

## Section 172(1) Statement

### Corporate Governance

The success of our business depends on the trust and confidence of our stakeholders in the ability of the business to operate sustainably, both economically and environmentally. As a family-owned business, the group seeks to generate fair returns for shareholders through building long term mutually sustainable relationships with our customers, employee team, key suppliers and with the communities we operate in.

The directors have acted in accordance with their legal duties, which include a duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the business for the benefit of its shareholders, whilst having regard to all of our stakeholders and the matters set out in **section 172(1) of the Companies Act 2006**.

The following provides details of how the Directors have engaged with, and how the business fully considers the interests of our stakeholders and the effect of doing so on the principal decisions taken by the business, during the financial year:

<b>Our Key Stakeholders</b>	<b>How do we engage?</b>	<b>Why do we need to engage?</b>	<b>What matters to our Stakeholders?</b>
<b>Customers</b>	<ul style="list-style-type: none"><li>• Personal account management and senior team/CEO in regular contact with high-level customers</li><li>• Key customer reporting in monthly Management Reporting packs and insight reporting at monthly board meetings</li><li>• Sales Team detailed sales reporting</li></ul>	<ul style="list-style-type: none"><li>• Our objective is to provide products and accompanying service that delivers the experience that their customers expect and/or to provide the products functional requirement for inclusion in their manufactured products</li></ul>	<ul style="list-style-type: none"><li>• Product quality and price competitiveness</li><li>• Product innovation</li><li>• Provenance and traceability of the entire food chain</li><li>• Ethics and sustainability</li><li>• Compassionate farming</li><li>• Environment</li></ul>
<b>Colleagues</b>	<ul style="list-style-type: none"><li>• Regular employee consultation via democratically elected employee representatives</li><li>• Designated Board member with responsibility for human resources</li></ul>	<ul style="list-style-type: none"><li>• We recognise that to be a great business we have to have great colleagues and that the business' success is built upon the skills, hard work, and continued loyalty of our staff.</li><li>• Open, honest, and clear engagement</li></ul>	<ul style="list-style-type: none"><li>• Fair pay and benefits</li><li>• Safe working environment</li><li>• Fair and ethical application of policies and procedures</li><li>• Diversity and inclusion</li></ul>

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	<ul style="list-style-type: none"> <li>• KPI reporting, including at Board meetings.</li> <li>• 'Open door' policy for all staff to enable level engagement at all levels of the business.</li> </ul>	with our colleagues is paramount in creating and maintaining an environment where our colleagues feel happy, secure, and motivated	<ul style="list-style-type: none"> <li>• Protecting the environment</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Designated Senior Management Team member with responsibility for group milk procurement and managing policy and relationships with all milk suppliers to the Group.</li> <li>• Elected Milk Producer committee, representing all milk suppliers and attended by senior management team member.</li> <li>• Dedicated online Milk Supplier Portal</li> <li>• Barbers Assured Milk Agreement programme.</li> <li>• Annual milk supplier conference</li> <li>• Regular review meetings with key suppliers</li> <li>• Reporting/review of average supplier payment terms</li> </ul>	<ul style="list-style-type: none"> <li>• Milk and other key suppliers are fundamental to the success of our business.</li> <li>• Milk, ingredients, packaging, maintenance, and other critical suppliers must be able to demonstrate that they operate in accordance with both the group's and recognised standards, including quality, human rights, anti-bribery, safety and protecting the environment</li> </ul>	<ul style="list-style-type: none"> <li>• Fair/market pricing.</li> <li>• Fair trading terms, including adherence to agreed payment terms.</li> <li>• Anti-bribery policy</li> <li>• Environmental protection</li> <li>• Sustainability</li> </ul>
<b>Environment</b>	Monthly reporting and review at the Board meetings	<ul style="list-style-type: none"> <li>• The directors recognise the importance of protecting the environment and the responsibility of ensuring that our operations do not adversely impact the local and wider environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Minimising energy use</li> <li>• Using renewable energy, where possible</li> <li>• Minimising emissions</li> <li>• Sourcing sustainably</li> <li>• Utilising recyclable packaging where possible</li> <li>• Minimising packaging</li> <li>• Waste management</li> <li>• Recycling</li> </ul>

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<b>Shareholders</b>	<ul style="list-style-type: none"><li>• Annual Report &amp; Accounts</li><li>• Annual General Meeting</li><li>• Regular contact by CEO and other Family board members and non-Family board members</li></ul>	<ul style="list-style-type: none"><li>• We fully appreciate the need to maintain shareholder confidence in the sustainability and stewardship of the business; to achieve this the board need to provide robust and regular communication of the business performance, strategy and the opportunities and risk that the business faces.</li></ul>	<ul style="list-style-type: none"><li>• Dividend income</li><li>• Longer term value and growth creation</li><li>• Financial stability</li><li>• Clarity</li><li>• Understanding of key risks and opportunities</li></ul>
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