

Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Board of Directors are presented with and review a wide range of papers relating to different stakeholders. The papers are discussed at Board meetings and form the basis by which policies and actions of the business are developed and, through this process, the Board have identified the key stakeholders. The Board consider that, both individually and together, they have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole in the decisions taken during the year and, in doing so, have had regard to the stakeholders and matters set out in s172(1) (a-f) of the Companies Act 2006.

The Board of Directors' intention is to behave responsibly and to ensure that management operate the business in a responsible manner to maintain a reputation for high standards of business conduct. The Board of Directors also recognise the importance of behaving fairly between the members of the company.

The Board of Directors aim to create a balance between the development of opportunities with our customers, stimulating and rewarding our staff, working with and supporting our local communities, sustaining the environment in which we operate, interacting with and complying with policies of the relevant regulators and engaging in positive relationships with lenders. The following disclosures describe how the Board of Directors has had regard to the matters set out in section 172(1) (a-f) in respect of the Group's stakeholders and forms the Directors' Statement required under Section 414CZA of The Companies Act 2006.

Engagement with Employees

We aim to create, develop and retain highly motivated people and teams who are equipped with the necessary competencies and skills to perform highly and who demonstrate our core values.

We support and engage with our people in a range of ways:

Stimulating positive and responsive communication

- Company news is always available to employees through the Company's intranet
- Conduct quarterly cascade team briefings to keep employees apprised of business performance and industry changes followed by Q&A opportunities
- Regularly circulate internal magazines and articles
- Provide a platform where employees can post ideas or questions for the attention of the business
- Conduct annual face to face Directors presentations to encourage two-way communication
- Continued use of E-cards to celebrate colleagues' successes, based on living our company values.

Our ongoing commitment to the Great Place to Work® scheme also ensures we remain focused on the business benefits of high employee engagement, resulting in our business being an employer of choice for both existing and new colleagues.

Engagement is measured by a yearly employee survey and Culture Audit. The feedback we receive from employees is where we focus our attention to improve working practices for our colleagues. BUUK have ranked as one of the UK's Best Workplaces™ for seven consecutive years, in four consecutive years have ranked in the UK's Best Workplaces™ for Women, and in three consecutive years have ranked in the UK's Best Workplaces™ top 10 Super Large organisations for Wellbeing.

BUUK have also been recognised as one of the Fortune 100 Best Companies to Work For in Europe 2024™, which showcases the best large and multinational organisations who have successfully created cultures that at their core put people first. BUUK is one of only eight companies in UK to achieve this accreditation.

As a result of listening to our employees we have implemented the following initiatives:

- Enhanced Maternity, Paternity and Adoption Leave
- Dedicated Wellbeing Programme
- Volunteering Programme - providing leave for colleagues to help with the local community or charities
- Science, Technology, Engineering & Maths (STEM) Programme -building bridges between education & employment
- Increased employee recognition for outstanding work linked to our company values
- Discounted FitBits to encourage colleagues to be more active
- Aspiring Managers Programme
- Leadership & Management Programme
- Health MOTs
- Armed Forces Community Network
- Refreshed company values, focusing on wellbeing and key areas for our employees and stakeholders

The feedback loop created by the communication has led to the development and enhancement of policies which enhance the working environment and benefits employees receive.

Supporting appropriate learning and development opportunities

- Offer a dual utility engineering apprenticeship scheme
- Offer a Graduate Development Programme
- Offer an Apprenticeship Scheme for IT, Design and Fibre
- Continual conversations encouraged between managers and team members
- Annual process to identify training needs backed by investment in development for staff

Supporting our staff to realise their full potential

- Offer a flexible, more extensive range of employee benefits with the introduction of BUUK's new 'Bionic Benefits' scheme
- Employee assistance programmes including stress counselling and medical information services
- Dedicated Health and Wellbeing Committee established
- Offer regular employee social events
- Maintaining a safe, healthy and sustainable environment for our staff, those we work for and the general public
- Work Safe, Home Safe platform for staff to build a positive safety culture irrespective of role or responsibility
- Opportunities to work with the onHand charity partner to undertake volunteering opportunities during work time.
- Introduced the 'Big 5' concept to ensure colleagues understand and are equipped to address our most significant organisational health, safety and wellbeing risks

Equal opportunities

A fair and equal opportunities culture is operated throughout the Group. Employment opportunities, whether in the recruitment, training or promotion of employees, are granted on merit irrespective of race, colour, religion, national origin, age, gender, disability or sexual orientation.

Full consideration and equal opportunities are given to employment applications from disabled persons with due regard to the requirements of the job. Where existing employees become disabled every effort is made to provide opportunities for continued employment within the Group supported with training and development as appropriate.

Business Relationships

We recognise the importance of engaging with the Group's suppliers and customers and fostering relationships with them.

