



s172 Companies Act 2006

As a Board we have always taken decisions for the long-term: our aim is always to uphold the highest standard of conduct and to act fairly. Similarly, we understand that our business can only grow and prosper over the long-term if we understand and respect the views and needs of our customers, colleagues, and the communities in which we operate, as well as those of our suppliers, the environment, and the shareholders to whom we are accountable. This is reflected in our business principles. We ensure that the requirements of s172 Companies Act 2006 are met and the interests of our stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting to examine progress to budget and discharge of statutory duties. Ad hoc meetings were convened where required to ensure major matters received concentrated consideration.
- Updated and refreshed vision and values statement in 2021
- A "S 172 template" has been developed and incorporated as a closing requirement in board papers seeking sanction to changes in policy or major expenditure. The purpose of the template is to ensure all relevant matters have been considered along with an examination of how the proposal satisfies our corporate values.
- Delegated authorities to management and subsidiaries via our document "Group Guidelines" the most recent iteration of which was issued in September 2021.
- A project to ensure appropriate tax is paid in each jurisdiction in which we do business was mounted in 2021 via an intra group transfer pricing exercise, which reached fruition in 2022.
- Reports from an audit committee the terms of reference for which embrace not only a detailed analysis of numbers but also consideration of risk in the widest sense, including reputational risk.
- A rolling agenda of matters to be considered by the Board designed to ensure statutory compliance.
- Examination of a proposed budget for the following year and a medium-term financial plan.
- Although not currently of a size to require compulsory adoption of corporate governance principles the Group board has resolved to have regard to the Wates Principles for corporate governance of large private companies and continues to encourage the subsidiary boards to adopt a similar methodology when considering major decisions.
- Employee engagement surveys are conducted and a "gap analysis" approach taken to deal with points raised. The format was refreshed during 2021 and action plans are being devised based on the results. Communication committees are utilised to ensure the workforce is kept up to date with developments and may contribute to strategy relevant to HR and general matters. A statutory share incentive plan is operated and the twice-yearly valuations by HMRC along with a parallel profit-sharing scheme provide an opportunity for a commercial commentary to employees. We were pleased that Teconnex made covid-19 vaccinations available to its employees in India. The board receives reports from its Nominations and Remuneration Committee to ensure remuneration packages are competitive. Individual and corporate objectives are set against which awards are measured.
- We continue to devote time money and talents to charity with each subsidiary having a charity committee to which a sum of money is allocated every year. The actual payments are made at the request of the subsidiary via a centrally managed Charities Aid Foundation Account. In 2021 the Group supported (amongst others) charities working to support those with cancer and research its causes, emergency rescue services and those entertaining thoughts of suicide as well as Leagues of Friends and charities supporting hospitals local to our UK sites and the Salvation Army. The board receives an annual report on these charitable donations and activities. Employees are encouraged to undertake charitable activity and where this involves raising money match funding is often made available.
- We aspire to be the employer of choice in our locations and as part of that aspiration we work with local educational and childcare facilities The Group is a founder member of Slave Free Alliance. Ahead of a statutory requirement to do so, we introduced a whistleblowing hotline.
- As a family owned company, 90% of our shares are held either by one individual or by family trusts, who receive regular updates during the year. Nonetheless we held an AGM with full presentations to ensure the remaining 10% of shareholders are aware of matters affecting the company and communicate with SIP members via the twice-yearly share price commentaries (as above).

By order of the Board

A handwritten signature in black ink, appearing to read "D J Hodgson", is written over a horizontal line.

D J Hodgson
Company Secretary

16 November 2022