

Grupo Antolin Leamington Limited

Section 172 statement

Section 172 requires that “a director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term;
- b) the interests of the company's employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) the impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly as between members of the company”.

The Directors consider the factors set out above in discharging their duties under section 172. The stakeholders we consider in this regard are our clients reflecting the sectors and industries we serve, our regulators and our employees. The Board recognises that building strong relationships with our stakeholders will help us to deliver our strategy in line with our long-term values and operate the business in a sustainable way.

Details of the Group which is also the company’s stakeholder and how we engage with them are set out below with reference to the matters set out in section 172 (1)(a)-(f) of the Companies Act 2006 when performing their duty under the section. Strategic decisions are made at Group level rather than at entity level. Further illustrations of how section 172 factors have been applied by the Board can be found throughout the Strategic report.

(a) The likely consequences of any decision in the long term

Reports are regularly made to the Group Board by the Executive Committee about the strategy, performance and key decisions taken which provides the Board with assurance that proper consideration is given to stakeholder interest in decision-making. At Group level, the Board is well informed about the views of stakeholders through the regular reporting on stakeholder views and it uses this information to assess the impact of decisions on each stakeholder group as part of its own decision-making process.

The Board takes a long-term approach to developing its strategy, which is to grow and build our product capability and presence in major markets to help clients address their challenges. We aim to achieve this through organic growth and targeting specific technology advancement to broaden our product offerings. Our expansion within the United Kingdom focuses on building deep and lasting relationships with our clients and servicing all their sustainability needs.

The company has established a successful track record of integrating its product technology into its client manufacturing process over recent years.

During the year the company has made the decision to close it’s just in time facility and integrate the assembly process within its manufacturing process to reduce its fixed cost base. The Board reviews the relevance of the Group’s strategy annually.

(b) The interests of the company's employees

Our people are the absolute key to our success. There are many ways we engage with and listen to our employees including staff surveys, forums, local face-to-face briefings, internal communities.

We know that creating a diverse and inclusive sustainable work environment is essential to being a leading global business and to making a great place to build a career. Diversity and inclusion strengthens our environmental, social and governance performance as well as our ability to recruit and retain great talent, be innovative and build effective relationships - all of which helps us create better solutions for our clients.

Examples of 2019 accomplishments include;

- Successful roll out of our SAP based online global careers portal, which our valued employees can access to identify opportunities within our business in any Country, providing detailed job descriptions and examples of required experience and qualifications for those role.
- We have implemented a Talent Mapping and Succession Planning process throughout the UK which had generated excellent new career opportunities, identifying high potential employees, developing bespoke

training plans incorporating both academic and experience based progression opportunities, enabling us to build sustainable talent pipelines.

- A new and inclusive digital employee assistance program was launched with a specific focus on mental health and mental health awareness, this was also followed by an onsite training course for all our managers on how to identify employees who maybe struggling and in need of our support. We have found the uptake on this and the subsequent feedback to be outstanding.
- Focussed attention to safety with daily reporting and actions taken to ensure safety of employees.

Our vision of Talent Management is to attract, identify, engage and develop, retain and effectively assign employees to exciting work. We want our employees to have the opportunity to develop and fulfill their career aspirations. With this in mind we have developed our online career portal via SAP Success Factors, this tool makes it easy for all employees to review available career paths on both a local and global scale.

Regular reports about what is important to our employees are made to the Board ensuring consideration is given to employee needs and regular discussion of people-related topics occurs at Board meetings. For example, our Employee Survey results and analysis is shared with the Board as well as the progress we are making against our actions. We also provide several reports regarding employee performance and rewards to ensure we are differentiating for performance.

(c) The need to foster the company's business relationships with suppliers, customers and others

Our global expansion focuses on building deep and lasting relationships with our clients and servicing their needs in more regions and across more service areas. We recognize the trust that our clients place in us by allowing us to work on many of their most challenging projects daily all around the world and are committed to the highest ethical behaviour and personal integrity in all our transactions and interactions.

We exercise judgment with respect to the clients and third parties with which we engage and the types of work we undertake. We will not work with clients or subcontractors who do not share our commitment to high ethical and sustainability standards and to safe operations.

(d) The impact of the company's operations on the community and the environment

A key element of all aspects of our strategy is Sustainability. Sustainability at Grupo Antolin Leamington Limited is a commitment to support socio-economic development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

During FY19, Grupo Antolin Leamington Limited senior leaders presented to our Executive Committee on the strategic implications of climate change and the low carbon economy transition. As a company, we are making a significant commitment and investment in this area, and we are developing global and regional plans with our Regional Leadership Teams and Account Directors across the company to support and implement this strategic direction.

Examples of accomplishments include:

- Setting a one way system within the premises for external transport management limiting vehicle congestion and traffic within the premises
- Introduction of foam compaction unit to reduce carbon footprint
- Diversion of baled waste from landfill to energy recovery

(e) The desirability of the company maintaining a reputation of high standards of business conduct

Our written Global Code of Business Conduct and Ethics sets clear requirements to ensure we conduct business with uncompromising honesty, integrity and compliance with laws and regulations. Our commitment to combat bribery and corruption is fundamental to how we operate and is embedded into our key systems and programs. We apply our business conduct and ethics commitments across every office and activity, every day, with the involvement and awareness of all our employees. All employees and Partners are held responsible for compliance with our Code and policies.

We conduct business with uncompromising honesty and integrity, adhering to laws, regulations and our written Code of Conduct, and expect everyone at Grupo Antolin Leamington Limited to act accordingly. We express this commitment through our business values, our professional standards, staff training and our internal systems and practices. It is key to earning and maintaining the trust of our company's stakeholders: shareholders and investors,

management and employees, clients, suppliers and contractors, governments, non-governmental organizations and the communities in which we operate.

The Board of Directors and Executive Committee of Grupo Antolin Leamington Limited are most significant governing bodies. They are responsible for the strategic direction of the organization and the effective monitoring of operations and performance. The Board sets a high standard for ethical behaviour and ensures the group complies with applicable laws and regulation.

All supervisors and individuals in key delivery roles are required to complete an annual self-certification to assess and confirm compliance with the requirements of our Code of Conduct and associated global policies, as part of our year-end audit of our corporate governance and assurance process

Grupo Antolin Leamington Limited maintains a global anonymous “whistleblowing” reporting system (online) so that concerns about our business operations, including unethical business conduct, can be reported without fear of retaliation. The system is available 24 hours a day, 7 days a week, by a web portal, and is managed by a third party to protect confidentiality. Reported concerns are investigated and addressed under the supervision of Chief Compliance Officer.

(f) The need to act fairly as between members of the company

The Board recognises the critical importance of open dialogue and fair consideration of the Company’s members. We communicate regularly with our institutional shareholders as well as with employee shareholders, some 250+ individuals.