Secretary to the extent permitted by law and its Articles of Association. These indemnities were in force throughout the year ended 31 December 2020 and remain in force as at the date of this Report in relation to certain losses and liabilities which the Directors or Company Secretary may incur in the course of acting as Directors, Company Secretary or employees of the Company or of any associated company. In addition, the Company grants similar indemnities to senior managers of the Group who are subject to the provisions of the Senior Managers and Certification Regime ('SM&CR').

Conflicts of interest

As permitted by the Companies Act 2006, the Company's Articles of Association enable Directors to authorise potential conflicts of interest. The Company has a formal procedure for notification and authorisation to be sought, prior to the appointment of any new Director or prior to a new conflict arising. This procedure enables non-conflicted Directors to impose limits or conditions when giving or reviewing authorisation. It also requires the Board to review the register of Directors' conflicts annually and on an ad hoc basis when necessary. The Board has complied with this procedure during the year.

Employees

The Group places considerable value on the involvement of its employees and uses a number of ways to engage with employees on matters that impact them and the performance of the Group. These include formal business performance updates by members of executive management for all employees, informal weekly vlogs from the Chief Executive Officer, regular update briefings for all employees, regular team meetings, the Group's intranet site and Teams channels which enable easy access to the latest information and policies, and the circulation to employees of results and other corporate announcements. This also helps to achieve a common awareness amongst employees of the financial and economic factors affecting the performance of the Group. The Board appointed Sarah Warby, one of our independent Non-Executive Directors, as our 'Employee Champion' in 2018 and has provided the opportunity for employees to engage directly with our Non-Executive Directors in order to give them the opportunity to understand more about our employees. Employees were also offered virtual breakfasts and coffees with members of the executive management and small group sessions with the Chief Executive Officer.

A robust employee engagement survey process is also in place to ensure that employees are given a voice in the organisation and that the Group can take action based on employee feedback. All employees are able to participate in the Company's Share Incentive Plan and Save As You Earn Scheme which give employees the opportunity to purchase ordinary shares in the Company. This helps to encourage employee interest in the performance of the Group. Further information on employee engagement can be found on pages 48 to 51.

Equal opportunities

The Group is committed to providing equality of opportunity to all employees without discrimination and applies fair and equitable employment policies which seek to promote entry into and progression within the Group. Appointments are determined solely by application of job criteria, personal ability, behaviour and competency.

In October 2020 the Group signed up to the Race at Work Charter, a public commitment to prioritising action on race equity as part of the Group's Race Equity Plan. The plan includes a specific commitment at Board level to zero tolerance of racial harassment or bullying. This means that all allegations of racial bullying or harassment will be taken seriously, managed consistently and in line with the Group's Anti-Bullying and Harassment Policy, with formal action taken where necessary.

In the opinion of the Directors, all employee policies are deemed to be effective and in accordance with their intended aims.

Disabled persons have equal opportunities when applying for vacancies, with due regard to their skills and abilities. Procedures ensure that disabled employees are fairly treated in respect of training and career development. For those employees that become disabled during the course of their employment, the Group is supportive so as to provide an opportunity for them to remain with the Group, wherever reasonably practicable.

Borrowings

The Group has a revolving credit facility ('RCF') of £90m in committed funds, which will mature in September 2023. As at 31 December 2020, the Group was not utilising any of the facility. The Group also has an accordion option to apply for up to an additional £100m of funds during the term of this RCF.

Political donations

During the financial year ended 31 December 2020, the Group did not make any political donations (2019: £nil).

Post balance sheet events

On 28 January 2021, the Group acquired the remaining share capital of CYTI (Holdings) Limited. Total consideration for the acquisition of CYTI comprises £1.4m cash, the fair value of the option and the fair value of the 28% held as at the acquisition date.

Auditor and disclosure of information

The Directors who held office at the date of this Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each such Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information, and to establish that the Company's auditor is aware of that information.

Auditor

The Board approved the Audit Committee's recommendation to put a resolution to shareholders recommending the reappointment of KPMG LLP as the Company's auditor, and KPMG LLP have indicated their willingness to accept reappointment as auditors of the Company. The audit partner was rotated in April 2020 in accordance with the FRC's Ethical Standard 3 (Revised).

The Audit Committee, in its recommendation, confirmed that: (1) the recommendation was free from influence by a third-party; and (2) no contractual term of the kind mentioned in Article 16(6) of the EU Regulation 537/2014 has been imposed on the Company.

A resolution proposing the reappointment of KPMG is contained in the notice of the forthcoming AGM and will be proposed to shareholders at that meeting.

Directors' Report continued

Reporting requirements

The following sets out the location of additional information forming part of the Directors' Report:

Reporting requirement	Location
Strategic Report – Companies Act 2006 s414A-D	Strategic Report on pages 2 to 59
DTR4.1.8R – Management Report – the Directors' Report and Strategic Report comprise the 'management report'	Directors' Report on pages 107 to 110 and the Strategic Report on pages 2 to 59
Likely future developments of the business and Group	Strategic Report on pages 2 to 59
Statement on corporate governance	Corporate Governance Report, Audit Committee Report, Risk Committee Report, Nomination Committee Report and Directors' Remuneration Report on pages 60 to 106
Details of use of financial instruments and specific policies for managing financial risk	Note 21 to the Group Financial Statements on pages 140 to 141
The Board's assessment of the Group's internal control systems	Corporate Governance Report on pages 60 to 75, the Audit Committee Report on pages 82 to 87 and Risk Committee Report on pages 88 to 90
Greenhouse gas emissions	Sustainability and Stakeholder Engagement Report on page 42
Directors' remuneration including disclosures required by Schedule 5 and Schedule 8 of SI2008/410 – Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008	Directors' Remuneration Report on pages 91 to 106
Directors' responsibility statement	Directors' Responsibility Statement on page 111
Directors' interests	Directors' Remuneration Report on page 103

The Strategic Report comprising the inside cover and pages 2 to 59 and this Directors' Report comprising pages 107 to 110 have been approved by the Board and are signed on its behalf by:

Katherine Bellau
Company Secretary
17 February 2021

Registered office: Moneysupermarket House, St. David's Park, Ewloe, Chester CH5 3UZ

Directors' Responsibility Statement

The Directors are responsible for preparing the Annual Report and the Group and Parent Company Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law. In addition, the Group financial statements are required under the UK Disclosure Guidance and Transparency Rules to be prepared in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRSs as adopted by the EU"). They have elected to prepare the Parent Company financial statements in accordance with UK accounting standards and applicable law including, FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRSs as adopted by the EU");
- for the Parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Parent Company financial statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors whose names and functions are set out on pages 62 and 63 confirms that, to the best of their knowledge:

- the Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

In addition, the Directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Peter Duffy
Chief Executive Officer

Scilla Grimble
Chief Financial Officer

Independent Auditor's Report to the Members of Moneysupermarket.com Group PLC

1. Our opinion is unmodified

We have audited the Financial Statements of Moneysupermarket.com Group PLC ("the Company") for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and the related notes including the accounting policies in note 2 to the Group Financial Statements, and the Company Balance Sheet and Company Statement of Changes in Equity, and the related notes including the accounting policies in note 1 to the Parent Company Financial Statements.

In our opinion:

- the Financial Statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of the Group's profit for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union (IFRSs as adopted by the EU);
- the Parent Company Financial Statements have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group Financial Statements, Article 4 of the IAS Regulation to the extent applicable.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit Committee.

We were appointed by the Company before 9 July 2007. The period of total uninterrupted engagement is for the 14 financial years ended 31 December 2020. Prior to that we were also auditor to the Group's previous Parent Company, but which, being unlisted, was not a public-interest entity. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality: Group Financial Statements as a whole	£4.0m (2019: £5.4m) 4.6% (2019: 4.7%) of Group profit before tax	
Coverage	100% (2019: 100%) of Group profit before tax	
Key audit matters	**vs. 2019**	
Recurring risks	Revenue recognition: Accrued revenue	◀▶
	Recoverability of Parent Company's investment in subsidiary and debt due from Group entities	◀▶

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the Financial Statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the Financial Statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Revenue recognition: Accrued revenue (2020: £33.5 million; 2019: £38.7 million) Refer to page 84 (Audit Committee Report), page 125 (accounting policy) and page 138 (financial disclosures).	**Subjective estimate:** Accrued revenue represents the amount uninvoiced at the period end. Accrued revenue of £33.5 million (2019: £38.7 million) is 9.9% (2019: 10.0%) of total revenue. Revenue is recognised predominantly from internet lead generation that convert into a completed sale. Accrued revenue as at the period end is recorded when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is based on an estimation of leads provided that will result in completed sales. There is a level of inherent subjectivity in estimating the number of leads that will convert into completed sales at the period end. The effect of these matters is that, as part of our risk assessment for audit planning purposes, we determined that the conversion rate assumption within the revenue accrual had a degree of estimation subjectivity, with a potential range of reasonable outcomes greater than our materiality for the Financial Statements as a whole. A significant amount of accrued revenue was converted to cash or invoiced shortly after the year end. Accordingly, in conducting our final audit work, we reassessed the degree of estimation subjectivity to be reduced, compared to the audit planning phase. The Financial Statements (note 17) disclose a sensitivity estimated by the Group based on historical under and over estimates of the revenue accrual. This is disclosed as a key audit matter due to the significant focus from the audit team on this balance.	Our procedures over accrued revenue included: • **Control design and observation:** We performed the detailed tests below rather than seeking to rely on any of the Group's controls because our knowledge of the design of these controls indicated that we could not be able to obtain the required evidence to support reliance on controls; • **Invoice and/or cash test of details:** We agree a sample of amounts from the revenue accrual, where the invoice has been raised post year-end, to the raised invoice and/or cash received post year end and performed an assessment of whether the differences identified through these procedures were material; • **Contract rate test of details:** We agreed a sample of the contract rates used in the accrued revenue calculation to signed provider contracts; • **Historical comparisons:** We assessed the historical accuracy of accrued revenue, comparing actual sales to prior month accruals to understand the reasons for significant variances and determine whether they are indicative of bias or error in the Group's approach to estimating accrued revenue; • **Accuracy of lead data:** We tested the accuracy of the lead data used in the calculation of the uninvoiced element of accrued revenue not collected before the approval of the Financial Statements. We used our own data extraction of the number of leads from the source system and considered whether the lead data used in the accrued revenue calculation was complete and accurate; and • **Assessing transparency:** We assessed the adequacy of the Group's disclosures about the degree of estimation involved in arriving at accrued revenue. **Our results** • We found the resulting estimate of the revenue accrual to be acceptable (2019: acceptable).

Independent Auditor's Report to the Members of Moneysupermarket.com Group PLC continued

Recoverability of Parent Company's investment in subsidiary and debt due from Group entities Investment in subsidiary (2020: £181.7 million; 2019: £181.7 million) Amounts due from subsidiary undertakings (2020: £154.3 million; 2019: £579.2 million)	**Low risk, high value:** The carrying amount of the Parent Company's investment in subsidiary and debt due from Group entities represents 99.7% (2019: 99.9%) of the Parent Company's total assets. Their recoverability is not a high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the Parent Company Financial Statements, this is considered to be the area that had the greatest effect on our overall Parent Company audit.	Our procedures included: We performed the tests below rather than seeking to rely on any of the company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. • **Test of detail:** We compared the carrying amount of the investment in subsidiary and debt due from Group entities with the subsidiary's draft balance sheet to identify whether its net assets, being an approximation of its minimum recoverable amount, was in excess of its carrying amount; • **Assessing subsidiary audits:** We assessed the work performed by the audit team on the subsidiaries and considering the results of that work on those subsidiaries' profits and net assets including assessing the liquidity of the assets and therefore the ability of the subsidiary to fund the repayment of the receivable; and • **Comparing valuations:** We compared the carrying amount of the investment and debt due from Group entities to the Group's market capitalisation to assess whether there are any indicators of impairment. **Our results** • We found the Company's conclusion that there is no impairment of its investment in subsidiary and debt due from Group entities to be acceptable (2019: acceptable).

We continue to perform procedures over the capitalisation of software and development costs. However, amounts capitalised on new projects were significantly lower during the year and therefore we have not assessed this as a significant risk in our current year audit and, therefore, it is not separately identified in our report this year.

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group Financial Statements as a whole was set at £4.0 million (2019: £5.4 million), determined with a reference to a benchmark of Group profit before tax of £87.8 million (2019: £116.0 million), of which it represents 4.6% (2019: 4.7%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the Financial Statements as a whole.

Materiality for the Parent Company Financial Statements as a whole was set at £2.6 million (2019: £4.5 million), determined with a reference to a benchmark of Parent Company total assets of £337.0 million (2019: £761.4 million) of which it represents 0.8% (2019: 0.6%).

Performance materiality for the Group and Parent Company was set at 75% (2019: 75%) of materiality for the Financial Statements as a whole, which equates to £3.0 million (2019: £4.1 million) for the Group and £2.0 million (2019: £3.4 million) for the Parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £0.20 million (2019: £0.27 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's seven (2019: seven) reporting components, we subjected five (2019: six) to full scope audits for group purposes and nil (2019: one) to specified risk-focused audit procedures. Two components in the current year (2019: two) were not individually financially significant enough to require a full scope audit for group purposes, but in 2019 one did present specific individual risks that needed to be addressed. Work on all components, including the audit of the Parent Company, was performed by the Group team.

The components within the scope of our work accounted for the percentages illustrated below.

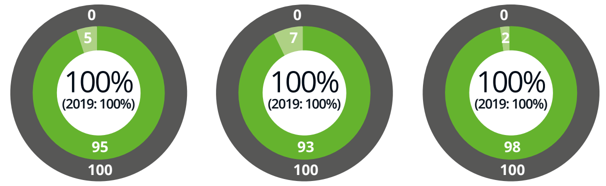
For the residual components, we performed analysis at an aggregated group level to re-examine our assessment that there were no significant risks of material misstatement within these.

