**S.172 Statement**

The Companies (Miscellaneous Reporting) Regulations 2018 (‘2018 MRR’) requires Directors to explain how they have considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 (‘S172’) when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders, which will have an impact on the long-term success of the company.

This S172 statement explains how the directors of Newable and its subsidiaries (together “Newable”):

* have engaged with employees, members, suppliers, customers and others; and
* have regard to employee and members’ interests, the need to foster Newable’s business relationships with suppliers, customers and others, and the effect, including on the principal decisions taken by the company during the financial year. This S172 statement focuses on matters of strategic importance to Newable, and the level of information disclosed is consistent with the size and the complexity of Newable’s business.

**General confirmation of Directors’ duties**

Newable’s Board has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. Certain financial and strategic thresholds have been determined to identify matters requiring Board consideration and approval, at Board Meetings as follows:

* The Directors review the progress against strategic priorities and the changing shape of the business portfolio.
* The Board monitors its decisions and actions, including its implementation of and performance against, the strategy and plan.
* The Board satisfies itself that:
	+ Emerging and principal risks are identified and understood, with systems of risk management, compliance and controls in place to mitigate such risks
	+ Expected conduct of company business and employees is reflected in Newable’s set of values.

When making decisions, each Director ensures that they have acted in the way that they consider, in good faith, would most likely promote Newable’s success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

**S172(1) (A) “The likely consequences of any decision in the long term”**

Newable’s Directors understand the business and the evolving environment in which they operate. Newable’s purpose is to make a sustainable profit from helping other businesses thrive and to grow the size of the business through increasing profitability. This is balanced with keeping staff well-being and safety paramount, as well as Newable’s social and environmental responsibilities being fundamental to our business approach.

Newable’s strategy is to develop the Group in order to provide:

* Money, advice and workspace for clients
* Rewarding and fulfilling careers for staff
* Balanced returns for stakeholders

and to achieve this in an environmentally long-term sustainable manner. Newable’s measures of success include:

* trebling the size of our business through increased profitability and investment − reducing Newable’s impact on the environment
* significantly expanding Newable’s range of products and services to smaller businesses
* having highly motivated professional staff who value working for Newable and act as ambassadors for the business as evidenced in staff surveys and other measures
* significantly raising Newable’s profile in the business sectors in which it operates, and nationally.

The objective of Newable’s strategic ambitions is to increase long-term value for Newable, whilst recognising that the long-term success of our business is dependent on our stakeholders and the external impact of our business activities on society and the environment

**S172(1) (B) “The interests of the company’s employees”**

Newable’s long-term success is predicated on the commitment of our employees to our purpose, and their demonstration of our values on a daily basis. The Directors recognise that our employees are fundamentally important to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, Newable’s Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

Newable provides its employees with information on matters of concern to them and consults with them on a regular basis, so that their views are taken into account when making decisions, which are likely to affect their interests. Newable engages with its employees to ensure that we foster an environment that they are happy to work in and that best supports their well-being. Employees receive regular updates on the Group’s performance via Town Hall meetings held physically or virtually. The Group also holds employee forums, feedback forms and surveys, as well as external reviews and benchmarking. The Directors also recognise that our pensioners, though no longer employees, also remain important stakeholders.

**S172(1) (C) “The need to foster the company’s business relationships with suppliers, customers and others”**

Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers, government, regulators and delivery partners. Newable seeks the promotion and application of certain general principles in such relationships. The ability to promote these principles effectively is an important factor in the decision to enter into or remain in such relationships. Newable continuously assesses the priorities related to customers and those with whom we do business, and the Board engages with the businesses on these topics, for example, within the context of business strategy updates and investment or divestment proposals.

**S172(1) (D) “The impact of the company’s operations on the community and the environment”**

This aspect is inherent in our strategic ambitions and has been part of Newable’s heritage since Newable began business in 1982. Newable used to publish annually its “Making an Impact” Report to reflect the social contribution made by Newable’s day to day activities. This will be replaced by a new ESG Report published annually.

As reported elsewhere, Newable has also established an Environment and Social Impact Committee of the Board, which, in addition to the three Non-Executive Directors also has staff from across the business attending and contributing to the Committee’s deliberations and decisions.

Newable has also created an Environmental Team with membership comprising members of staff from across Newable and has been working with Green Mark to achieve an internationally recognised environmental accreditation standard. This team reports to the ESI Committee.

In addition to the Environment Team, Newable also has a Values Team operating which also has membership comprising members of staff from across Newable. This Team focuses on Newable’s culture, people issues and Newable’s wider engagement with stakeholders and also reports to the ESI Committee.

**S172(1) (E) “The desirability of the company maintaining a reputation for high standards of business conduct”**

Newable is economically, environmentally and socially responsible, and is a values-driven business, whose values are defined as a result of a company-wide engagement process. The Board periodically reviews and approves clear frameworks, such as General Business Principles, Newable’s Code of Conduct, Compliance manuals (which include Whistleblowing), and its Modern Slavery Statement, to ensure that its high standards are maintained both within Newable, and the business relationships we maintain. This is also supported by a staff training programme. This, complemented by the way the Board is informed and monitors compliance with relevant governance standards, help assure its decisions are taken, and that Newable acts in ways that promote high standards of business conduct.

**S172(1) (F) “The need to act fairly as between members of the company”**

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of our strategy through the long-term, taking into consideration the impact on all stakeholders. In doing so, our Directors act fairly as between the Newable’s members.

**Culture**

The Board recognises that it has an important role in assessing and monitoring that our desired culture is embedded in the values, attitudes and behaviours we demonstrate, including in our activities and stakeholder relationships. The Board has established honesty, integrity and respect for people as Newable’s core values. The General Business Principles and Code of Conduct help everyone in Newable to act in line with these values and comply with relevant laws and regulations. Newable’s commitment and policies on Health, Safety, Security, Environment & Social Performance apply across Newable and are designed to help protect employees, people and the environment. Newable has also taken and will continue to take active measures to maintain a diverse and inclusive culture.

The Board considers Newable’s Employee Surveys to be one of its principal tools to measure employee engagement, motivation, affiliation and commitment to Newable. It provides insights into employee views and has a consistently high response rate. The Board also utilises this engagement to understand how survey outcomes are being leveraged to strengthen Newable’s culture and values.

**August 2021**