

**Galliford Try Employment Limited**

Annual report and Financial statements

For the year ended 30 June 2020

Registered number: 02252941

# **Galliford Try Employment Limited**

## **Strategic report for the year ended 30 June 2020**

### **Section 172 Companies Act 2006**

Section 172(1) of the Companies Act 2006 imposes a general duty on every company director to act, in good faith, in the way they consider would be most likely to promote the success of the company for the benefit of its shareholders, while taking into account how the Company's activities and Board decisions will affect its stakeholders. This statement explains how the Board complies with its obligations under s172 is consistent with that disclosed in the consolidated Galliford Try Holdings Plc's annual report for the year ended 30 June 2020.

The Company recognises the importance of its stakeholders' views and actively engage with them, proactively considering their interests in the decisions it makes.

### **Employees**

We use the following mechanisms to outline our approach to employee priorities and gather feedback on our interactions:

- Wider communication tools such as emails, videos, webcasts, while also monitoring various metrics such as employee churn, sickness leave and wider health and safety KPI's.
- Independent support such as access to our Employee Assistance Programme and whistleblowing hotline.
- Encouraging and analysing independent employee feedback via employee surveys or external sites.

### **Shareholders**

We must act in the interests of our shareholders to maintain the capital needed to fund our activities.

### **Standards of business conduct**

The Board is acutely aware of the need to maintain high standards of business conduct. The Group has a strong ethical culture, underpinned by our values, policies and our Code of Conduct, all of which are endorsed by the Board. The Code of Conduct sets out the ethical standards everyone in Galliford Try must adhere to and provides a framework to ensure we always behave in a way that reflects our values. The Group also has specific policies and procedures to prevent bribery and corruption, as described on page 39 of the Group's annual report for year ended 30 June 2020.

### **Environmental impact**

Information on the Group's environmental impact can be found on pages 36 and 37 of the Group's annual report for year ended 30 June 2020 which is publicly available.

# **Galliford Try Employment Limited**

## **Directors' Report for the year ended 30 June 2020**

### **Corporate governance statement**

In accordance with the Companies (Miscellaneous Reporting) Regulations 2018, this statement gives details of the corporate governance arrangements which the Company applied during the year. The Company is an indirectly owned subsidiary of Galliford Try Holdings plc, which is a UK premium listed company and subject under the Listing Rules to make a statement in its annual report of how it has applied the Principles and Provisions of the UK Corporate Governance Code (July 2018). The approach to corporate governance including engagement with employees and consideration of stakeholder interests undertaken by Galliford Try Holdings plc applies to each subsidiary company within the Group. The Company does not therefore apply a separate code of corporate governance to its own activities.

As explained on page 56 of Galliford Try Holdings plc's annual report and accounts for the year ended 30 June 2020 ("Group Accounts") the Galliford Try group (the "Group") operates a suite of governance and risk management policies, procedures and training programmes which apply to all subsidiary companies in the Group. The Group Corporate Manual was refreshed in February 2020 and references the key policies, governance structures, and processes by which the Group conducts its operations.

### **Culture and purpose**

As explained on page 3 of the Group Accounts, our purpose is to improve people's lives through building the facilities and infrastructure that communities need, providing opportunities for our people to learn, grow and progress, working with our supply chain to promote the very best working practice and caring for the environment in which we work.

Our values are:

- Excellence: Striving to deliver the best.
- Passion: Committed and enthusiastic in all that we do.
- Integrity: Demonstrating strong ethical standards with openness and honesty.
- Collaboration: Dedicated to working together to achieve results.

Our vision is to be a people-orientated, progressive business, driven by our values to deliver lasting change for our stakeholders and the communities we work in. Our vision and values shape our culture of doing the right thing. Company standards are set out in our Code of Conduct 'Doing the Right Thing', which is issued to all Directors and employees and supported by specific training modules in key areas.

### **Board composition and effectiveness**

The Board of the Company is currently made up of two directors who are both senior employees of the Group and with the appropriate balance of skills, experience and knowledge. The Directors either report directly to or are members of the Executive Board, which is responsible for the operational management of the Group under terms of reference delegated by the Board of Galliford Try Holdings plc. The size and structure of the Board of the Company is deemed appropriate, given its role as an employing entity within the Group. All Directors have access to the advice and support of the Company Secretariat which provides guidance on their statutory duties as a director and all governance related matters.

Meetings of the Directors of the Company are held on an ad-hoc basis. A formal delegation of authorities' matrix documents the authority levels delegated by the Board of Galliford Try Holdings plc to the Executive and Business Unit Boards (including subsidiaries) in respect of all commercial activities. The Directors of the Company have a clear understanding of their individual accountabilities and adhere to these delegated levels of authority.

Under the Group's Conflict of Interest policy and the Code of Conduct, all Directors and employees must disclose any potential or actual conflicts of interest, recording them in Board meeting minutes and on a conflicts of interest register. In addition to the guidance applicable to all employees, directors of subsidiary companies also have a legal duty under the Companies Act 2006 to avoid conflicts of interest, however the Companies Act 2006 and the Company's articles of association allows for the authorisation of pre-existing conflicts, provided they are notified to the Company in advance.

### **Risk**

The Board of Galliford Try Holdings plc is responsible for maintaining oversight of the Group's processes for identifying, assessing, managing and reporting on principle risks and for defining the

## **Galliford Try Employment Limited**

### **Directors' Report for the year ended 30 June 2020 (continued)**

Group's overall risk appetite. The ongoing monitoring of principal risks is delegated to the Group's Executive Risk Committee which is chaired by the General Counsel & Company Secretary and is comprised of management representatives from across the business and the Group's Director of Risk & Assurance. The Risk and Internal Audit team support the Board and Executive Risk Committee in discharging their responsibilities by providing operational management of the risk management process. The Group's risk management processes and governance structure is detailed on page 30 of the Group Accounts.

#### **Remuneration**

The Board of Galliford Try Holdings plc has overall responsibility for reviewing remuneration and related policies across the Group. Under its terms of reference, the Remuneration Committee of the Galliford Try Holdings plc Board approves the Remuneration Policy for Executive Directors and senior managers, reviews workforce remuneration and related policies and the alignment of incentives and rewards with culture and taking these into account when setting the policy for executive director remuneration. Further information can be found in the Group Accounts on pages 61 to 76.

#### **Stakeholder engagement and management**

Stakeholder relationships are managed across the Group through both direct and indirect engagement. Further details of stakeholder engagement can be found in the Group Accounts on pages 43 to 44.