Group profit before tax
£87.8m
(2019: £116.0m)

Group materiality
£4.0m
(2019: £5.4m)

Group profit before tax
Group materiality

Group total assets **Group revenue** **Group profit before tax**



Full scope for group audit purposes 2020
Full Scope for group audit purposes 2019
Specified Risk-focused audit procedures 2019

4. Going concern

The Directors have prepared the Financial Statements on the going concern basis as they do not intend to liquidate the Group or the Parent Company or to cease their operations, and as they have concluded that the Group's and the Parent Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for a period in excess of 12 months from the date of approval of the Financial Statements ("the going concern period"). We used our knowledge of the Group, it's industry, and the general economic environment to identify the inherent risks to its business model and assessed how those risks might affect the Group's and the Parent Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and the Parent Company's available financial resources and metrics relevant to debt covenants over this period were:

- The impact of economic conditions (including the impact of COVID-19), the competitive environment and a reduction in consumer demands;
- The potential impact of a significant data breach or cyber attack, the resulting fines and damage to brand strength and reputation; and
- The impact of regulatory changes and government policy reducing the availability of attractive products to customers.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's current and projected cash and facilities (a reverse stress test).

Independent Auditor's Report to the Members of Moneysupermarket.com Group PLC continued

We also assessed the completeness and adequacy of the going concern disclosure. Our conclusions based on this work are:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Parent Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the Directors' statement in note 2 to the Financial Statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and the Parent Company's use of that basis for the going concern period, and we found the going concern disclosure in note 2 to be acceptable; and
- the related statement under the Listing Rules set out on page 34 is materially consistent with the Financial Statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Parent Company will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Inquiring of Directors, the Audit Committee, the Risk Committee, Internal Audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the Internal Audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, Audit and Risk Committee meeting minutes.
- Considering remuneration incentive schemes and performance targets for Directors including the revenue growth, adjusted EBITDA and adjusted earnings per share growth targets for remuneration.
- Using analytical procedures to identify any usual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk of bias in accounting for the revenue accrual estimate and the risk that Group management may be in a position to make inappropriate accounting entries.
We did not identify any additional fraud risks.

Further detail in respect of the revenue accrual estimate is set out in the key audit matter disclosures in section 2 of this report.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Assessing significant accounting estimates for bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the Financial Statements from our general commercial and sector experience, and through discussion with the Directors and other management (as required by the auditing standards), and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the Financial Statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the Financial Statements including financial reporting legislation (including related companies legislation), distributable profits legislation and tax legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related Financial Statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the Financial Statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection law and laws and regulations of various bodies that regulate the Group's activities including the Competition and Market Authority ('CMA'), the Financial Conduct Authority ('FCA'), the Information Commissioners Office ('ICO'), the Office of Gas and Electricity ('Ofgem') and the Office of Communications ('Ofcom'). Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We assessed the legality of the distribution in the period by assessing the level of distributable profits.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. We have nothing to report on the other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the Financial Statements. Our opinion on the Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our Financial Statements audit work, the information therein is materially misstated or inconsistent with the Financial Statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and Directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the Financial Statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' disclosures in respect of emerging and principal risks and the Viability Statement, and the Financial Statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the Viability Statement, page 34, that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks and Uncertainty disclosures describing these risks and explaining how they are being managed and mitigated; and
- the Directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability Statement, set out on page 34 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the Financial Statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our Financial Statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and the Parent Company's longer-term viability.

Independent Auditor's Report to the Members of Moneysupermarket.com Group PLC continued

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' corporate governance disclosures and the Financial Statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the Financial Statements and our audit knowledge:

- the Directors' statement that they consider that the Annual Report and Financial Statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the Annual Report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the Financial Statements, and how these issues were addressed; and
- the section of the Annual Report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Report relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

7. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

8. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 111, the Directors are responsible for: the preparation of the Financial Statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

9. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the terms of our engagement by the Company. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and the further matters we are required to state to them in accordance with the terms agreed with the Company, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Suvro Dutta (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square London
E14 5GL
17 February 2021

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2020

	Note	Year ended 31 December 2020 £m	Year ended 31 December 2019 £m
Revenue	4	**344.9**	388.4
Cost of sales		**(115.4)**	(122.0)
Gross profit		**229.5**	266.4
Distribution expenses		**(34.3)**	(29.9)
Administrative expenses		**(108.2)**	(118.2)
Operating profit	6	**87.0**	118.3
Change in fair value of financial instruments	16	**3.5**	–
Finance income	8	**0.1**	0.2
Finance expense	8	**(2.1)**	(2.2)
Share of post-tax loss of equity accounted investees	14	**(0.7)**	(0.3)
Profit before tax		**87.8**	116.0
Taxation	9	**(18.5)**	(21.1)
Profit for the year		**69.3**	94.9
Other comprehensive income – items that will not be reclassified to profit and loss:			
Change in fair value of financial instruments	15	**2.6**	2.1
Total comprehensive income for the year		**71.9**	97.0
All profit and comprehensive income is attributable to the equity holders of the Company and relates to continuing operations			
Earnings per share			
Basic earnings per ordinary share (p)	10	**12.9**	17.7
Diluted earnings per ordinary share (p)	10	**12.9**	17.7

Consolidated Statement of Financial Position
at 31 December 2020

	Note	31 December 2020 £m	31 December 2019 £m
Assets			
Non-current assets			
Property, plant and equipment	12	**42.6**	44.7
Intangible assets and goodwill	13	**170.8**	177.9
Equity accounted investments	14	**2.6**	0.5
Other investments	15	**8.2**	5.3
Total non-current assets		**224.2**	228.4
Current assets			
Derivative financial assets	16	**3.5**	–
Trade and other receivables	17	**45.1**	47.4
Prepayments		**8.8**	6.3
Cash and cash equivalents	21	**23.6**	24.2
Total current assets		**81.0**	77.9
Total assets		**305.2**	306.3
Liabilities			
Non-current liabilities			
Other payables	18	**30.7**	37.3
Deferred tax liabilities	19	**11.4**	10.8
Total non-current liabilities		**42.1**	48.1
Current liabilities			
Trade and other payables	18	**54.6**	52.2
Current tax liabilities		**–**	6.7
Total current liabilities		**54.6**	58.9
Total liabilities		**96.7**	107.0
Equity			
Share capital	20	**0.1**	0.1
Share premium		**205.0**	204.7
Reserve for own shares		**(2.8)**	(2.9)
Retained earnings		**(57.2)**	(63.4)
Other reserves		**63.4**	60.8
Total equity		**208.5**	199.3
Total equity and liabilities		**305.2**	306.3

The Financial Statements were approved by the Board of Directors and authorised for issue on 17 February 2021. They were signed on its behalf by:

Peter Duffy
Chief Executive Officer

Scilla Grimble
Chief Financial Officer

Consolidated Statement of Changes in Equity
for the year ended 31 December 2020

	Note	Issued share capital £m	Share premium £m	Reserve for own shares £m	Retained earnings £m	Other reserves £m	Total £m
At 1 January 2019		0.1	204.0	(2.6)	(59.7)	58.7	200.5
Profit for the year		–	–	–	94.9	–	94.9
Other comprehensive income for the period	15	–	–	–	–	2.1	2.1
Total comprehensive income for the year		–	–	–	94.9	2.1	97.0
Purchase of shares by employee trusts		–	–	(0.5)	–	–	(0.5)
Exercise of LTIP awards		–	–	0.2	(0.2)	–	–
New shares issued		0.0	0.7	–	–	–	0.7
Equity dividends	11	–	–	–	(100.0)	–	(100.0)
Share-based payments	23	–	–	–	1.6	–	1.6
At 31 December 2019		**0.1**	**204.7**	**(2.9)**	**(63.4)**	**60.8**	**199.3**
Profit for the year		**–**	**–**	**–**	**69.3**	**–**	**69.3**
Other comprehensive income for the period	15	**–**	**–**	**–**	**–**	**2.6**	**2.6**
Total comprehensive income for the year		**–**	**–**	**–**	**69.3**	**2.6**	**71.9**
Purchase of shares by employee trusts		**–**	**–**	**(0.9)**	**–**	**–**	**(0.9)**
Exercise of LTIP awards		**–**	**–**	**1.0**	**(1.0)**	**–**	**–**
New shares issued		**0.0**	**0.3**	**–**	**–**	**–**	**0.3**
Equity dividends	11	**–**	**–**	**–**	**(62.8)**	**–**	**(62.8)**
Share-based payments	23	**–**	**–**	**–**	**0.7**	**–**	**0.7**
At 31 December 2020		**0.1**	**205.0**	**(2.8)**	**(57.2)**	**63.4**	**208.5**

Reserve for own shares

The reserve for the Company's own ordinary shares comprises the cost of the Company's ordinary shares held by the Group through employee trusts. At 31 December 2020, the Group held 337,281 (2019: 331,720) ordinary shares at a cost of 0.02p per share (2019: 0.02p) through a Share Incentive Plan trust for the benefit of the Group's employees.

The Group also held 303,473 (2019: 296,362) shares through an Employee Benefit Trust at an average cost of 273.39p per share (2019: 326.95p) for the benefit of employees participating in the various Long Term Incentive Plan schemes.

Other reserves

The other reserves balance represents the merger and revaluation reserves generated upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company, as discussed below, and a capital redemption reserve for £19,000 arising from the acquisition of 95,294,118 deferred shares of 0.02p by the Company from Simon Nixon.

Upon the acquisition of Moneysupermarket.com Financial Group Limited, a merger reserve of £60.8m for 15% of the fair value of assets acquired, a merger reserve of £16.9m for 45% of the book value transferred from a company under common control, and a revaluation reserve of £65.3m representing 45% of the fair value of the intangible assets transferred from a company under common control were recognised. Amounts were transferred from these reserves to retained earnings as the goodwill and other intangibles balances which relate to this acquisition were impaired and amortised.

The fair value reserve of £4.7m (2019: £2.1m) represents amounts recognised in other comprehensive income in relation to the fair value uplift in investments.

The balance of other reserves is broken down in the below table.

Other reserves	31 December 2020 £m	31 December 2019 £m
Fair value reserve	**4.7**	2.1
Merger reserve	**16.9**	16.9
Revaluation reserve	**65.3**	65.3
Amounts transferred from reserves to retained earnings	**(23.5)**	(23.5)
Total	**63.4**	60.8

Consolidated Statement of Cash Flows
for the year ended 31 December 2020

	Note	Year ended 31 December 2020 £m	Year ended 31 December 2019 £m
Cash flows from operating activities			
Profit for the year		**69.3**	94.9
Adjustments to reconcile Group profit to net cash flow from operating activities:			
Depreciation of property, plant and equipment	12	**4.5**	4.5
Amortisation of intangible assets	13	**16.3**	16.4
Share of post-tax loss of equity accounted investees	14	**0.7**	0.3
Change in fair value of financial instruments	16	**(3.5)**	—
Net finance costs	8	**2.0**	2.0
Equity-settled share-based payment transactions	23	**0.7**	1.6
Income tax expense	9	**18.5**	21.1
Change in trade and other receivables		**(0.2)**	(4.1)
Change in trade and other payables		**0.2**	(0.9)
Income tax paid		**(24.6)**	(22.1)
Net cash from operating activities		**83.9**	113.7
Cash flows from investing activities			
Interest received		**0.1**	0.2
Acquisition of investments		**(7.1)**	(2.3)
Acquisition of property, plant and equipment		**(1.8)**	(4.5)
Acquisition of intangible assets		**(8.8)**	(10.7)
Net cash used in investing activities		**(17.6)**	(17.3)
Cash flows from financing activities			
Dividends paid	11	**(62.8)**	(100.0)
Proceeds from share issue		**0.3**	0.7
Purchase of shares by employee trusts		**(0.9)**	(0.5)
Proceeds from borrowings		**55.0**	49.0
Repayment of borrowings		**(55.0)**	(64.0)
Interest paid		**(1.7)**	(1.4)
Repayment of lease liabilities		**(1.8)**	(0.8)
Net cash used in financing activities		**(66.9)**	(117.0)
Net decrease in cash and cash equivalents		**(0.6)**	(20.6)
Cash and cash equivalents at 1 January		**24.2**	44.8
Cash and cash equivalents at 31 December	21	**23.6**	24.2

Changes in liabilities from financing activities

	Loans and borrowings £m	Lease liabilities £m	Total £m
At 1 January 2019	15.0	30.2	45.2
Changes from financing cash flows			
Proceeds from borrowings	49.0	—	49.0
Repayment of borrowings	(64.0)	—	(64.0)
Interest paid	(0.4)	(1.0)	(1.4)
Repayment of lease liabilities	—	(0.8)	(0.8)
Total changes from financing cash flows	(15.4)	(1.8)	(17.2)
Other changes			
Interest expense in respect of loans, borrowings and lease liabilities	0.4	1.2	1.6
New leases	—	4.8	4.8
Balance at 31 December 2019	—	34.4	34.4
At 1 January 2020	**—**	**34.4**	**34.4**
Changes from financing cash flows			
Proceeds from borrowings	**55.0**	**—**	**55.0**
Repayment of borrowings	**(55.0)**	**—**	**(55.0)**
Interest paid	**(0.7)**	**(1.0)**	**(1.7)**
Repayment of lease liabilities	**—**	**(1.8)**	**(1.8)**
Total changes from financing cash flows	**(0.7)**	**(2.8)**	**(3.5)**
Other changes			
Interest expense in respect of loans, borrowings and lease liabilities	**0.7**	**1.2**	**1.9**
At 31 December 2020	**—**	**32.8**	**32.8**

Notes to the Consolidated Financial Statements

1. Corporate information

The Consolidated Financial Statements of Moneysupermarket.com Group PLC, a public company incorporated and domiciled in England (registered at MoneySuperMarket House, St David's Park, Ewloe, Chester, UK, CH5 3UZ), and its subsidiaries (together referred to as the 'Group') for the year ended 31 December 2020, were authorised for issue in accordance with a resolution of the Directors on 17 February 2021. 'The Consolidated Financial Statements have been prepared in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRS") and prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. The presentation currency of these Consolidated Financial Statements is sterling. All amounts in the Consolidated Financial Statements have been rounded to the nearest £100,000. The Company has elected to prepare its Company Financial Statements in accordance with FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland; these are presented on pages 147 to 152.

