

## **Section 172 Statement**

The Directors take very seriously their responsibilities to act in, and promote, the best interests of the company and for it to succeed, for the benefit of all our colleagues and shareholding members.

The Board of Directors meets at least 4 times a year to discuss and monitor progress (and continued to do so throughout the various lockdowns via virtual meetings) , and to set long term goals, and also meets once a year for strategy and planning. At these meetings the directors set and agree budgets and strategy and monitor and measure progress against these. We usually have an annual away day strategy session over a 2-day period. Although in this current financial year this was necessarily canceled. These sessions are attended by all board Directors and chaired by the Non-executive Directors. We discuss issues such as geographical spread, potential new business lines, risks the business is facing and opportunities in our markets as well as a review of our marketplace.

The Directors are very aware of the need to act in the best interests of shareholders, and to act fairly to them, notwithstanding that all Directors are themselves also shareholders. Our board has two Non- executive Directors to bring balance to the executive team and the shareholding base.

### **Employee engagement**

Our strategic path is also rolled out to the senior management team on 4 occasions over the year as we get our senior team in for a company update and social where the directors report on progress and new initiatives and invite constructive conversations with our team. In this current year these meetings continued to be held via virtual meetings. These meetings are a two way, fully interactive session. The Directors take on board comments from our employees as best we can, we engage with our employees at company social events albeit this year all social events were, unfortunately, unable to be held.

We have formed a well-being committee to assist our staff- it is open to everyone. We communicate progress to all staff via our in-house publication, "Oneprinciple". Staff are encouraged to suggest operational improvements. In the interests of fairness amongst members and employees, we formed a remuneration committee which meets annually to set remuneration packages, and the results of these meetings are communicated face to face with all senior colleagues. Both of our Non -executive Directors are on this committee, to bring their outside experience to bear on this important aspect for all our staff. We are proud supporters of paying the London Living wage and are members of the London Living Wage Foundation. We truly value all our people, and hereby thank them for their hard work and dedication.

### **Business relationships**

We have quarterly meetings with all our top 5 suppliers where we discuss performance against their KPI's and SLA's, costings, innovations and service levels generally. For the year being reported on, these meetings continued virtually. These are attended by our CEO and at least one other Director, as well as members of the

senior management team. We have individual business champions on our teams who look after their own suppliers and take up day to day issues with them to ensure smoother operations. It is a two-way process, whereby our suppliers listen and act on our concerns, as we do on theirs too. Our supply chain is often challenged by the operating directors to come up with innovations to enhance our product offering as well as being asked to consider their sustainability and environmental footprint. We try to limit the number of key suppliers for efficiencies and cost savings. New suppliers and customers are credit checked and references are taken from our industry community. All new large suppliers are approved by the Board.

Our senior management team hold regular meetings with their clients throughout the year, and again for the year being reported on these were virtual meetings this year. The aim is to meet face to face at least quarterly with all clients each year. These are often attended by Directors, and operational and finance issues are addressed, as well as opportunities that may be available to us and our clients. The board monitors our revenues per client, and we aim to ensure we are not overly exposed to any one client as one way of mitigating the risks we face.

We, our customer's and our supply chain take very seriously the impact we have on the environment in our day-to-day operations, and we regularly challenge our supply chain to be sustainable and innovative. As an example, we seek to be chemical free in all our material purchases. All Board Directors have recently given individual and personal pledge targets to reduce their carbon outputs.

Our reputation is very important to us, and we are passionate about service, quality and our people, which we see as our core values. The directors place a very high emphasis on these values.

We strive to be at the forefront of technology, which we hope has an impact on the wider community in terms of hygiene benefits and, in particular, an increased rate of recycling. We try to partner with suppliers who have the same values as we do, and many of our partners have schemes such as beach cleaning days, which some of our staff attend, as well as free meals for certain parts of the community and tree planting schemes to aid the environment.

### **Corporate Governance report**

The Directors have chosen to apply the Wates Corporate Governance code in the year ended 31 March 2021, and report accordingly.

### **Purpose and Leadership**

Our Board operates a clear strategy which we discuss annually and liaise with our senior management teams on. All Directors act with integrity on behalf of all stakeholders, especially our workforce, regarding all companies with the Group, and in a way to promote the success of all Group companies. We remain absolutely committed to our core principles- passionate about people, quality, first class service and innovation.

## **Board Composition**

Our Board is diverse and well balanced, covering all disciplines within the business. It has an executive chairman and a Chief Executive Officer, as well as two experienced non-executive Directors. Four members of our board also form the remuneration committee, which oversees the pay, terms and conditions for the whole Group.

## **Director responsibilities**

The Board comprises executive Directors who cover all disciplines the group faces, from operations to finance. Our Non-executive directors, together with the Executive Chairman and Chief Executive Officer, regularly review the composition of the Board and confirm that it remains fit for purpose to achieve the long-term strategy the Board sets out each year, as well as monitoring performance against pre-set criteria for board reporting. As noted above, there is a separate remuneration committee comprising four board members, as well as two members who maintain our risk register.

## **Opportunity and risk**

As a board we remain committed to our core service offering and geographical market. We are always on the look-out for opportunities within these parameters, and carefully seek to identify specific targets within them. We have limits on the value of revenues we derive from any one client to avoid commercial risk. We maintain an active risk register, and this is reviewed and upgraded at every board meeting.

## **Remuneration**

Remuneration across the group is set by the remuneration committee, comprising of two executive board members and two non-executive board members, who hear remuneration proposals from each head of department.

We are keen payers of the London Living wage for our operational staff and are members of the London Living wage foundation.

## **Stakeholder relationships and engagement.**

We hold regular updates with all our teams. For the senior teams these are presented on four occasions throughout the year, and for the wider operational staff, this is via our in-house magazine, Oneprinciple. We welcome feedback from all our staff. We meet regularly with our key suppliers at Director level, as well as meet with our customers throughout the year as much as we can. All such meetings for the year under review have been held virtually.