

Banham Patent Locks Ltd
Year Ended 31 December 2019

Companies Act 2006 - Section 172 Statement

The Directors, in line with their duties under s172 of the Companies Act 2006, act individually and collectively in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its member, and in doing so have regard amongst other matters, to the:

- Likely consequences of any long-term decisions, interests and wellbeing of the company's employees.
- Need to foster the company's business relationships with suppliers, customers and others
- Impact of the company's operations on the community and the environment.
- Desirability of the company maintaining a reputation for high standards of business conduct.
- Need to act fairly between all members of the company.

The Directors' regard to these matters is embedded in their decision-making process and the Board promotes a culture of upholding the highest standard of business conduct and regulatory conduct. The Board ensures these core values are communicated to the Company's employees and embedded in the Company's policies and procedures, employee induction and training programmes and its risk control and oversight framework.

The Company's business strategy is focused on achieving success for the Company in the long term. In setting this strategy, the Board considers the impact of relevant factors and stakeholder interests on the Company's performance. The Board also identifies principal risks facing the business and sets risk management objectives.

The Board recognizes that building strong and lasting relationships with our stakeholders will help us to deliver our strategy in line with our long-term values and operate a sustainable business.

The Directors are supported in the discharge of their duties by:

- An Executive Leadership Programme with assistance from Pareto to further their understanding of their duties and obligations under applicable law and regulation
- Processes which ensure the provision of timely management information and escalation through reporting lines to the Board from the Company's business areas, its risk and control functions, support teams and committees of the Board
- Agenda planning for the Board and Committee meetings to provide sufficient time for the consideration and discussion of key matters. Our Chairman, with the assistance of the Company Secretary, sets the agenda for each Board meeting to ensure that the requirements of section 172 are always met.
- Regular review of policies with regard to corporate responsibility, including business ethics, ISO compliance (where relevant), anti-bribery, anti-corruption, whistleblowing, equal opportunities, human rights, environmental stewardship and use of resources, sustainable solutions, greenhouse gas emissions and energy management, investing in our local communities and our commitment to the armed forces.

Stakeholders

The Board understands the importance of engagement with all of its stakeholders and gives appropriate weighing to the outcome of its decisions for the relevant stakeholder in weighing up how best to promote the success of the Company.

The Board regularly discusses issues concerning employees, clients, suppliers, community and environment, regulators and its shareholder, which it takes into account in its discussions and in its decision-making process. In addition to this, the Board seeks to understand the interests and views of the Company's stakeholders by engaging with them directly when required. The below summarises the key stakeholders and how we engage with each. Details with regard to employee engagement are provided within the Directors' report.

Our extensive Client base is at the centre of our business.

Our client service and sales teams build lasting relationships with current and potential clients to understand their objectives and requirements. We are in regular contact with clients to meet their security and service requirements. We operate a robust framework for the oversight of the provision of the Company's products and services to our clients. We take a proactive approach with clients especially those who have ongoing contracts.

As a diverse business, we work with a wide range of suppliers, mainly in the UK. We remain committed to being fair and transparent in our dealings with all of our suppliers and recognize the valuable contribution they make to the smooth running of our business and have regular meetings with all of our main suppliers.

The Company has procedures requiring due diligence of suppliers as to their internal governance, including for example GDPR, anti-bribery and corruption practices, data protection policies and modern slavery matters.

The Company has systems and processes in place to ensure suppliers are paid in a timely manner and have a very proud record in this respect.

Community and Environment

The Board's approach to social responsibility, diversity and the community is of high importance. Corporate social responsibility principles are part of our culture and decision-making process. We take a consultative approach focused on building long term relationships and solving business problems. We are ISO 50001 registered and also have a dedicated Charitable Foundation to underpin this.

The Board continues to commit and broaden the company's work and associations with local charitable organisations, involving local schools, mentoring programmes and homeless projects through the Banham Charitable Foundation.

We work with our regulators including NSI, SIA and the government in an open and proactive manner to help develop regulations that meet the needs of all our stakeholders.

We have a risk and control framework and monthly CEDRIC reports to ensure that the Company complies with all legal and regulatory requirements relating to the provision of products and services to our clients.

As a proud family business, the Board also seeks to behave in a responsible manner towards all shareholders. The Board communicates information relevant to its shareholder, such as its financial reporting.