The principal activity of the Group is to provide price comparison and lead generation services to customers across a wide range of products including money, insurance and home services through its websites.

2. Summary of significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these Consolidated Financial Statements, unless if mentioned otherwise.

Basis of preparation

The Consolidated Financial Statements are prepared on the historical cost basis, except where otherwise stated. Comparative figures presented in the Consolidated Financial Statements represent the year ended 31 December 2019.

Going concern

The Directors have prepared the Consolidated Financial Statements on a going concern basis for the following reasons. The Group is profitable, cash generative and has no external debt other than the revolving credit facility, "RCF", (£nil drawn as at 31 December 2020 and post year end out of the £90m available). The operations of the business have been impacted by COVID-19 and whilst revenue and profit are lower than for the same period in 2019, the Group remains profitable, cash generative and compliant with the covenants of the RCF.

The Directors have prepared cash flow forecasts for the Group for a period in excess of 12 months from the date of approval of the Consolidated Financial Statements and have also considered the impact of COVID-19 upon the Group's business, financial position, and liquidity in severe, but plausible, downside scenarios, using stress testing and scenario modelling techniques. The scenarios modelled take into account the impacts of COVID-19 and include a base scenario derived from the Group's latest forecasts. The severe, but plausible, downside scenarios modelled, under a detailed exercise at a channel level, included minimal revenue recovery over the period of the cash flow forecasts, while conservatively assuming no operational cost mitigation actions are taken to reduce the cost base where reduced revenues are forecast. The impact these scenarios have on the financial resources, including the extent of utilisation of the available RCF and impact on covenant calculations has been modelled. The Directors also considered possible mitigating circumstances and actions in the event of such scenarios occurring, including the availability of the Group's banking facilities, reduction in the ordinary dividend payment, removal of future special dividends/share buybacks or the slowdown of capital expenditure.

The scenarios tested showed that the Group will be able to operate at adequate levels of liquidity for a period in excess of 12 months from the date of signing the Consolidated Financial Statements. The Directors, therefore, consider that the Group has adequate resources to continue in operational existence for a period in excess of 12 months from the date of approval of the Consolidated Financial Statements and have prepared them on a going concern basis.

Use of estimates and judgements

The preparation of Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about assumptions and estimation uncertainties at 31 December 2020 that may have a risk of resulting in an adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 17 trade and other receivables (focusing on the accrued revenue that has not been received in cash at the balance sheet date)

Revenue accruals are calculated by applying revenue per transaction based on historic trends to the number of clicks tracked. See note 17 for details of assumptions and underlying estimates.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Consolidated Financial Statements is included in the following notes:

- Note 13 intangible assets and goodwill (capitalisation of software and development costs)
- Note 3 and note 14 equity accounted investments (determination of whether the joint arrangement is a joint venture or a joint operation)

Notes to the Consolidated Financial Statements continued

2. Summary of significant accounting policies continued

Basis of consolidation

These Consolidated Financial Statements incorporate the Financial Statements of the Company and all its subsidiaries.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. The Directors have made an accounting policy choice to not eliminate transactions with equity accounted investees.

Accounting for business combinations

From 1 January 2010 the Group has applied IFRS 3 Business Combinations (2008) in accounting for business combinations using the acquisition method. The change in accounting policy has been applied prospectively.

Acquisitions on or after 1 January 2010

For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:
- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent amount payable is recognised at fair value at the acquisition date. If the contingent amount is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent amount are recognised in profit or loss. Where the contingent amount is dependent on future employment, it is treated as a cost of continuing employment, and therefore is recognised as an expense over the relevant period.

Deferred consideration comprises obligations to pay specified amounts at future dates, i.e. there is no uncertainty about the amount to be paid. It is recognised and measured at fair value at the date of acquisition and it is included in the consideration transferred. The unwinding of any interest element or deferred consideration is recognised in the Income Statement.

Acquisitions between 22 June 2007 and 1 January 2010

For acquisitions between 22 June 2007 and 1 January 2010, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

The Group was established via a series of transactions that occurred concurrently on 22 June 2007. These comprised the incorporation of the Company with Simon Nixon as sole shareholder, the acquisition by the Company using a share for share exchange of Simon Nixon's 45% interest in Moneysupermarket.com Financial Group Limited and the acquisition by the Company of all other shares in Moneysupermarket.com Financial Group Limited from third parties. The acquisition of Simon Nixon's shares was between two parties, being Simon Nixon and the Company, who were under common control at the time of the transaction. The acquisition was of an interest in a company which gave the investor a significant influence in the company and it was concluded that this arrangement was a common control transaction and not within the scope of IFRS 3 Business Combinations.

As a result the Company accounted for this 45% interest in Moneysupermarket.com Financial Group Limited at original carrying value rather than fair value at the date of the acquisition. The acquisition of the remaining shares in Moneysupermarket.com Financial Group Limited was accounted for in accordance with IFRS 3 Business Combinations applying the accounting guidance for a business combination achieved in stages. This resulted in the fair value of the identifiable assets, liabilities and contingent liabilities of Moneysupermarket.com Financial Group Limited being recognised in full and the goodwill in respect of the acquisition from third parties being recognised.

Revenue

Revenue is derived from the Group's principal activity of providing price comparison and lead generation services on the internet. The Group generates fees from internet lead generation and commissions from brokerage sales through a variety of contractual arrangements.

Revenue is recognised when the Group has satisfied its performance obligations relating to a transaction. IFRS 15 – Revenue from Contracts with Customers requires the Group to allocate the transaction price to separate performance obligations within a contract.

The following table provides information about the nature and timing of the satisfaction of performance obligations and the related revenue recognition policies.

Type of sales transaction	Nature and timing of satisfaction of performance obligations	Revenue recognition policies
Price comparison services	The performance obligation is the provision of an internet lead to a provider's website. The trigger for the transaction price to become receivable is usually a completed sale on the provider's website. However, for some contracts the trigger is the point at which the lead is provided. The transaction price is a either a fixed amount per completed sale or a variable amount derived from the terms of the completed sale.	Revenue is recognised in the period in which the lead is provided. At the period end an estimate of accrued revenue is made for leads provided that have resulted in completed sales. This is based on the volume of leads provided in the period, historic conversion rates and the expected price per completed sale. For some contracts, an estimate of accrued revenue is also made for leads that will result in completed renewals. This is based on expected renewal rates and premiums.

From historical experience and post year end confirmation, the Group does not expect there to be a material difference between the revenue accrued at the year end and the amount subsequently billed.

Cost of sales

The Group recognises associated costs of internet lead generation in the period that the lead is generated. Costs in respect of cashback and incentive payments made by the Group to customers and revenue share for B2B partnerships are also included in cost of sales.

Advertising costs

The Group incurs costs from advertising via a number of different media. Costs associated with the production of adverts are recognised as an expense in the Consolidated Statement of Comprehensive Income only once the advert is available to the Group in a format ready for use, having been approved for airing or displaying. The cost of airing or displaying the advert is taken as an expense in the period in which the advert is aired or displayed.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Assets under construction are not depreciated until brought into use. The estimated useful lives are as follows:

Land and buildings	10-50 years
Plant and equipment (including IT equipment)	3 years
Office equipment	5 years
Fixtures and fittings	5 years

The useful lives and depreciation rates are reassessed at each reporting date and adjusted if appropriate.

Notes to the Consolidated Financial Statements continued

2. Summary of significant accounting policies continued

Intangible assets and goodwill

Goodwill

Goodwill is measured at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment at least annually, and whenever there is an indication that the carrying value may be impaired.

Other intangible assets

The cost of other intangible assets acquired in a business combination is fair value as at the date of acquisition. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. All the Group's intangible assets (other than goodwill) have been identified as having finite useful lives. As such, they are amortised on a straight-line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each reporting date and adjusted if appropriate. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income. The estimated useful lives are as follows:

Market-related	10 years
Customer relationships	7 years
Customer lists	3 years
Technology	3 – 5 years

Internally generated and other intangible assets are amortised under the same method as noted above.

Market-related intangible assets are defined as those that are primarily used in the marketing or promotion of products and services, for example trademarks, trade names and internet domain names.

Customer-related intangible assets acquired by the Group consist of customer lists, customer contracts and relationships, and non-contractual customer relationships. For accounting purposes, customer relationships and customer lists have been identified separately. Relationships with high-profile customers provide the Group with prominence in the marketplace, create volume and traffic on the website, and enhance the reputation of the brand. Customer lists allow the Group to undertake targeted marketing activities.

Technology-based intangible assets relate to innovations and technical advances such as computer software, patented and unpatented technology, databases and trade secrets. Costs that are directly attributable to projects of a capital nature are recognised as technology-based intangible assets controlled by the Group and are recognised when the following criteria are met:
- it is technically feasible to complete the project so that it will be available for use;
- management intends to complete the project and use it;
- there is an ability to use or sell the project;
- it can be demonstrated how the project will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use output of the project is available; and
- the expenditure attributable to the project during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the project can include employee and contractor costs. Other development expenditures that do not meet these criteria, as well as ongoing maintenance and costs associated with routine upgrades and enhancements, are recognised as an expense as incurred.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining technical knowledge and understanding, is charged to the Consolidated Statement of Comprehensive Income when incurred. Development expenditure is capitalised when it meets the criteria outlined in IAS 38 – Intangible Assets. Expenditure that does not meet the criteria is expensed directly to the Consolidated Statement of Comprehensive Income.

Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Fixed asset and short term investments in equity securities held by the Group are classified as fair value through other comprehensive income ('FVOCI') – equity instruments and are stated at fair value, with any resultant gain or loss being recognised directly in other comprehensive income (in the fair value reserve).

Cash and cash equivalents comprise cash balances and call deposits.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

Financial assets – subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liability

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The transaction is assumed to take place in the principal or, in its absence, the most advantageous market to which the Group has access at that date.

Notes to the Consolidated Financial Statements continued

2. Summary of significant accounting policies continued

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates factors that market participants would take into account in pricing a transaction.

Impairment

Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed annually to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated.

For the purposes of impairment reviews, the recoverable amount of the Group's assets is taken to be the higher of their fair value less costs to sell and their value in use.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit ('CGU') exceeds its recoverable amount. Impairment losses are recognised in the Consolidated Statement of Comprehensive Income.

See note 13 for full disclosure of how goodwill and impairment losses are allocated across the CGUs.

Financial instruments and contract assets

The Group recognises loss allowances for Expected Credit Losses ('ECLs') on financial assets measured at amortised cost. The Group measures loss allowances at an amount equal to lifetime ECLs. Loss allowances wholly relate to trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers and assumes that the credit risk of default on a financial asset has increased significantly if it is more than 120 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets.

ECLs' are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Statement of Comprehensive Income as the related service is provided.

Share-based payment transactions

The Group's share schemes allow certain Group employees to acquire ordinary shares in the Company. The fair value of share awards made is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at the award date and spread over the period during which the employees become unconditionally entitled to the awards. The fair values of the share awards are measured using the Monte Carlo method for options subject to a market-based condition and the Black-Scholes model for all others, taking into account the terms and conditions upon which the awards were made. The amount recognised as an expense is adjusted to reflect the number of share awards expected to vest.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognised as an expense in the Consolidated Statement of Comprehensive Income as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or deferred bonus plan if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Group's deferred bonus plans currently do not have any ongoing performance obligations and are therefore provided for as described above in the period to which they related.

Finance income

Finance income comprises interest receivable, which is recognised in the Consolidated Statement of Comprehensive Income as it accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments to the gross carrying amount of the financial asset.

Finance costs

Finance costs comprise interest charged on borrowings, leases recognised under IFRS 16 and the unwind of discount on deferred consideration. Borrowings are recognised initially at fair value less directly attributable transaction costs. The effective interest rate method is then used for subsequent remeasurement of borrowings and is applied to the amortised cost of the financial liability.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16. This policy is applied to contracts entered into on or after 1 January 2019.

Leased items are recognised on the balance sheet as an asset valued at its right-of-use and a corresponding liability that reflects the present value of future lease payments.

The asset is initially measured at its right-of-use value which reflects the total cost of lease payments, the direct costs incurred to bring the asset into use and an estimate of the cost that will be incurred when dismantling or uninstalling the item. The asset is then depreciated through the profit and loss account on a straight line basis over the contract term of the lease.

The liability is initially recognised at the present value of future lease payments using the discount rate implicit in the lease if it can be determined or otherwise using the incremental borrowing rate of the Company.

Leased items with a value of less than £5,000 and items leased over a term of less than 12 months are not recognised on the balance sheet as an asset and liability. The cost of lease payments is recognised in the profit and loss account as they fall due on an accrued basis.

Dividends

Dividends payable to the Company's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the shareholders' right to receive payment is established.

Taxation

Income tax expense comprises current and deferred tax. It is recognised in the Consolidated Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates in force for the year, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax liabilities are recognised at the expected future tax rate of the value of the intangible assets with finite lives which are acquired through business combinations representing the tax effect of the amortisation of these assets in future periods.

These liabilities will decrease in line with the amortisation of the related intangible assets, with the deferred tax credit recognised in the Statement of Comprehensive Income in accordance with IAS 12 – Income Taxes.

Research and development tax credits are accounted for as a government grant in accordance with IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance. The credit is recognised once a reasonable estimate of the amount can be made.

