



# SECTION 172 STATEMENT SUBSIDIARY REPORTING

FOR THE PERIOD FROM  
4 MARCH 2023 TO 1 MARCH 2024

# SUBSIDIARY REPORTING INCLUDING SECTION 172 STATEMENTS

In accordance with the Companies Act 2006, the following subsidiaries of NG Bailey Group Limited are required to prepare a statement in the strategic report of their financial statements which describes how the directors have regard to the matters set out in section 172(1) (a) to (f) when performing their duties as a director under section 172 of the Companies Act 2006 (commonly known as a “section 172 statement”):

- NG Bailey Limited
- The Freedom Group of Companies Ltd.
- NG Bailey Facilities Services Limited
- NG Bailey IT Services Limited

The section 172 statement must be made available on a website. As the companies are under common control and management, the section 172 statement is identical across the subsidiaries and has been included below.

## Section 172, Companies Act 2006

In line with Section 172 of the Companies Act 2006, the Board’s priority is to ensure that the Directors have acted both individually and collectively in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole with regard to all its stakeholders and maintaining a reputation for high standards of business conduct. In carrying out this duty during the period, the Directors have had regard for, amongst other matters, the areas set out in the table below.

The Company is part of the NG Bailey Group and the Directors are also directors of the ultimate parent company, NG Bailey Group Limited. Consequently, much of this reflects group-wide governance and activity and further information can be found within the NG Bailey Group Limited financial statements.

Area of consideration	Demonstrated by
<b>Reputation of the business</b> 	<p>The NG Bailey Group has a proud heritage and a proven track record of achievement for more than 100 years. We are a business founded on our values of Passion, Integrity, Responsibility and Excellence which guide the Company’s strategy, decisions, processes and culture. The Directors believe that in order to continue achieving our goals, we must protect our reputation and relationships with our stakeholders through robust governance on a day-to-day basis.</p>
<b>Our shareholders and wider family</b> 	<p>The Company is a subsidiary and is part of the family-owned NG Bailey Group. The family have established their Guiding Principles which aim to capture their long-term aspirations for the business including leadership excellence, being a great place to work and acting as a responsible business. The Directors seeks to align the Company’s strategic direction with these Guiding Principles.</p> <p>An understanding of the NG Bailey Group shareholders’ goals and priorities is gathered from a programme of communications with the shareholders and wider family.</p>

Area of consideration	Demonstrated by
<b>Impact on communities and the environment</b> 	<p>We recognise that our responsibilities extend beyond our immediate operations, and we are committed to being a good neighbour in our local communities and minimising our impact on the environment. We have established communication channels with communities to listen to their views and we support our employees and customers in charitable and volunteering efforts and community projects.</p> <p>The Group’s responsibility strategy ‘Net Positive’ supports our long-term goal of doing business in a way that we put more into society, the environment and the global economy than we take out. We are proud to report that NG Bailey Group’s long-term science-based emissions reduction target, to become net zero by 2045, has been submitted to the Science-Based Targets initiative (SBTi) during the period (approval expected in 2024/25), further supporting our ambitions to limit our climate change impact.</p>
<b>Strategy and long-term impact</b> 	<p>The Directors of the Company, by virtue of their positions on the NG Bailey Group Limited Board, consider the likely consequences of their decisions on the success and long-term stability of the Company. Annually, the Group Board approves the Company’s strategy and monitors its implementation throughout the period. This is facilitated by the Group Board’s agenda of standing items which includes health and safety, operational and people matters, financial performance, strategy, risks and opportunities, market conditions, cyber security and sustainability. The Group Board and its Committees oversee the Group’s comprehensive risk management framework and its application within the Company.</p>
<b>Relationships with employees</b> 	<p>The Directors recognise that attracting, retaining and developing people is key to its long-term success. The Company aims to be a great place to work through market-competitive remuneration, training and development and fostering an inclusive culture through our ‘Fairness, Inclusion and Respect’ programme. We engage through team briefings, regular CEO briefings and our business update videos. Feedback is gathered through our annual employee survey, ‘MyVoice’, and acted upon. We continually review and update our people offering to ensure it remains competitive, and we seek to support our people through our wider approach to wellbeing.</p>
<b>Relationships with suppliers</b> 	<p>Our supply chain partners play a key role in the Company’s long-term stability and success. We manage our supply chain in a responsible and sustainable way and forge close and effective supplier relationships. We recognise the importance of paying the supply chain on time, as demonstrated by our payment performance metrics. During the period, we have further invested in our electronic procurement platform to increase the volume of supplier invoices that are processed in this way, improving the speed, accuracy and supplier experience of invoicing.</p>
<b>Relationships with customers</b> 	<p>We listen to feedback from customers through our regular customer engagement surveys to identify improvements and retain our industry-leading reputation. This helps us build strong relationships with customers to support the long-term success of the Company. We regularly undertake our group-wide Net Promoter Score (NPS) surveys with our customers and act on the feedback gathered. We have long-standing relationships with many of our customers and retention rates remain high across all our sectors.</p>



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