**Section 172 statement – The Board’s approach**

***Policies and Practices***

The Company’s objectives are to maximise the long-term value and revenue for its shareholders, to create secure and rewarding employment for its people and to deliver a high quality service to participants in the UK residential property market. The Board considers its shareholders, customers and colleagues to be the Company’s key stakeholders.

***Corporate Governance***

The Board is responsible for determining the Company‘s strategy for managing risk and overseeing its systems of internal control. The ongoing effectiveness of these internal controls are reviewed by the Board on a regular basis. The Company maintains appropriate standards of corporate governance in order to conduct its business in a prudent and well organised manner. The Board’s approach is based on the principles and provisions of the UK Corporate Governance Code (the Code) published by the Financial Reporting Council. The Board’s philosophy is to comply with the Code where it applies to the Company.

***Employee Matters***

The Company is committed to ensuring that our colleagues have a great place to work by engaging with them, supporting and developing them in their careers and career aspirations, and by promoting inclusion and diversity in our workforce. We also encourage colleagues to engage in local community and charitable activities.

The Company seeks to attract great people and make sure they are highly engaged in an environment where they can perform to high expectations and have the opportunity for a long, rewarding and fulfilling career. In order to help achieve this, the Company seeks direct feedback from its workforce on areas such as leadership, reward, trust, respect, well-being and communication. The Company carried out an employee engagement survey in 2022 which benchmarked colleagues’ engagement and provided feedback for managers to implement measures relevant to their teams.

The Company has worked with the Connells Group to establish a Diversity and Inclusion committee, aimed at ensuring that the Company supports a diverse and inclusive workplace. During 2022 representatives of the Company participated in a Women in Leadership programme. In 2023 the Company will continue to participate in this programme, as well as working to establish diversity and inclusion networks to cover gender, race, LGBTQI+ and wellbeing, deliver unconscious bias training for managers and leaders, and launch a Great Place to Work action plan covering values, mission, leadership and culture.

The Company has a number of policies and practices in place to help ensure that the working environment encourages trust, respect, recognition and good communication. These include, for example, structured career pathways, dignity at work, equal opportunities and a well embedded fire, health, safety and welfare policy. Remuneration structures are designed to reward high performance. The Company’s modern slavery policy supports the objectives of the Modern Slavery Act 2015, further details of which can be found on the Company website. The Company continues to operate with the safety of its colleagues and customers being a priority.

The Company is committed to ensuring that there are no instances of bribery or corruption throughout the business. Company policies exist, drafted in line with best practice, to prohibit the offering, giving, solicitation or the acceptance of any bribe to or from any person or company by any individual employee, agent or other person or body acting on behalf of the Company. The policies are readily available for employees to view on the Company’s intranet and employees are required to receive annual refresher training to ensure they can recognise and prevent the use of bribery.

***Social Matters***

During 2022 the Company supported Lionheart, the benevolent fund for the Royal Institution of Chartered Surveyors and their families.

The Company also supported MIND UK, a leading mental health charity which provides advice and support to empower anyone experiencing mental health problems, with a number of charitable initiatives during 2022.

In addition to this, the Company regularly supports other national charitable events such as Comic Relief, Children in Need and a local charity KidsOut.

***Environmental Matters***

The Board recognises that as a responsible business there is an obligation to operate in a manner that minimises the Company’s impact on the environment. We operate in a sector that has a relatively low carbon footprint and impact on the environment. However, we follow relevant environmental legislation in carrying out our business and Company policy is to seek to minimise our contribution to environmental damage and maximise our contribution to safe recycling and reprocessing of waste materials.

The Company Environmental Policy outlines the ways in which the Company reduces the use of paper, utilises recycling options, and reduces pollution and levels of energy use.  Initiatives such as the reduction in company car CO2 emissions and the replacement of lighting with low energy units (e.g. LED spot lights and panels) are examples of the Company’s commitment to operating in an environmentally sustainable way.

Further details around Streamlined Energy and Carbon Reporting (SECR) are set out in the accounts of the parent company, Connells Limited.

***Business Relationships***

The Company closely monitors all of its business relationships which enable it to deliver its customers with excellent service. It assesses, on an ongoing basis, any risk of an adverse impact on its customers, people and the environment in which the Company operates as a result of these relationships, or as a result of its policies.

Relationships with key suppliers are closely monitored to ensure services are being provided in line with the terms of documented agreements.  Performance of key suppliers, along with associated risks to the Company and the environment are regularly assessed with options for improvement considered where available.  Regular reviews of adherence to key policies, such as Modern Slavery and GDPR are undertaken.

Board members are engaged when negotiating terms with key suppliers and in specific cases will attend strategic review meetings to guide the future approach with that supplier.

The Company is committed to providing its customers with a high level of service which is tailored to their individual needs, and providing a range of suitable products.

The Company’s services are primarily delivered through surveyors, with support from centralised customer service teams who help ensure the delivery of positive customer outcomes.

***Decision Making***

The Board meets regularly and makes decisions which promote the success of the Company and its stakeholders. Proposals are discussed in detail and approved by the Board which ensures key decisions comply with the risk management framework detailed below. Examples of key decisions taken during 2022 include:

* The annual budget was approved following a robust and comprehensive review process. It was decided the budget would promote the success of the Company.
* Approved interim dividends – Meeting shareholder dividend expectations is a top priority to ensure the funds are able to benefit the wider Connells Group. The budget indicates the dividend level to be sustainable and still allow the Company to invest in future growth.
* Investment into additional people, technology and ESG activities to deliver continued high quality outcomes for the Company and its stakeholders.