Notes to the Consolidated Financial Statements continued

Reserve for own shares

The Group has a number of equity-settled, share-based employee incentive plans. In connection with these, shares in the Company are held by an Employee Benefit Trust ('EBT'). The assets and liabilities of the EBT are required to be consolidated within these accounts as it is deemed to be under de facto control of the Group. The assets of the EBT mainly comprise Moneysupermarket.com Group PLC shares, which are shown as a deduction from total equity at cost.

Standards, amendments and interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2020 and earlier adoption is permitted; however, the Group has not early adopted the new or amended standards in preparing these Consolidated Financial Statements.

The following amended standards and interpretations are not expected to have a significant impact on the Group's Consolidated Financial Statements and are not effective for the current period. The below standards are those that are relevant to the Group.

Standard	Summary of changes	EU Endorsement status
Amendment to IFRS 16	Amendments to IFRS 16 – Leases COVID-19-related rent concessions. Effective date 01 June 2020.	Endorsed.
Amendments to IAS 1	Amendments to IAS1 – Presentation of Financial Statements to update requirements on determining the classification of liabilities as current or non-current. Effective date 01 January 2023.	Endorsed.

3. Acquisitions and disposals

CYTI (Holdings) Limited

In March 2020, the Group acquired a 28% shareholding in CYTI (Holdings) Limited ('CYTI') for consideration of £2.8m paid in cash. CYTI is deemed to be under joint control of the Group and it has therefore been accounted for as a joint venture. CYTI is an existing white label partner in the Insurance vertical and the principal base of business is Belfast, UK.

As at 31 December 2020, the Group also had a call option to acquire the remaining share capital of CYTI that was exercisable between 1 January 2021 and 31 December 2023 (see note 16). Since the year end, the Group has acquired the remaining share capital (see note 28).

4. Revenue

All revenue is derived from the Group's principal activity and is generated in the UK.

	2020 £m	2019 £m
Total revenue from price comparison services	**344.9**	388.4

5. Segmental information

Business segments

This year the Group has incorporated a profit measure into its segmental reporting. This measure reflects the way performance is assessed internally. The Group has a number of teams, capabilities and infrastructure which are used to support all verticals, for example data warehousing and brand marketing. These are shared costs of the Group rather than "central costs". We have concluded there is no direct or accurate basis for allocating these costs to the operating segments and therefore they are disclosed separately, which is how they are presented to the Chief Operating Decision Maker.

The Group's reportable segments are Insurance, Money and Home Services. These segments represent individual trading verticals which are reported separately for revenue and directly attributable expenses. Net finance costs, share of loss of equity accounted investments, tax and net assets are only reviewed by the Chief Operating Decision Maker at a consolidated level and therefore have not been allocated between segments. All assets held by the Group are located in the UK.

The operating segments within 'Other' do not meet the quantitative threshold for reportable segments and have been aggregated.

The following summary describes how revenue is generated for each segment.

Segment	**Revenue products and services**
Insurance	Customer completes transaction for insurance policy on any of the following: provider website, our website or a telephone call.
Money	Customer completes transaction for money products such as credit cards, loans and mortgages on provider website.
Home Services	Customer completes transaction for home services products such as energy and broadband on provider website.
Other	Customer completes transaction for other products such as mobile, broadband, shopping and travel on provider website or our website. This includes B2B revenues.

Segment	Insurance £m	Money £m	Home Services £m	Other £m	Shared costs £m	Total £m
Year ended 31 December 2020						
Revenue	**172.9**	**62.8**	**68.8**	**40.4**	**–**	**344.9**
Directly attributable expenses	**(74.6)**	**(26.0)**	**(26.5)**	**(28.5)**	**(81.5)**	**(237.1)**
Adjusted EBITDA contribution	**98.3**	**36.8**	**42.3**	**11.9**	**(81.5)**	**107.8**
Adjusted EBITDA contribution margin	**57%**	**59%**	**62%**	**30%**	**–**	**31%**
Depreciation and amortisation						**(20.8)**
Change in fair value of financial instruments						**3.5**
Net finance costs						**(2.0)**
Share of loss of equity accounted investments						**(0.7)**
Profit before tax						**87.8**
Taxation						**(18.5)**
Profit for the year						**69.3**

Segment	Insurance £m	Money £m	Home Services £m	Other £m	Shared costs £m	Total £m
Year ended 31 December 2019						
Revenue	188.4	86.0	68.6	45.4	–	388.4
Directly attributable expenses	(79.7)	(29.7)	(25.7)	(30.9)	(80.9)	(246.9)
Adjusted EBITDA contribution	108.7	56.3	42.9	14.5	(80.9)	141.5
Adjusted EBITDA contribution margin	58%	65%	63%	32%	–	36%
Depreciation and amortisation						(20.9)
Strategy and reorganisation costs						(2.3)
Net finance costs						(2.0)
Share of loss of equity accounted investments						(0.3)
Profit before tax						116.0
Taxation						(21.1)
Profit for the year						94.9

Adjusted EBITDA contribution margin is calculated by dividing adjusted EBITDA contribution by revenue.

Insurance adjusted EBITDA contribution margin fell slightly from 58% to 57% in the year. Insurance is a largely VAT exempt vertical and in 2020 the Group's VAT recovery rate fell. This resulted in higher irrecoverable VAT costs in the Insurance vertical. Insurance margins benefitted from the reduction of travel insurance, which is a relatively low margin channel, but suffered from the year-on-year loss of SEO positions during H1 - the two impacts broadly netting out.

Money was impacted by lower conversion rates due to tightened provider lending criteria, which led to a margin decline of 6 percentage points for the vertical. Home Services margin declined slightly due to profitable growth in broadband paid acquisition.

Within Other, DT's strong performance and the decline in TSM revenues led to mix shift towards B2B and away from B2C channels. This led to a decrease in margins to 30% from 32% due to the structurally lower margins for B2B businesses.

6. Operating profit

Operating profit is stated after charging items detailed in the table below.

	2020 £m	2019 £m
Depreciation of property, plant and equipment	**4.5**	4.5
Amortisation of intangible assets	**16.3**	16.4
Auditor's remuneration:		
Audit of these Consolidated Financial Statements	**0.2**	0.2
Audit of subsidiaries' Financial Statements	**0.2**	0.1

Non-audit related services provided by KPMG constituted a review opinion on the financial statements for the six month period ended 30 June 2020 which amounted to £0.05m (2019: £0.04m).

Notes to the Consolidated Financial Statements continued

7. Staff numbers and cost

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	Number of employees 2020	Number of employees 2019
Technology and product operations	**302**	312
Administration	**478**	491
	780	803

The aggregate payroll costs of these persons were as follows:

	2020 £m	2019 £m
Wages and salaries	**44.8**	50.5
Compulsory social security contributions	**5.0**	5.7
Contributions to defined contribution plans	**2.0**	2.0
Share-based payment transactions	**3.5**	3.3
Social security contributions related to share awards and options	**0.4**	0.3
Capitalised staff costs	**(4.2)**	(4.7)
	51.5	57.1

8. Net finance expense

	2020 £m	2019 £m
Finance income		
Interest received on bank deposits	**0.1**	0.2
Finance expense		
Interest payable on revolving credit facility	**(0.8)**	(0.9)
Interest payable on leases	**(1.2)**	(1.2)
Unwind of discount on deferred consideration in relation to the acquisition of Decision Technologies Limited	**(0.1)**	(0.1)
Total finance expense	**(2.1)**	(2.2)
Net finance expense	**(2.0)**	(2.0)

9. Taxation

	2020 £m	2019 £m
Current tax		
Current tax on income for the year	**17.6**	22.9
Adjustment in relation to prior period	**0.3**	(2.5)
	17.9	20.4
Deferred tax		
Origination and reversal of temporary differences	**(0.8)**	(0.3)
Adjustments due to changes in corporation tax rate	**1.3**	–
Adjustment in relation to prior period	**0.1**	1.0
	0.6	0.7
Tax expense for the year	**18.5**	21.1

9. Taxation continued

Reconciliation of the effective tax rate

The tax charge for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK in 2020 of 19% (2019: 19%). The differences are explained below.

	2020 £m	2019 £m
Profit before tax	**87.8**	116.0
Standard rate of tax at 19% (2019: 19%)	**16.7**	22.0
Effects of:		
Expenses not deductible for tax purposes	**0.3**	0.2
Movement related to share based payments	**0.5**	0.5
Change in fair value of financial derivatives	**(0.7)**	–
Impact of changes in tax rate	**1.3**	–
Adjustments in relation to prior periods	**0.4**	(1.6)
Tax expense for the year	**18.5**	21.1

Reductions in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) were substantively enacted on 6 September 2015. A change to the main UK corporation tax rate was substantively enacted on 17 March 2020 whereby the rate applicable from 1 April 2020 remains at 19%, rather than the previously enacted reduction to 17%. The deferred tax liability at the balance sheet date has been calculated based on this 19% rate.

10. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year. The Company's own shares held by employee trusts are excluded when calculating the weighted average number of ordinary shares outstanding.

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

Earnings per share

Basic and diluted earnings per share have been calculated on the following basis:

	2020	2019
Profit after taxation attributable to equity holders (£m)	**69.3**	94.9
Basic weighted average shares in issue (millions)	**536.4**	536.3
Dilutive effect of share-based instruments (millions)	**0.1**	0.1
Diluted weighted average shares in issue (millions)	**536.5**	536.4
Basic earnings per share (p)	**12.9**	17.7
Diluted earnings per share (p)	**12.9**	17.7

Adjusted basic and diluted earnings per share have been calculated as follows:

	2020 £m	2019 £m
Profit before tax	**87.8**	116.0
Amortisation of acquisition related intangible assets	**2.4**	2.4
Strategy related one-off costs	**–**	2.3
Change in fair value of financial instruments	**(3.5)**	–
	86.7	120.7
Estimated taxation at 19% (2019: 19%)	**(16.5)**	(22.9)
Profit for adjusted earnings per share purposes	**70.2**	97.8
Basic adjusted earnings per share (p)	**13.1**	18.2
Diluted adjusted earnings per share (p)	**13.1**	18.2

Notes to the Consolidated Financial Statements continued

11. Dividends

	2020 pence per share	2020 Total £m	2019 pence per share	2019 Total £m
Declared and paid dividends on ordinary shares:				
Prior year final dividend	**8.61**	**46.2**	8.10	43.4
Special dividend	**–**	**–**	7.46	40.0
Interim dividend	**3.10**	**16.6**	3.10	16.6
Total dividend paid in the year	**11.71**	**62.8**	18.66	100.0
Proposed for approval (not recognised as a liability at 31 December):				
Final dividend	**8.61**	**46.2**	8.61	46.2

12. Property, plant and equipment

	Land and buildings £m	Plant and equipment £m	Office equipment £m	Fixtures and fittings £m	Total £m
Cost:					
At 1 January 2019	15.0	30.0	1.1	2.5	48.6
Recognition of right-of-use asset on initial application of IFRS 16	27.4	–	–	–	27.4
Adjusted balance at 1 January 2019	42.4	30.0	1.1	2.5	76.0
Additions	5.7	0.5	0.5	1.3	8.0
At 31 December 2019	48.1	30.5	1.6	3.8	84.0
At 1 January 2020	48.1	30.5	1.6	3.8	84.0
Additions	1.4	0.4	0.5	0.1	2.4
Disposals	–	(10.7)	(0.6)	(1.8)	(13.1)
At 31 December 2020	**49.5**	**20.2**	**1.5**	**2.1**	**73.3**
Depreciation:					
At 1 January 2019	2.9	28.5	1.1	2.3	34.8
Depreciation for the year	3.2	0.3	0.1	0.9	4.5
At 31 December 2019	6.1	28.8	1.2	3.2	39.3
At 1 January 2020	6.1	28.8	1.2	3.2	39.3
Depreciation for the year	3.7	0.3	0.1	0.4	4.5
Disposals	–	(10.7)	(0.6)	(1.8)	(13.1)
At 31 December 2020	**9.8**	**18.4**	**0.7**	**1.8**	**30.7**
Net carrying value:					
At 31 December 2019	42.0	1.7	0.4	0.6	44.7
At 31 December 2020	**39.7**	**1.8**	**0.8**	**0.3**	**42.6**

Property, plant and equipment includes right-of-use assets of £27.1m (2019: £29.7m) related to leased properties that do not meet the definition of investment property (see note 24).

Asset disposals in the year include assets with gross book value of £13.1m and £nil net book value that are no longer in use and have therefore been retired.

13. Intangible assets and goodwill

	Market related £m	Customer relationship £m	Customer list £m	Technology related £m	Goodwill £m	Total £m
Cost:						
At 1 January 2019	155.3	69.3	2.3	98.1	212.6	537.6
Additions internally developed	–	–	–	10.6	–	10.6
At 31 December 2019	155.3	69.3	2.3	108.7	212.6	548.2
Additions internally developed	–	–	–	9.2	–	9.2
Disposals	–	(69.3)	(2.3)	(16.4)	–	(88.0)
At 31 December 2020	**155.3**	**–**	**–**	**101.5**	**212.6**	**469.4**
Amortisation:						
At 1 January 2019	145.1	69.3	2.3	62.9	74.3	353.9
Amortisation charge for the year	1.7	–	–	14.7	–	16.4
At 31 December 2019	146.8	69.3	2.3	77.6	74.3	370.3
Amortisation charge for the year	1.7	–	–	14.6	–	16.3
Disposals	–	(69.3)	(2.3)	(16.4)	–	(88.0)
At 31 December 2020	**148.5**	**–**	**–**	**75.8**	**74.3**	**298.6**
Net carrying value						
At 31 December 2019	8.5	–	–	31.1	138.3	177.9
At 31 December 2020	**6.8**	**–**	**–**	**25.7**	**138.3**	**170.8**

Included within the technology related intangible assets are technology related intangible assets under development with a net carrying value of £8.0m (2019: £6.9m).

Asset disposals in the year include assets with gross book value of £88.0m and £nil net book value that are no longer in use and have therefore been retired.

