

## Section 172 Statement

The Wates Corporate Governance Principles for Large Private Companies provides a framework for the Company to demonstrate how the Board makes decisions for the long-term success of the Company and its stakeholders. It also helps demonstrate how the Board ensures that the Company complies with the requirements of s172(1)(a) to (f) of the Companies Act 2006 as more particularly set out below:

- (a) the likely consequences of any decision in the long term  
*See commentary on principles 1, 3 and 4 in the Corporate Governance Statement*
- (b) the interests of the company's employees  
*See commentary on principles 1 and 6 in the Corporate Governance Statement*
- (c) the need to foster business relationships with suppliers, customers and others  
*See commentary on principles 1 and 6 in the Corporate Governance Statement*
- (d) the impact of the company's operations on the community and the environment  
*See commentary on principles 1, 4 and 6 in the Corporate Governance Statement*
- (e) the desirability of the company maintaining a reputation for high standards of business conduct  
*See commentary on principles 1, 4 and 6 in the Corporate Governance Statement*
- (f) the need to act fairly as between members of the Company  
*See commentary on principles 1, 2 and 3 in the Corporate Governance Statement*

The Company will continue strengthening relationships with suppliers and landlords throughout 2025. The Board will also prioritize the Company's success in every decision, considering the factors outlined in s172 of the Companies Act 2006.

In complying with their duty to promote the success of the Company for the benefit of its members, whilst having regard to the matters set out in s172 (1) (a-f) of the Companies Act 2006, the Board of Directors considers that the success of the Company is best promoted through the promotion of the success of the Avolta Group as a whole. The Company is governed and managed as an integral part of the Avolta Group and follows common group wide policies and procedures. The disclosures describe how the Company's Board of Directors have 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. While the Board of Directors have determined that certain of the matters disclosed in this statement may not be applicable for this Company specifically, they have included discussion of the Group's full policies and procedures to reflect the integrated approach taken to governance across the Avolta Group and therefore the matters considered by the directors of this Company in complying with their duties as directors of the Company.

### **Employee Engagement Statement**

The Wates Corporate Governance Principles for Large Private Companies provides a framework for the Company to demonstrate its commitment for engaging its employees. The Company regularly engages with its employees and has internal communication channels that enable key messages, achievements and notices to be shared amongst employees.

The business is committed to maintaining strong and positive relationships with its employees and senior management attend employee meetings that cover a range of topics from ideas and suggestions from employees to any concerns employees may have. The business is focused on such engagement being sustainable and therefore aims to set targets and aspirations that are not only financially driven.

The Company believes that training is fundamental to enhancing skills and fostering professional development, blending individual growth with cultural and organisational goals. Our training methodology follows the “Four E’s model”:

- 1 Educate (formal education);
- 2 Experiences (learning by doing);
- 3 Environment (culture of learning); and
- 4 Exposure (learning from others)

The Company offers comprehensive learning programs for professional growth and an extensive learning catalogue designed to improve performance in current roles and to support career progression. Programs are delivered through various learning solutions, including face-to-face, on- the-job, and digital learning platforms that encompass technical and interpersonal skills. Training is available to all team members and managers, regardless of levels or location.

Level Up (powered by Axonify), is the microlearning platform that the Company uses for front office team members, it provides bite sized, gamified and role-specific training without interrupting their operational flow. With Level Up, we have the flexibility to deliver targeted training on customer experience, sales excellence, and product knowledge, including brand-specific learning modules.

For our back-of-house, office-based employees, we leverage LMS Altitude, powered by Cornerstone, which offers a structured and scalable learning experience. This platform is enriched with on- demand LinkedIn Learning content, providing access to a vast library of expert-led courses across a wide range of professional and technical topics, supporting continuous development and career growth.

The Company also conducts compliance training for team members, officers and directors, as applicable, on an ongoing basis. Avolta’s Compliance Department regularly evaluates and adapts the content of Avolta’s training on Compliance and

Corporate Policies to keep training up to-date and reflect industry standards and applicable laws.

Diversity is an essential asset to – and integral part of – the Company, and the Company promotes an inclusive workplace culture that understands and celebrates diversity in all its forms, be it in gender, age, race, culture, beliefs or creed.

### **Stakeholder Engagement Statement**

The Wates Corporate Governance Principles for Large Private Companies provides a framework for the Company to demonstrate its commitment for engaging its stakeholders (see commentary in Principle 6).

The Company endeavours to engage with its stakeholders in different ways, from its Supplier Code of Conduct to understanding its stakeholders' commitments to sustainability.

On an ongoing basis, the Company will continue to engage its stakeholders in a meaningful way and continue to work with its stakeholders to aid the recovery of the Company.

This Statement was approved by the WDFG UK Limited Board of Directors on 23 June 2025