

RAWLE GAMMON & BAKER HOLDINGS LTD



S172 STATEMENT

31st MARCH 2020



Engaging with stakeholders

The success of our business is dependent on the support of all of our stakeholders. Building positive relationships with stakeholders that share our values is important to us, and working together towards shared goals assists us in delivering long-term sustainable success.

The Directors and Senior Management Team (SMT) make decisions with a long-term view in mind and with the highest standards of conduct in line with our policies.

In order to fulfil their duties, the Directors and SMT take care to have regard to the likely consequences on all stakeholders of the decisions and actions which they take.

Where possible, decisions are carefully discussed with affected groups and are therefore fully understood and supported when taken. Reports are regularly made to the Board by the SMT about the strategy, performance and key decisions taken which provides the Board with assurance that proper consideration is given to stakeholder interests in decision-making.

The Board is well informed about the views of stakeholders through the regular reporting and updates. The Board uses this information to assess the impact of decisions on each stakeholder group as part of its own decision-making process.

Details of key stakeholders and how we engage with them are set out below.

Shareholders

As owners of our business we rely on the support of shareholders and their opinions are important to us. We have an open dialogue with our shareholders. Discussions with shareholders at shareholder meetings cover a wide range of topics including financial performance, strategy, outlook, governance and ethical practices. Shareholder feedback is reported to and discussed by the Board and their views are considered as part of the decision-making process.

Colleagues

We believe that our people are the heartbeat of our success, so it is essential that we endeavour to communicate with them throughout their working lives. We have an active Works Council group, along with a number of other forums where various topics are discussed to allow everyone the opportunity to get involved, or simply have an awareness of our strategy and activity. We provide opportunities for those who wish to develop, and deliver good training in many forms to cope with varied learning styles and behaviours. We consistently review our pay and benefits to ensure equality along with recognising the need to consider the importance of Wellbeing and Mental Health - both in and out of work. All of these aspects are shared and discussed at Board level and key relationships throughout the business provide the ability for many views and beliefs to be sought, considered and discussed prior to decisions being made.

Customers

Our ambition is to be the Merchant of Choice in the South West.

We build strong and lasting relationships with our customers and we try to support our customers in whatever way and whenever we can.

We spend considerable time with our customers, talking to them in branches and on a one to one basis to understand their needs and views and listen to how we can improve the service we provide to them.

Suppliers

We build strong relationships with our suppliers both via direct meetings and through buying group meetings in order to develop mutually beneficial and lasting partnerships.

Engagement with suppliers also takes place through a series of meetings, interactions and formal reviews and we also host regular evening roadshows to bring suppliers and our staff together to discuss shared goals and build relationships.

The Board recognises that relationships with suppliers are important to long-term success and is briefed on supplier feedback and issues on a regular basis.

Communities

We engage with the communities in which we operate to build trust and understand the local issues that are important to them. Our branch staff who are part of their local communities provide feedback to us, plus our Community Fund initiative invites direct communication with local communities.

Key areas of focus include how we can support local causes and issues, create opportunities to recruit and develop local people and help to look after the environment. We partner with charities and organisations across the region to raise awareness and funds.

Key issues and themes across local communities are reported back to the Board. The impact of decisions on the environment both locally and nationally are considered with such considerations as recycling and how this might be maximised together with the use of and disposal of plastic and how this might be minimised.

Government and regulators

Key areas of focus are compliance with laws and regulations, health and safety and product safety. Members of the Senior Management Team have regular slots to update the Board on topics such as progress of the annual plan and legal and regulatory developments . The Board takes this valuable information into account when considering future actions.

Decision making in practice

One of the major decisions made was to close branches as a result of the COVID-19 pandemic. In making this decision the Board considered the interests of and the impact on all stakeholders. To provide insight into the approach taken by the Board, a summary of stakeholder views and conclusions is set out below.

STAKEHOLDER VIEWS AND CONCLUSIONS

Shareholders

Our shareholders want us to maximise returns in a safe and responsible way and at the same time, support our strategic aims.

The closure of branches on 25th March and subsequent phased re-opening succeeded in protecting the health of staff, customers and suppliers, while balancing the need to come to terms with operating difficulties associated with the 'new normal'.

Colleagues

Our colleagues want to support the business operations, but naturally have concerns over their own health and that of their families.

A significant amount of effort was put into communication .

The closure of branches addressed the immediate concerns over health and provided time in which safe systems of work and methods of operation could be designed and implemented.

Customers

Our customers want to feel supported by the decisions that we make.

Although branches were generally closed on 25th March, a mechanism was immediately introduced that allowed customers to place orders and receive deliveries for COVID-19 related projects and emergencies.

After safeguards were implemented, branches were re-opened to service customer needs on a phased basis. The gates were initially opened for click and collect or delivered sales to credit or cash account holders only. The ability to service non-account holders was introduced later, when it was safe to do so.

Suppliers

Our suppliers want to feel supported by decisions that we make and also had a need to understand the impact of branch closure on their own operations.

Communications were sent with maximum speed to warn suppliers branches would be closed and would not be able to accept deliveries.

Throughout the lockdown period, all suppliers were paid on time and in full.

Communities

Our communities want our continued support with local causes and issues.

Throughout the lockdown period, we were available to service COVID-19 related orders or emergencies.

Government and regulators

The government and regulators want us to operate in an ethical way and comply with laws and regulations.

We have adhered to government rules, policies and guidelines with regard to the opening of branches, the enforcement of social distancing etc... and we have benefited from various COVID-19 business support initiatives put in place by the government.