In order to accurately quantify the value of internally generated technology assets the Group undertakes project tracking to record the cost of both internal and contract staff wholly assigned to each project. Third party costs incurred are allocated to investment projects and recognised at purchase cost. This approach ensures that technology related intangible assets accurately reflect the cost of development. As highlighted in note 2, there is a degree of judgement regarding the recognition of costs incurred in developing technology related intangible assets. This is due to the asset recognition criteria being predicated on future economic benefit flowing from that asset. Management are confident however that any spend capitalised satisfies the criteria of IAS 38 – Intangible Assets and, where relevant, SIC-32 Intangible Assets – Web Site Costs. On an annual basis, or where an indication exists, the Group is required to assess its goodwill and intangible assets for impairment. See below for this assessment for goodwill and technology related assets.

During 2007, the Group employed the services of an appropriately qualified and experienced independent third party to value the intangible assets acquired from Moneysupermarket.com Financial Group Limited. This valuation was used as the initial carrying value for these assets. Following the impairment charge taken against these assets in 2008, the market capitalisation of the Group approximated to the total carrying value of the goodwill, intangible and other non-current assets of the Group. At 31 December 2020, the market capitalisation exceeded the carrying value of the goodwill, intangible and other non-current assets, and net current assets by more than 100% (2019: more than 100%).

In August 2018 the Group acquired Decision Technologies Limited. The Group employed the services of an appropriately qualified and experienced independent third party to value the intangible assets acquired as part of the Decision Technologies Limited acquisition, which resulted in a goodwill balance of £30.7m.

The Group is required to allocate goodwill between its cash generating units ('CGUs') that represent the lowest level within the Group at which goodwill is monitored for internal management purposes. These CGUs are Insurance, Money, Home Services, Decision Technologies and Travel. The Group has performed impairment testing at a CGU level.

Goodwill is allocated to each CGU as follows:

	31 December 2020 £m	31 December 2019 £m
Insurance	**42.9**	42.9
Money	**33.2**	33.2
Home Services	**24.1**	24.1
Decision Technologies	**30.7**	30.7
Travel	**7.4**	7.4
Total	**138.3**	138.3

Notes to the Consolidated Financial Statements continued

13. Intangible assets and goodwill continued

Impairment review by CGU and Group

For the current year, the recoverable amount of the acquisition related intangible assets and goodwill allocated to the respective CGUs was taken to be their value in use and was calculated by reference to the forecast cash flows.

The present value of the future cash flows has been calculated with the following key assumptions:

- Cash flows for years 1–3 for each CGU represent management's best estimate of future cash flows as at 31 December 2020, and are based upon the Group's approved long term planning model incorporating cost of sales, advertising and an allocation of overhead costs. The key assumptions underlying the plan relate to visitor volumes, source of visitors, revenue per transaction/visitor and marketing spend, which incorporate past experience. The forecast assumes continued growth during the course of the next 3 years, driven by new media campaigns, exploitation of the Group's data assets and further investments made in the core technology underpinning the Group's key channels. However, the forecast has taken into consideration the impact of COVID-19, reflecting the downturn in trade and slower recovery rates across all channels.
- Cash flows beyond 3 years have been calculated as a perpetuity inclusive of an annual growth of 1.0% (2019: 1.60%) that is in line with the Office for Budget Responsibility (OBR) 5 year forecast for growth in the UK's Gross Domestic Product (GDP).
- A pre-tax discount rate of 13.5% (2019: 13.5%) has been used in the forecast for the Insurance, Money, Home Services and Decision Technologies CGUs, which is based on the Group's weighted average cost of capital. Management believe this discount rate continues to reflect the return an investor in a company with the Group's risk profile would expect in the broader context of the investment market.
- A pre-tax discount rate of 16.5% (2019: 13.5%) has been used for Travel which is also based on the Group's weighted average cost of capital plus a higher risk premium to reflect the impact of COVID-19 on the sector.
- Different CGUs face slightly different risk profiles due to macro-economic factors but this is not considered significant enough to justify more than a small adjustment to each discount rate of approximately +/- 1-3%. This includes the impact of COVID-19 on the Travel sector. Having completed some sensitivity analysis in this area the impact on the impairment review is not material.

A different set of assumptions may be more appropriate in future years dependent on changes to the macro-economic environment.

The analysis performed calculates that the recoverable amount of the assets allocated to the Insurance, Money, Home Services, Decision Technologies and Travel CGUs exceeds their carrying value by in excess of 100% (2019: in excess of 100%). No reasonably possible change to a key assumption would result in an impairment.

Group impairment testing

As explained in note 5, whilst the Group is able to allocate revenue between the Insurance, Money, Home Services, Decision Technologies and Travel CGUs, its cost base is reviewed by the Group's Chief Operating Decision Maker at a Group rather than CGU level, and a number of the significant costs which the Group incurs cannot be allocated either directly or on a reasonable and consistent basis to the CGUs that are each operating segment. Therefore the cash flows estimated for these CGUs include all of the Group's forecast segmental profit contributions and an allocation of the Group's forecast shared costs.

The Group has therefore also performed a further impairment test for the Group as a whole, in a manner consistent with previous years. In these calculations the Group is treated as one group of CGUs, and the test compared the carrying amount, including goodwill and other corporate assets, to the recoverable amount.

The recoverable amount has been estimated based on the present value of its future cash flows, which has been calculated with a set of assumptions consistent with those set out above in relation to the individual operating segment calculations.

The analysis performed calculates that the recoverable amount of the Group's assets exceeds their carrying value by in excess of 100% (2019: in excess of 100%), and as such, no impairment was identified.

The Group has completed sensitivity analysis as part of its impairment testing procedures by flexing both cash flow and discounting assumptions significantly. The headroom on goodwill is such that there are no foreseeable scenarios in which the Group would need to consider an impairment.

In conclusion, no reasonably possible change to a key assumption would result in an impairment (2019: same).

Impairment testing of technology related intangible assets

Technology related intangible assets in use by the Group are tested for impairment if there is an indication that the asset may be impaired. The Group also conducts annual impairment testing of significant technology related intangible assets under development and not yet available for use, in line with IAS 36 – Impairment of Assets (IAS 36.10). No indications of impairment have been identified.

14. Equity accounted investments

The carrying amounts of equity accounted investments as at 31 December 2020 was £2.6m (2019: £0.5m). The Group's share of post-tax loss of equity accounted investees for the year was £0.7m (2019: £0.3m).

Podium

Podium Solutions Limited ('Podium') is a joint venture in which the Group obtained joint control and a 50% ownership interest on 26 March 2018. Podium is a financial technology business, principally engaged in developing digital solutions in the mortgages sector. Podium is not publicly listed and is registered at Fourth Floor, Market Square House, St James Street, Nottingham, Nottinghamshire, NG1 6FG.

Podium is structured as a separate vehicle and the Group has a residual interest in the net assets of Podium. Accordingly, the Group has classified its interest in Podium as a joint venture.

The following table reconciles the summarised financial information of Podium to the carrying amount of the Group's interest in Podium.

	31 December 2020	31 December 2019
Percentage ownership interest	**50%**	50%

	31 December 2020 £m	31 December 2019 £m
Net liabilities (100%)	**(1.6)**	(0.3)
Group's share of net liabilities (50%)	**(0.8)**	(0.2)
Loss for period (100%)	**(1.3)**	(0.6)
Investment in joint venture	**1.0**	1.0
Group's share of loss brought forward (50%)	**(0.5)**	(0.2)
Group's share of loss for period (50%)	**(0.5)**	(0.3)
Carrying amount of interest in joint venture	**–**	0.5

CYTI

In March 2020, the Group acquired a 28% shareholding in CYTI (Holdings) Limited ('CYTI') for consideration of £2.8m paid in cash. CYTI is deemed to be under joint control of the Group and it has therefore been accounted for as a joint venture. CYTI is an existing white label partner in the Insurance vertical and the principal base of business is Belfast, UK.

As at 31 December 2020, the Group also had a call option to acquire the remaining share capital of CYTI that was exercisable between 1 January 2021 and 31 December 2023 (see note 16). Since the year end, the Group has acquired the remaining share capital (see note 28).

The following table reconciles the summarised financial information of CYTI to the carrying amount of the Group's interest in CYTI.

	31 December 2020	31 December 2019
Percentage ownership interest	**28%**	–

	31 December 2020 £m	31 December 2019 £m
Net assets (100%)	**0.4**	–
Group's share of net assets (28%)	**0.1**	–
Loss for period (100%)	**(0.6)**	–
Investment in joint venture	**2.8**	–
Group's share of loss for period (28%)	**(0.2)**	–
Carrying amount of interest in joint venture	**2.6**	–

Given the impact of COVID-19 on the travel sector, CYTI has been assessed for impairment. The Directors are satisfied that this investment is not impaired as at 31 December 2020.

Notes to the Consolidated Financial Statements continued

15. Other investments

The carrying amounts of other investments as at 31 December 2020 are shown in the table below. The investments are held at fair value (see note 21) and therefore, carrying value at 31 December 2020 is the fair value.

Investments in equity securities	Truelayer Limited £m	Flagstone Investment Management Limited £m	By Miles Ltd £m	Plum Fintech Limited £m	Total £m
At 1 January 2019	0.4	–	0.3	0.2	0.9
Additions in the year	–	2.0	0.3	–	2.3
Fair value uplift	1.1	0.5	0.4	0.1	2.1
At 31 December 2019	1.5	2.5	1.0	0.3	5.3
At 1 January 2020	1.5	2.5	1.0	0.3	5.3
Additions in the year	–	0.3	–	–	0.3
Fair value uplift	–	0.8	1.6	0.2	2.6
At 31 December 2020	**1.5**	**3.6**	**2.6**	**0.5**	**8.2**

Sensitivity analysis

For the fair value of investments, a 5% movement in share price would have an effect of £0.4m (2019: £0.3m) on the total value.

16. Derivative financial assets

	31 December 2020 £m	31 December 2019 £m
Call option	**3.5**	–

At 31 December 2020, the Group had a call option to acquire the remaining 72% share capital of CYTI (Holdings) Limited ('CYTI'). The call option had an exercise date of between 1 January 2021 and 31 December 2023 and is measured at its fair value at the balance sheet date.

The fair value has been determined using the income approach, converting expected future cash flows to their present value. Expected future cash flows have been derived from CYTI's latest forecasts, taking into account the travel restrictions in place at the balance sheet date. A risk premium has been factored into the expected future cash flows to reflect the view of an informed and independent market participant.

At 31 December 2020, the call option was recognised as an asset and a gain was credited to the income statement due to the fair value of the business exceeding the exercise price of the option. Subsequent to the year end, the Group acquired the remaining share capital of CYTI (see note 28)

Sensitivity analysis

For the fair value of financial derivatives, a 5% movement in discount rate would have an effect of £0.3m on the total value.

17. Trade and other receivables

	31 December 2020 £m	31 December 2019 £m
Trade and other receivables	**45.1**	47.4

All receivables fall due within one year.

From historical experience and post year end confirmation, the Group expects any differences between the amounts accrued at year end and those amounts subsequently billed to be not materially different. The under and over estimates on accrued revenue are typically in a region of -1% to + 3%, historically this has been an under estimate of accrued revenue. A -1% to + 3% difference on the £33.5m revenue accrual (2019: £38.7m) would equate to approximately (£0.3m) to £1.0m (2019: (£0.4m) to £1.2m).

The assumptions used to calculate the revenue accrual have been disclosed within note 2.

At 31 December 2020, trade receivables are shown net of a provision for credit losses of £0.2m (2019: £0.2m), which represents a judgement made by management of which receivables balances are unlikely to be recovered taking into consideration the ageing of the debt, evidence of poor payment history or financial position of a particular customer.

Movements in the provision for credit losses were as follows:

	31 December 2020 £m	31 December 2019 £m
At 1 January	**0.2**	0.8
Provisions made in the year	**0.3**	–
Provisions utilised in the year	**(0.3)**	(0.6)
At 31 December	**0.2**	0.2

17. Trade and other receivables continued

As at 31 December, the analysis of trade and other receivables that were past due but not impaired is as follows:

			Past due not impaired				
	Total £m	Neither past due nor impaired £m	0–30 days £m	30–60 days £m	60–90 days £m	90–120 days £m	>120 days £m
At 31 December 2019	47.4	40.2	4.0	2.1	0.7	0.3	0.1
At 31 December 2020	**45.1**	**38.6**	**4.9**	**1.1**	**0.3**	**0.2**	**0.0**

The Group's standard payment terms are typically 15 days (2019: 15 days)

18. Trade and other payables

Non-current

	31 December 2020 £m	31 December 2019 £m
Deferred consideration in relation to the acquisition of Decision Technologies Limited	**–**	4.8
Lease liabilities	**30.7**	32.5
Other payables	**30.7**	37.3

Current

	31 December 2020 £m	31 December 2019 £m
Trade payables	**42.1**	46.3
Non-trade payables and accrued expenses	**9.3**	3.6
Lease liabilities	**2.1**	1.9
Deferred income	**0.3**	0.4
Deferred consideration in relation to the acquisition of Decision Technologies Limited	**0.8**	-
Trade and other payables	**54.6**	52.2

As a result of click based revenue being recognised in the period that the lead is generated, an accrual for the cost of sales, such as partner revenue share agreements, relating to the revenue accrued at the year end date (see note 17) is included within trade payables.

In December 2020, the Group extended its revolving credit facility up to September 2023. The facility provides £90m in committed funds with £50m provided by Barclays Bank PLC and £40m provided by Bank of Ireland. Half-yearly covenant testing is performed based on adjusted leverage and interest cover ratios. The Group also has an accordion option to apply to the banks for up to an additional £100m of funds. Interest is payable on the facility at a rate of LIBOR plus an applicable margin rate based on the adjusted leverage of the Group. In anticipation of the cessation of LIBOR, under the terms of the facility, LIBOR will be replaced by SONIA the earlier of December 2021, or if LIBOR cessation has not occurred, at a future date determined by the Group and the banks. As at 31 December 2020, the Group had £nil (2019: £nil) drawn down under the facility. The remaining balance of the upfront arrangement fees, totalling £0.4m, is held within prepayments.