Customers

BUUK's customers are at the very heart of our business and providing an exceptional customer experience is part of our philosophy, it's who we are and what we stand for and is why our Vision, Mission and Values all centre around the customer. BUUK's dedicated Customer Experience Team play a vital role in helping to create this genuine customer-centric culture and ensuring that everyone across the Group is aware of the role they play when it comes to the customer.

There are two key metrics that are monitored across the Group: Customer Effort Score (CES) and Net Promoter Score (NPS), which give us a solid understanding on how we are performing. Surveys are linked to customer touch points across all BUUK's customer journeys, which helps to identify where there is increased effort for our customers. Every month this feedback is circulated to Senior Management across the Group, whereby BUUK then pull together focused Customer Experience Improvement Plans, that are directly linked to the feedback we have gained from our customers. This continuous process of listening, understanding and improving helps to ensure we provide the best possible service to customers.

In 2024, BUUK's overall performance across our customer classes has been strong, with our B2B brands meeting our stretch CES target. A number of key initiatives have been successful in reducing key pain points around materials. When benchmarked, our B2C brands also perform well against the wider industry.

Suppliers

- Positive relationships with key suppliers have been integral to the ever-improving performance of our supply chains, with stock availability and replenishment rates optimised to support delivery to our customers.
- Environmental, Social and Governance (ESG) factors are foremost in the decision-making processes relating to both the onboarding of new suppliers, and to the selection for works under tender.
- Our commitment to the highest ESG standards are communicated to all suppliers, and accessible on our website.

Regulators

We have a positive relationship with our regulators and are focused on maintaining this and ensuring we act in a way which is open and transparent. We regularly liaise with our regulators at different levels and through a variety of “touch points” with regulatory and government departments to ensure the business evolves alongside any regulatory changes. Our engagement includes:

- Actively participating in strategic regulatory reviews through industry working groups, consultation responses and one to one meetings;
- Engaging with government departments and regulators on a one to one basis and through broader industry groups to promote industry change;
- Responding to regulatory consultations and requests for information;
- Meeting with regulators to promote industry change or to develop solutions to potential concerns;
- Hosting visits to our offices or to sites where we operate to demonstrate how our business model of operating in a multi-utility world brings value to customers.

The Board receive regular updates on regulatory interaction and are committed to complying with all relevant regulatory requirements and continue to closely monitor the status of our regulatory relationships, enhancing engagement across key regulatory changes.

Lenders

We actively engage with banks and other lenders to foster a strong relationship. The Board proactively ensures compliance with all borrowing covenants and has an open dialogue with lenders to manage the financing needs of the business.

- Proposals are prepared and reviewed with our lenders for all significant decisions pertinent to those lenders
- Lenders are kept up to date by sharing quarterly accounts and budget information

Communities and Environment

In the Global Real Estate Sustainability Benchmarking (GRESB) survey undertaken in 2024 BUUK achieved a score of 93%. In GRESB’s performance category, BUUK scored 59 points, the highest performance score in our sector. The GRESB is the leading environmental, social and governance benchmark for retail and infrastructure investments across the world with this year’s survey including 694 companies from 72 countries.

BUUK recognises the impacts that it has on the community and the environment and seeks to make a positive difference in the places where it operates. In 2024:

- 464 employees were actively involved in volunteering activities, undertaking 4,669 hours of volunteering.
- BUUK have worked closely with four local schools and a Further Education provider to offer work experience opportunities in our IT, Customer Services and Design teams. There are plans to expand work experience opportunities to include Heat and Finance. In 2024 we had a total of 10 apprenticeship roles within the business.
- Further development on a decarbonisation plan for BUUK Energy Centres, a major source of Scope 1 emissions. Decarbonisation plan of BUUK Energy Centres estimated to complete by 2035.
- Feasibility study of electric van is due to begin in 2025. We will be trialling a single van to see if it would have suitable mileage capacity and storage to be used by our engineering teams.
- As of 2024, we have 247 plugins and 42 self-charging cars in our company fleet.
- Initiated plans in development to further capture data across BUUK’s waste streams to provide better insight and improvement opportunities for waste reduction measures and management solutions.
- Continued partnership with an IT provider to collect end of life IT assets. In 2024, 318 computers, laptops, and tablets were restored and reused, including some by charities, and 425 items were recycled.
- Climate Change steering group continues to ensure all climate change risks are reviewed and appropriate mitigating actions are put in place across the Group. High-level Climate Change risk assessments and mitigation actions have been established, with risks reviewed on an annual basis.
- BUUK’s annual Sustainability Report, outlining our Environmental, Social and Governance commitments and performance is available to all stakeholders and the public via the BUUK website.
- Maintained ISO 14001 environmental accreditation, with only minor areas for corrective or improvement action identified.
- BUUK has performed a mass enrolment for all members of staff to the Supply Chain Sustainability School, providing access to hundreds of hours of CPD Accredited training relating to essential sustainability topics such as; Waste Management, Well-Being, Sustainable Procurement, etc.