19. Deferred tax liabilities

Deferred tax assets and liabilities are attributable to the following:

	31 December 2020 £m	31 December 2019 £m
Intangible assets acquired relating to acquisition of Decision Technologies Limited	**1.0**	1.1
Share schemes	**(0.2)**	(0.1)
Goodwill related to MoneySavingExpert.com	**10.3**	9.4
Accelerated capital allowances	**0.3**	0.4
Deferred tax liability	**11.4**	10.8

The above deferred tax liability relating to the goodwill of MoneySavingExpert.com is due to the amortisation of this balance within the individual accounts of MoneySavingExpert.com which are prepared under a different accounting framework, FRS 102, whereas the consolidation is prepared in line with IFRS. The recognition of a deferred tax liability within these consolidated accounts is to reflect the tax benefit already claimed by the Group on the goodwill balance shown.

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19. Deferred tax liabilities continued

The following table illustrates the movement in the deferred tax liabilities during the year:

	2020 £m	2019 £m
At 1 January	**10.8**	10.1
Temporary differences on:		
Intangible assets acquired relating to acquisition of Decision Technologies Limited	**(0.1)**	–
Share schemes	**(0.1)**	–
Goodwill related to MoneySavingExpert.com	**0.9**	0.2
Property, plant and equipment	**(0.1)**	0.5
At 31 December	**11.4**	10.8

Deferred tax liabilities arose from the creation of the intangible assets upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company, and the acquisition of MoneySavingExpert.com. Deferred tax assets arise on share option schemes based on the expected tax deduction on vesting. Deferred tax assets and liabilities have been calculated at the applicable tax rate enacted at the balance sheet date of 19%.

20. Called up share capital

The nominal value of ordinary shares is 0.02p. The holders of ordinary shares are entitled to returns of capital, receive a dividend and vote.

Issued and fully paid

Number of ordinary shares	2020	2019
At the beginning of the year	536,576,579	536,319,819
Issued on exercise of SAYE options	123,962	256,760
At the end of the year	**536,700,541**	**536,576,579**

Nominal value of ordinary shares	2020 £	2019 £
At the beginning of the year	107,315	107,264
Issued on exercise of SAYE options	25	51
At the end of the year	**107,340**	**107,315**

The Group operates a Long Term Incentive Plan under which conditional nil cost awards of ordinary shares in the Company have been made to certain Directors and employees of the Group, and an HMRC approved Save As You Earn scheme ('Sharesave') is eligible to all employees (see note 23).

21. Financial instruments

Interest rate risk

The Group invests its cash in a range of cash deposit accounts with UK banks. Interest earned therefore closely follows movements in the Bank of England base rate. A movement of 1% in this rate would result in a difference in annual pre-tax profit of £0.2m (2019: £0.2m) based on Group cash, cash equivalents and financial instruments at 31 December 2020. At the balance sheet date, £15.7m (2019: £15.5m) was invested with Lloyds Banking Group, this being the most invested with any one bank.

Fair values

The Group's financial assets and liabilities are principally short-term in nature, and therefore their fair value is not materially different from their carrying value. The valuation method for the Group's financial assets and liabilities can be defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All investments and derivatives fall under Level 3 as the fair value is measured using the latest unquoted share price of recent transactions, with updates made as required considering market conditions at year end. A reconciliation is provided in note 15. All other financial assets and liabilities are held at amortised cost and other financial liabilities respectively in accordance with IFRS 9 – Financial Instruments. There have been no transfers between levels in the year.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

Effective interest rates

In respect of interest-earning financial assets, the following table indicates their effective interest rates at the year end date:

	31 December 2020		31 December 2019	
	Effective interest rate	£m	Effective interest rate	£m
Cash and cash equivalents	**0.26%**	**23.6**	0.61%	24.2

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating risk of financial loss from default. The Group's exposure is continuously monitored by the credit control team and finance management.

Of the top 75% of the Group's providers by revenue, approximately 24% (2019: 23%) of these are UK quoted companies with the remainder being a mixture of larger UK independent companies and overseas owned or quoted companies. At the balance sheet date, the five largest trade receivables, by provider, accounted for 25% (2019: 22%) of the total trade receivables balance of £45.1m (2019: £47.4m) and the largest individual balance was £2.9m (2019: £3.3m).

The Group does not consider it has any material contracts with providers in any one channel.

Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows. Details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risks are set out below:

	31 December 2020 £m	31 December 2019 £m
Unsecured bank loan facilities with a maturity date of 13 September 2023		
– amount drawn	**–**	–
– amount undrawn	**90.0**	100.0

In December 2020, the Group extended its revolving credit facility up to September 2023. The facility provides £90m in committed funds with £50m provided by Barclays Bank PLC and £40m provided by Bank of Ireland. Half-yearly covenant testing is performed based on adjusted leverage and interest cover ratios. The Group also has an accordion option to apply to the banks for up to an additional £100m of funds. Interest is payable on the facility at a rate of LIBOR plus an applicable margin rate based on the adjusted leverage of the Group. In anticipation of the cessation of LIBOR, under the terms of the facility, LIBOR will be replaced by SONIA the earlier of December 2021, or if LIBOR cessation has not occurred, at a future date determined by the Group and the banks.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

			Contractual cash flows				
31 December 2020	Carrying amount £m	Total £m	< 2 months £m	2 – 12 months £m	1 – 2 years £m	2 – 5 years £m	> 5 years £m
Non derivative financial liabilities							
Deferred consideration	0.8	(0.8)	–	(0.8)	–	–	–
Trade payables	42.1	(42.1)	(42.1)	–	–	–	–
Lease liabilities	32.8	(32.8)	(0.4)	(1.7)	(2.8)	(8.4)	(19.5)
At 31 December 2020	**75.7**	**(75.7)**	**(42.5)**	**(2.5)**	**(2.8)**	**(8.4)**	**(19.5)**

			Contractual cash flows				
31 December 2019	Carrying amount £m	Total £m	< 2 months £m	2 – 12 months £m	1 – 2 years £m	2 – 5 years £m	> 5 years £m
Non derivative financial liabilities							
Deferred consideration	4.8	(4.8)	(1.4)	–	(3.4)	–	–
Trade payables	46.3	(46.3)	(46.3)	–	–	–	–
Lease liabilities	34.4	(34.4)	(0.3)	(1.6)	(2.0)	(8.4)	(22.1)
At 31 December 2019	85.5	(85.5)	(48.0)	(1.6)	(5.4)	(8.4)	(22.1)

Notes to the Consolidated Financial Statements continued

22. Group management of capital

The Group's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In assessing the level of capital all components of equity are taken into account, i.e. share capital, retained earnings and reserves (where applicable). The table below summarises the carrying value of each component.

Carrying value	As at 31 December 2020 £m	As at 31 December 2019 £m
Share capital	**0.1**	0.1
Retained earnings and reserves	**208.4**	199.3
Total	**208.5**	199.4

In line with internal capital management requirements, the Group manages its cash balances by, where possible, depositing them with a number of financial institutions to reduce credit risk. The table below summarises the credit rating of each financial institution that held cash at 31 December 2020.

Credit rating	2020	2019
Barclays Bank Plc	**A**	A
Lloyds Bank Plc	**A+**	A+
HSBC Bank Plc	**AA-**	AA-

One way in which the Group manages capital is utilising the revolving credit facility, as set out in note 18.

Management of capital focuses around the Group's ability to generate cash from its operations. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to raise funds. The Group believes it is meeting its objectives for managing capital as funds are available for reinvestment where necessary as well as being in a position to make returns to shareholders where this is felt appropriate.

There were no changes to the Group's approach to capital management during the year.

23. Share-based payments

Share Incentive Plan scheme ('SIP')

Upon listing, the Company granted £3,000 of ordinary shares at the price of £1.70 per ordinary share to each eligible employee free of charge. If an employee left within one year of listing, all these ordinary shares were forfeit; between one and two years of listing, 50% were forfeit; between two and three years of listing, 20% were forfeit; and after three years of listing, none were forfeit. 948,184 shares were issued under the Share Incentive Plan scheme in 2007. On 31 July 2010 eligible employees became entitled to receive their allocation of free shares. There are 35 active participants (2019: 35) in the HMRC approved SIP scheme, who can subscribe for up to £150 of shares each month. During the year, 7,264 shares were subscribed for by SIP participants (2019: 7,793). 1,769 (2019: 1,796) shares have been withdrawn from the trust by employees during the period and a further 21,771 remain held in trust (2019: 23,540).

Long-Term Incentive Plan scheme ('LTIP')

During 2017, conditional awards were made over 1,304,728 ordinary shares under the Moneysupermarket.com Group PLC Long Term Incentive Plan and the Moneysupermarket.com Group PLC 2017 Long Term Incentive Plan scheme to senior employees ('2017 LTIPs'). Under this scheme, up to 80% of the award vests at the end of a three year period dependent upon the achievement of a specified average growth rate in adjusted earnings per share from 31 December 2016 to 31 December 2019, and up to 20% of the award vests at the end of a three year period dependent upon the total shareholder return ('TSR') of the Company relative to a comparator group of defined companies. On 22 March 2020, the awards vested at 9.6% of the maximum following 48% achievement of the TSR performance criteria and 0% achievement of the adjusted earnings per share performance criteria.

During 2018, conditional awards were made over 1,722,223 ordinary shares under the Moneysupermarket.com Group PLC 2017 Long Term Incentive Plan scheme to senior employees ('2018 LTIPs'). Under this scheme, up to 80% of the award vests at the end of a three year period dependent upon the achievement of a specified average growth rate in adjusted earnings per share from 31 December 2017 to 31 December 2020, and up to 20% of the award vests at the end of a three year period dependent upon the total shareholder return ('TSR') of the Company relative to a comparator group of defined companies.

During 2018, conditional awards were made over 346,628 ordinary shares under the Moneysupermarket.com Group PLC 2018 Restricted Share Award Plan to senior employees deemed key to delivering the Reinvent strategy ('2018 RSA'). Under this scheme, 50% of the award vests at the end of a two year period and 50% of the award vests at the end of a three year period, subject, in each case, to the participant being employed on the relevant vesting date, and not, on or prior to that vesting date, having been issued with or having given notice to terminate employment with the Group.

During 2019, conditional awards were made over 1,514,690 ordinary shares under the Moneysupermarket.com Group PLC 2017 Long Term Incentive Plan scheme to senior employees ('2019 LTIPs'). Under this scheme, up to 80% of the award vests at the end of a three year period dependent upon the achievement of a specified average growth rate in adjusted earnings per share from 31 December 2018 to 31 December 2021, and up to 20% of the award vests at the end of a three year period dependent upon the total shareholder return ('TSR') of the Company relative to a comparator group of defined companies.

During 2019, a one-off grant over 164,600 forfeitable shares was made to a Director to take account of compensation relinquished from the previous employer. The shares are held in trust and their release is subject to malus and clawback provisions, with release of shares in tranches from June 2019 to March 2021, subject to the Director being employed on the relevant release date.

During 2020, conditional awards were made over 1,644,847 ordinary shares under the Moneysupermarket.com Group PLC 2017 Long Term Incentive Plan scheme to senior employees ('2020 LTIPs'). Under this scheme, up to 50% of the award vests at the end of a three year period dependent upon the achievement of a specified average growth rate in adjusted earnings per share from 31 December 2019 to 31 December 2022, up to 30% of the award vests at the end of a three year period dependent upon Group revenue performance and up to 20% of the award vests at the end of a three year period dependent upon the total shareholder return ('TSR') of the Company relative to a comparator group of defined companies.

Sharesave scheme

During 2017, the Group granted further options under the existing HMRC approved sharesave scheme available to all employees, on the same basis as the grants in previous years. The scheme allows employees to save an amount of their net pay into a savings account each month and, at the end of the three-year period, choose to either receive back their savings or use them to buy ordinary shares in the Company at a discounted exercise price. The exercise price for the 2017 Sharesave options was fixed at 256.0p per share.

During 2018, the Group granted further options under the existing HMRC approved sharesave scheme available to all employees, on the same basis as the grants in previous years. The exercise price for the 2018 Sharesave options was fixed at 231.0p per share.

During 2019, the Group granted further options under the existing HMRC approved sharesave scheme available to all employees, on the same basis as the grants in previous years. The exercise price for the 2019 Sharesave options was fixed at 294.0p per share.

During 2020, the Group granted further options under the existing HMRC approved sharesave scheme available to all employees, on the same basis as the grants in previous years. The exercise price for the 2020 Sharesave options was fixed at 244.0p per share.

Movements in the year

The following table illustrates the number and weighted average exercise price ('WAEP') of, and movements in, share options during the year.

	Number	WAEP
Outstanding at 1 January 2019	3,693,948	£0.00
LTIP awards made during the year	1,679,290	£0.00
LTIP awards vested and exercised during the year	(50,791)	£0.00
LTIP & Restricted Share awards forfeited during the year	(1,468,027)	£0.00
Outstanding at 31 December 2019	3,854,420	£0.00
LTIP awards made during the year	1,644,847	£0.00
LTIP awards vested and exercised during the year	(337,117)	£0.00
LTIP & Restricted Share awards forfeited during the year	(2,236,020)	£0.00
Outstanding at 31 December 2020	**2,926,130**	**£0.00**

The following table lists the inputs to the Black-Scholes models and Monte Carlo simulations used for the schemes for the year ended 31 December 2020:

	2020 Sharesave	2019 Sharesave	2018 Sharesave	2020 LTIP I	2020 LTIP II	2019 LTIP	2018 LTIP/RSA
Fair value at grant date (£)	**1.61**	1.60	1.30	**2.86**	**3.04**	3.71	2.91
Share price (£)	**3.04**	3.43	2.89	**2.86**	**3.04**	3.71	2.91
Exercise price (£)	**2.44**	2.94	2.30	**0.0**	**0.0**	0.0	0.0
Expected volatility (%)	**92.2**	77.1	72.0	**85.4**	**89.3**	74.5	70.2
Expected life of option/award (years)	**3.0**	3.0	3.0	**3.0**	**3.0**	3.0	3.0
Weighted average remaining contractual life (years)	**2.8**	1.8	0.8	**2.3**	**2.7**	1.3	0.3
Expected dividend yield (%)	**3.9**	3.3	3.7	**0.0**	**0.0**	0.0	0.0
Risk-free interest rate (%)	**0.0**	0.4	0.9	**0.2**	**0.0**	0.8	0.8

Notes to the Consolidated Financial Statements continued

23. Share-based payments continued

Expected volatility has been estimated by considering historic average share price volatility for the Company or similar companies. Staff attrition has been assessed based on historic retention rates.

The share option charge in the Consolidated Statement of Comprehensive Income can be attributed to the following types of share option and share award:

	31 December 2020 £m	31 December 2019 £m
Long Term Incentive Plan scheme (LTIP) and Restricted Share Award (RSA)	**0.3**	1.2
Sharesave scheme	**0.4**	0.4
	0.7	1.6

24. Leases

Leases as lessee

The Group has significant leases of property for offices. The London office lease was signed on 22 July 2016 for a period of 15 years, with a lease start date of 1 June 2017. There was an 18 month rent free period included in the agreement. The Manchester office lease was signed on 7 May 2019 for a period of 15 years, with a lease start date of 7 May 2019. There was a 36 month rent free period included in the agreement.

i. Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

	Land and Buildings £m	Total £m
Balance at 1 January 2019	**27.4**	**27.4**
Depreciation charge for the year	**(2.5)**	**(2.5)**
Additions to right-of-use assets	**4.8**	**4.8**
Balance at 31 December 2019	**29.7**	**29.7**
Depreciation charge for the year	**(2.6)**	**(2.6)**
Balance at 31 December 2020	**27.1**	**27.1**

ii. Amounts recognised in profit or loss

	2020 £m	2019 £m
Depreciation charge for the year	**2.6**	2.5
Interest on lease liabilities	**1.2**	1.2
	3.8	3.7

iii. Amounts recognised in statement of cash flows

	2020 £m	2019 £m
Interest paid	**1.0**	1.0
Repayment of lease liabilities	**1.8**	0.8
	2.8	1.8

During 2019, the Group entered into an agreement to sub-lease a proportion of its London office. The sub-lease is for a period of 4.5 years and as such does not reflect a transfer of substantially all of the risk and reward of the underlying asset, which in this case is the 15 year head-lease or right-of-use asset. Consequently the Group has classified the sub-lease as an operating lease under IFRS 16. The rental income is £0.8m over 4.5 years.

25. Pensions and other post-employment benefit plans

The Group operates a defined contribution pension scheme calculated on base salary. The assets of the scheme are held separately from those of the Group in an independently administered fund. The contributions payable to the scheme in respect of the current year were £2.0m (2019: £2.0m). In the year ended 31 December 2020 £1.8m (2019: £1.8m) of contributions were charged to the Consolidated Statement of Comprehensive Income and £0.2m (2019: £0.2m) were included in amounts capitalised (see note 7). As at 31 December 2020 £nil (2019: £nil) of contributions were outstanding on the balance sheet.

26. Commitments and contingencies

At 31 December 2020, the Group was committed to incur capital expenditure of £0.5m (2019: £1.4m).

Comparable with most companies of our size, the Group is a defendant in a small number of disputes incidental to its operations and from time to time is under regulatory scrutiny. As a leading website operator, the Group occasionally experiences operational issues as a result of technological oversights that in some instances can lead to customer detriment, dispute and potentially cash outflows. The Group has a professional indemnity insurance policy in order to mitigate liabilities arising out of events such as this.

There is a cross-guarantee held between Moneysupermarket.com PLC, MoneySavingExpert.com Limited, MoneySuperMarket.com Limited, Moneysupermarket.com Financial Group Limited and Moneysupermarket.com Financial Group Holdings Limited in relation to balances owed under the RCF. The maximum amount owed during the year was £50m (2019: £40.0m) and the amount owed as at 31 December 2020 was £nil (2019: £nil).

The contingencies outlined above are not expected to have a material adverse effect on the Group.

27. Related party transactions

The Group has the following investments in all of its subsidiaries and joint ventures (which are all included in the Consolidated Financial Statements):

	Country of incorporation	Ownership interest %	Principal activity
MoneySuperMarket.com Financial Group Limited	UK	100	Holding company
MoneySuperMarket.com Limited	UK	100	Internet price comparison
MoneySuperMarket.com Financial Group Holdings Limited	UK	100	Holding company
MoneySavingExpert.com Limited	UK	100	Personal finance website
MSMG Dormant No. 3 Limited	UK	100	Dormant
MSMG Dormant No. 1 Limited	UK	100	Dormant
Mortgage 2000 Limited	UK	100	Financial intermediary services
MSMG Dormant No. 2 Limited	UK	100	Dormant
Decision Technologies Limited	UK	100	Internet price comparison
Sellmymobile.com Limited	UK	100	Internet price comparison
Townside Limited	UK	100	Internet price comparison
Podium Solutions Limited	UK	50	Technology platform provider
CYTI (Holdings) Limited	UK	28	Holding company

	Aggregate capital reserves £m	Profit/(loss) for the year £m	Registered office address	Class of shares held	Ownership 31 December 2020	Ownership 31 December 2019
MoneySuperMarket.com Financial Group Limited	24.0	(4.6)	MoneySuperMarket House, St David's Park, Ewloe, Chester, UK, CH5 3UZ	Ordinary	**100%**	100%
MoneySuperMarket.com Limited	146.7	43.2	MoneySuperMarket House, St David's Park, Ewloe, Chester, UK, CH5 3UZ	Ordinary	**100%**	100%
MoneySuperMarket Financial Group Holdings Limited	87.0	–	MoneySuperMarket House, St David's Park, Ewloe, Chester, UK, CH5 3UZ	Ordinary	**100%**	100%
MoneySavingExpert.com Limited	92.9	29.4	One Dean Street, London, UK, W1D 3RB	Ordinary	**100%**	100%
MSMG Dormant No. 3 Limited	–	–	MoneySuperMarket House, St David's Park, Ewloe, Chester, UK, CH5 3UZ	Ordinary	**100%**	100%
MSMG Dormant No. 1 Limited	–	–	MoneySuperMarket House, St David's Park, Ewloe, Chester, UK, CH5 3UZ	Ordinary	**100%**	100%
Mortgage 2000 Limited	0.2	–	MoneySuperMarket House, St David's Park, Ewloe, Chester, UK, CH5 3UZ	Ordinary	**100%**	100%
MSMG Dormant No. 2 Limited	–	–	MoneySuperMarket House, St David's Park, Ewloe, Chester, UK, CH5 3UZ	Ordinary	**100%**	100%
Decision Technologies Limited	11.1	3.5	First Floor, High Holborn House, 52-54 High Holborn, London, WC1V 6RL	Ordinary	**100%**	100%
Sellmymobile.com Limited	–	0.1	First Floor, High Holborn House, 52-54 High Holborn, London, WC1V 6RL	Ordinary	**100%**	100%
Townside Limited	–	0.1	First Floor, High Holborn House, 52-54 High Holborn, London, WC1V 6RL	Ordinary	**100%**	100%
Podium Solutions Limited	(1.6)	(1.3)	Fourth Floor Market Square House, St James Street, Nottingham, Nottinghamshire, NG1 6FG	Ordinary	**50%**	50%
CYTI (Holdings) Limited	0.4	(0.6)	37 Warren Street, London, England, W1T 6AD	Ordinary	**28%**	–

Notes to the Consolidated Financial Statements continued

27. Related party transactions continued

The Company is the ultimate parent entity of the Group. Intercompany transactions with wholly-owned subsidiaries have been excluded from this note, as per the exemption offered in IAS 24 – Related Party Disclosures. The list above represents all companies within the Group. All companies within the Group are registered at the addresses shown above. The Company's registered office is disclosed on page 110. All shareholdings with all subsidiaries are ordinary shares.

Moneysupermarket.com Group PLC has committed to continue to provide support to all of its subsidiaries for any short term day to day cash management, if required.

Transactions with key management personnel

In addition to their salaries, the Group also provides non-cash benefits to Directors and Executive Officers. Directors and Executive Officers also participate in the Group's Long-Term Incentive Plan.

Robin Freestone, Scilla Grimble, James Bilefield and Sally James in total received dividends from the Group totalling £19,491 (2019: Robin Freestone, Scilla Grimble, Bruce Carnegie-Brown and Sally James in total received £14,503).

There were no amounts or any future commitments outstanding to the Company as at 31 December 2020 (2019: nil).

Key management personnel compensation

Key management, defined as the executive management team, received the following compensation during the year:

	31 December 2020 £m	31 December 2019 £m
Short-term employee benefits	**2.6**	2.6
Share-based payments	**0.4**	0.9
Post-employment benefits	**0.3**	0.3
	3.3	3.8

In addition to the above, the executive management team received a bonus of £nil (2019: £2.0m) in relation to the reporting period.

Other related party transactions

During the year, the Group purchased £0.1m (2019: £0.6m) worth of services from Podium Solutions Limited in relation to the development of digital solutions for the mortgages channel journey on the Group's website. Balances outstanding as at 31 December 2020 in relation to the above purchases were £nil (2019: £0.3m).

In March 2020, CYTI Limited became a related party. Between then and the year end the Group purchased £0.8m of white label services from CYTI Limited. Balances outstanding as at 31 December 2020 in relation to these purchases were £nil.

All outstanding balances with the above related parties are priced on an arm's length basis and have been settled in cash within one month of the reporting date.

28. Non-adjusting post balance sheet event

On 28 January 2021, the Group acquired the remaining share capital of CYTI (Holdings) Limited. Total consideration for the acquisition of CYTI comprises £1.4m cash, the fair value of the option and the fair value of the 28% held as at the acquisition date.

Company Balance Sheet
at 31 December 2020

	Note	31 December 2020 £m	31 December 2019 £m
Fixed assets			
Investments	4	**181.7**	181.7
Total fixed assets		**181.7**	181.7
Current assets			
Debtors (including amounts falling due in more than one year £0.3m, 2019: £0.3m)	5	**155.0**	579.5
Cash at bank and in hand		**0.3**	0.2
Total current assets		**155.3**	579.7
Creditors: amounts falling due within one year	6	**(5.7)**	(439.5)
Net current assets		**149.6**	140.2
Creditors: amounts falling due after one year		**–**	–
Net assets		**331.3**	321.9
Capital and reserves			
Share capital	9	**0.1**	0.1
Share premium		**205.0**	204.7
Reserve for own shares		**(2.8)**	(2.9)
Other reserves		**16.9**	16.9
Profit and loss account		**112.1**	103.1
Shareholders' funds		**331.3**	321.9

The Financial Statements were approved by the Board of Directors and authorised for issue on 17 February 2021. They were signed on its behalf by:

Peter Duffy
Chief Executive Officer

Scilla Grimble
Chief Financial Officer

Registered number: 6160943

Statement of Changes in Equity
for the year ended 31 December 2020

	Share capital £m	Share premium £m	Reserve for own shares £m	Other reserves £m	Profit and loss account £m	Total £m
At 1 January 2019	0.1	204.0	(2.6)	16.9	203.9	422.3
Loss for the year	–	–	–	–	(0.8)	(0.8)
Total comprehensive income	–	–	–	–	(0.8)	(0.8)
New shares issued	0.0	0.7	–	–	–	0.7
Purchase of shares by employee trusts	–	–	(0.5)	–	–	(0.5)
Exercise of LTIP awards	–	–	0.2	–	(0.2)	–
Equity dividends	–	–	–	–	(100.0)	(100.0)
Share-based payments	–	–	–	–	0.2	0.2
At 31 December 2019	**0.1**	**204.7**	**(2.9)**	**16.9**	**103.1**	**321.9**
Profit for the year	**–**	**–**	**–**	**–**	**72.6**	**72.6**
Total comprehensive income	**–**	**–**	**–**	**–**	**72.6**	**72.6**
New shares issued	**–**	**0.3**	**–**	**–**	**–**	**0.3**
Purchase of shares by employee trusts	**–**	**–**	**(0.9)**	**–**	**–**	**(0.9)**
Exercise of LTIP awards	**–**	**–**	**1.0**	**–**	**(1.0)**	**–**
Equity dividends	**–**	**–**	**–**	**–**	**(62.8)**	**(62.8)**
Share-based payments	**–**	**–**	**–**	**–**	**0.2**	**0.2**
At 31 December 2020	**0.1**	**205.0**	**(2.8)**	**16.9**	**112.1**	**331.3**

Reserve for own shares
The reserve for the Company's own ordinary shares comprises the cost of the Company's ordinary shares held by the Group through employee trusts. At 31 December 2020, the Group held 337,281 ordinary shares (2019: 331,720) at a cost of 0.02p per share (2019: 0.02p) through a Share Incentive Plan trust for the benefit of the Group's employees.

The Group also held 303,473 shares (2019: 296,362) through an Employee Benefit Trust at an average cost of 273.39p per share (2019: 326.95p) for the benefit of employees participating in the various Long Term Incentive Plan schemes.

Other reserves
The other reserves balance represents the merger reserve of £16.9m generated upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company, as discussed below, and a capital redemption reserve for £19,000 arising from the acquisition of 95,294,118 deferred shares of 0.02p by the Company from Simon Nixon.

Upon the acquisition of Moneysupermarket.com Financial Group Limited, a merger reserve of £16.9m for 45% of the book value transferred from a company under common control was recognised.

Notes to the Company Financial Statements

1. Accounting policies
Basis of preparation
Moneysupermarket.com Group PLC (the 'Company') is a public company limited by shares and incorporated and domiciled in England, UK. The registered office is disclosed on page 110.

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The presentation currency of these Financial Statements is sterling. All amounts in the Financial Statements have been rounded to the nearest £100,000. These Financial Statements are prepared on the historical cost basis.

No profit and loss account is presented for the Company as permitted by section 408 of the Companies Act 2006. The profit after tax for the Company was £72.6m (2019: loss after tax 0.8m) which included dividends received of £75.0m (2019: £nil).

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS 102, and the following exemptions were taken in the 2015 Financial Statements:
- Business combinations – Business combinations that took place prior to transition date have not been restated.

The Company is the ultimate parent undertaking of the Group and also prepares Consolidated Financial Statements. The Consolidated Financial Statements are prepared in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRS") and prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union and are available to the public and may be obtained from MoneySuperMarket House, St. David's Park, Ewloe, Chester, CH5 3UZ.

In these Financial Statements, the Company is considered to be a qualifying entity for the purposes of this FRS and has applied the exemptions available under FRS 102 in respect of the following disclosures:
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the Consolidated Financial Statements include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:
- Certain disclosures required by FRS 102.26 Share Based Payments;
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1; and
- The disclosures required by FRS 102.33.1A Related Party Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

Use of estimates and judgements
The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no significant estimates or judgements made in preparation of these Financial Statements.

Investments
Investments are shown at cost less provision for impairment.

Basic financial instruments
Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Bank borrowings
Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including direct issue costs, are accounted for on an accruals basis in profit or loss using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Notes to the Company Financial Statements continued

1. Accounting policies continued

Own shares held by Employee Benefit Trust

Transactions of the Company-sponsored Employee Benefit Trust are treated as being those of the Company and are therefore reflected in the Company Financial Statements. In particular, the trust's purchases and sales of shares in the Company are debited and credited directly to equity.

Share-based payment transactions

The Company's share schemes allow employees to acquire ordinary shares in the Company. The fair value of share awards made is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at award date and spread over the period during which the employees become unconditionally entitled to the awards. The fair value of the awards made is measured using an option valuation model, taking into account the terms and conditions upon which the awards were made. The Company's share-based payment expenses relate solely to employees of the Company. Share-based payment expenses in respect of other Group employees are recognised in the company that employs them.

Dividends

Dividends receivable are recognised when the Company's right to receive payment is established. Dividends payable to the Company's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the shareholders' right to receive payment is established.

Taxation

Income tax expense comprises current and deferred tax. It is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates in force for the year, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial Statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Share-based payments

The analysis and disclosures in relation to share-based payments are given in the Consolidated Financial Statements in note 23.

3. Staff numbers and cost

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Number of employees 2020	Number of employees 2019
Administration	**2**	2

The aggregate payroll costs of these persons were as follows:

	2020 £m	2019 £m
Wages and salaries	**1.0**	0.9
Social security costs	**0.1**	0.1
Other pension costs	**0.2**	0.2
Share-based payments	**0.2**	0.2
	1.5	1.4

In addition to the above, bonuses of £nil (2019: £0.7m) were payable in relation to the reporting period. One Director exercised share options during the period (2019: one) and the total gain on exercise of these options was £267,563 (2019: £146,700). Directors' remuneration is disclosed on pages 100 to 103.

4. Investments

	Shares in subsidiary undertakings £m
Cost and net book value:	
At 31 December 2019 and 31 December 2020	**181.7**

The investment represents the Company's holding in Moneysupermarket.com Financial Group Holdings Limited, which was obtained via a share for share exchange during 2012 in which the Company exchanged its existing shareholding in Moneysupermarket.com Financial Group Limited for the entire share capital of Moneysupermarket.com Financial Group Holdings Limited.

5. Debtors

	31 December 2020 £m	31 December 2019 £m
Amount due from subsidiary undertakings	**154.3**	579.2
Prepayments	**0.4**	–
Deferred tax asset (note 7)	**0.3**	0.3
	155.0	579.5

During the year an exercise was undertaken to rationalise the intercompany balances within the Group.

6. Creditors: amounts falling due within one year

	31 December 2020 £m	31 December 2019 £m
Amount owed to subsidiary undertakings	**4.8**	438.5
Accruals	**0.9**	1.0
	5.7	439.5

During the year an exercise was undertaken to rationalise the intercompany balances within the Group.

7. Deferred tax

	31 December 2020 £m	31 December 2019 £m
Short-term timing differences	**0.3**	0.3

8. Dividends

	pence per share	**31 December 2020 £m**	pence per share	31 December 2019 £m
Declared and paid dividends on ordinary shares:				
Prior year final dividend	**8.61**	**46.2**	8.10	43.4
Special dividend	**–**	**–**	7.46	40.0
Interim dividend	**3.10**	**16.6**	3.10	16.6
Total dividend paid in the year	**11.71**	**62.8**	18.66	100.0
Proposed for approval (not recognised as a liability at 31 December): Final dividend	**8.61**	**46.2**	8.61	46.2

Notes to the Company Financial Statements continued

9. Called up share capital

The following rights attached to the shares in issue during the year:

Ordinary shares

The holders of ordinary shares were entitled to returns of capital, receive a dividend and vote.

Issued and fully paid

Number of ordinary shares	2020	2019
At the beginning of the year	536,576,579	536,319,819
Issued on exercise of SAYE options	123,962	256,760
At the end of the year	**536,700,541**	**536,576,579**

Nominal value of ordinary shares	2020 £	2019 £
At the beginning of the year	107,315	107,264
Issued on exercise of SAYE options	25	51
At the end of the year	**107,340**	**107,315**

The Group has a Long Term Incentive Plan under which conditional nil cost awards of ordinary shares in the Company have been made to certain Directors and employees of the Group, and an HMRC approved Save As You Earn scheme (Sharesave) is eligible to all employees (see note 23 of the Consolidated Financial Statements).

Shareholder Information

Registered office

Moneysupermarket House
St David's Park
Ewloe
Chester CH5 3UZ
Telephone: +44 (0)1244 665700
Website: http://corporate.moneysupermarket.com

Registered number

No. 6160943

Company Secretary

Katherine Bellau

Financial advisers/stockbrokers

Credit Suisse Securities (Europe) Limited

One Cabot Square
London E14 4QJ

Barclays Bank PLC

5 North Colonnade
London E14 4BB

Auditor

KPMG LLP

15 Canada Square
London E14 5GL

Solicitors

Herbert Smith Freehills LLP

Exchange House
Primrose Street
London EC2A 2EG

Principal bankers

Barclays Bank PLC

3 Hardman Street
Manchester M3 3AX

Bank of Ireland

Floor 3A, Baggot Plaza
27-33 Upper Baggot Street
Ballsbridge
Dublin 4

Financial PR

The Maitland Consultancy Limited

3 Pancras Square
London N1C 4AG

Registrar

Link Group

10th Floor
Central Square
29 Wellington Street
Leeds
LS1 4DL

Enquiring about your shareholding

If you want to ask, or need any information, about your shareholding, please contact our registrar, Link Group, by:

Telephone: 0371 200 1536 (UK) (Calls are charged at the standard geographic rate and will vary by provider. Lines are open 8.30am – 5.30pm Monday – Friday)

+44 (0) 371 664 0300 (overseas)

E-mail: moneysupermarket@linkgroup.co.uk

Alternatively, if you have internet access, you can access the Group's shareholder portal at www.moneysupermarket-shares.com where you can view and manage all aspects of your shareholding securely.

Investor relations website and share price information

The investor relations section of our website, http://corporate.moneysupermarket.com, provides further information for anyone interested in the Group. In addition to the Annual Report and share price, Company announcements including the half-year and full-year results announcements and associated presentations are also published there.

Dividend mandates

If you wish to have dividends paid directly into a bank or building society account, you should contact our registrar (see contact details above) or visit the Group's shareholder portal at www.moneysupermarket-shares.com where you can set up or amend a dividend mandate. This method of payment removes the risk of delay or loss of dividend cheques in the post and ensures that your account is credited on the due date.

Dividend reinvestment plan ('DRIP')

You can choose to reinvest dividends received to purchase further shares in the Company through a DRIP. A DRIP application form is available from our registrar (see contact details above).

Share dealing service

You can buy or sell the Company's shares in a simple and convenient way via the Link share dealing service either online (www. linksharedeal.com) or by telephone (0371 664 0445). Calls are charged at the standard geographic rate and will vary by provider. Lines are open 8.00am – 4.30pm Monday – Friday.

Please note that the Directors of the Company are not seeking to encourage shareholders to either buy or sell shares in the Company. Shareholders in any doubt about what action to take are recommended to seek financial advice from an independent financial adviser authorised by the Financial Services and Markets Act 2000.

Electronic communications

You can elect to receive shareholder communications electronically by contacting our registrar (see contact details above). This will save on printing and distribution costs, creating environmental benefits. When you register, you will be sent a notification to say when shareholder communications are available on our website and you will be provided with a link to that information.

Cautionary note regarding forward-looking statements

This Annual Report includes statements that are forward looking in nature. Forward-looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as required by the Listing Rules, Disclosure Guidance and Transparency Rules and applicable law, the Company undertakes no obligation to update, revise or change any forward-looking statements to reflect events or developments occurring on or after the date of this Annual Report.

Financial Calendar

Overview

Declaration date of 2020 final dividend	18 February 2021
Announcement of 2020 full-year results	18 February 2021
Ex-dividend date of 2020 final dividend	8 April 2021
Record date of 2020 final dividend	9 April 2021
Trading update	20 April 2021
Annual General Meeting	13 May 2021
Payment date of 2020 final dividend	20 May 2021
Half-year end	30 June 2021
Announcement of 2021 half-year results	22 July 2021
Trading update	*October 2021
Financial year end	31 December 2021
Announcement of 2021 full-year results	*February 2022

* *Exact dates to be confirmed.*

Further copies of this Annual Report are available from the Company's registered office, or may be accessed on the investor relations section of the Group's website at http://corporate.moneysupermarket.com.

Moneysupermarket.com Group PLC

Telephone: 01244 665700
Web: http://corporate.moneysupermarket.com

Registered in England No. 6160943
Registered Office: Moneysupermarket House, St David's Park, Ewloe, Chester CH5 3UZ

Glossary

2018 Code – means the UK Corporate Governance Code published by the FRC in July 2018.

Adjusting Items – means items that are considered exceptional or non-underlying in nature and are either added back or deducted from performance measures such as EBITDA, EPS and profit before tax to enable like for like comparison between reporting periods.

B2B – means business to business

B2C – means business to consumer

Beyond Carbon Neutral – means offsetting greater than 100% of the Group's carbon emissions, also referred to as Beyond Net Zero.

CAGR – means compound annual growth rate.

Capital expenditure or Capex – means expenditure on property, plant and equipment or intangible assets. These amounts are recognised on the consolidated statement of financial position.

Carbon emissions (scope 1 and 2) – means emissions of CO_2 and other greenhouse gases from fuel combustion and energy used in the Group's operations.

Carbon Neutral - means offsetting 100% of the Group's carbon emissions, also referred to as Net Zero.

Company – means Moneysupermarket.com Group plc, a company incorporated in England and Wales with registered number 6160943 whose registered office is at Moneysupermarket House, St David's Park, Ewloe, Chester CH5 3UZ

Corporate Website – means www.corporate.moneysupermarketcom.

CRM – means Customer Relationship Management.

Directors – means the Directors of the Company whose names and biographies are set out on pages 62 to 63 or the Directors of the Company's subsidiaries from time to time as the context may require.

EBITDA – means earnings before interest, tax, depreciation and amortisation. It equates to operating profit before depreciation and amortisation.

EPS – means earnings per share.

Executive Team – means senior management responsible for managing the day-to-day operations of the business.

GDPR – means General Data Protection Regulation.

GHG – means greenhouse gas(es).

Group – means Moneysupermarket.com Group plc, its subsidiaries, significant undertakings and affiliated companies under its control or common control.

IAS – means International Accounting Standard(s).

IFRIC – means International Financial Reporting Standards Interpretations Committee.

IFRS – means International Financial Reporting Standard(s).

ISA (UK & Ireland) – means International Standard(s) on Auditing in the UK and Ireland.

KPI – means key performance indicator.

LIBOR – means the London Interbank Offered Rate.

LTIP – means the Company's Long Term Incentive Plan for Executive Directors and selected senior managers.

Marketing Margin – means total marketing expenditure recognised in distribution expenses and cost of sales divided by revenue.

MoneySuperMarket.com – means MoneySuperMarket's price comparison site.

MoneySavingExpert.com – means MoneySavingExpert's consumer site.

MSE – means MoneySavingExpert.com

MSM – means MoneySuperMarket.com

Net Finance Costs – means finance income less finance costs. Finance income is composed of bank interest. Finance cost is composed principally of interest, arrangement and commitment fees relating to the RCF and interest on lease liabilities.

Net Debt – means the amount by which borrowings exceed cash. Borrowings comprise amounts drawn down on the RCF and exclude lease liabilities and deferred consideration loan notes.

Operating expenditure or Opex – means distribution expenses and administrative expenses, both of which are recognised in the consolidated statement of comprehensive income.

PCW – means price comparison website.

PPC – means pay-per-click.

R&D – means Research and Development.

RCF – means Revolving Credit Facility

Sharesave Scheme or SAYE Scheme – means the Moneysupermarket Group employee savings-related share option plan approved by HMRC.

SIP – means the Share Incentive Plan.

SM&CR – means the Financial Conduct Authority's Senior Managers and Certification Regime.

TCFD – means Task Force on Climate-Related Financial Disclosures.

TravelSupermarket.com – means TravelSupermarket's price comparison site.

TSM – means TravelSupermarket.com

TSR – means total shareholder return – the growth in value of a shareholding over a specified period, assuming that dividends are reinvested to purchase additional shares.

Working Capital – means current assets minus current liabilities excluding financing and investment activities.