

BUILDING SOLUTIONS (NATIONAL) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

5. Environmental, social and governance

Public and commercial consciousness continues to evolve on a wide range of environmental, social and governance issues, including climate change, employee wellbeing and how an organisation contributes to society. The Company is part of the wider SIG Group's ESG commitments regarding reaching net zero carbon and sending zero waste to landfill, partnering with manufacturers and customers to reduce carbon and waste across the supply chain and becoming an employer of choice in the industry.

OUTLOOK

Looking ahead, we continue to expect softness in market conditions in 2025, and to the extent there is a recovery, that it is more likely to drive demand in the second half of the year. The benefits from productivity and cost initiatives will contribute incrementally as the year progresses and the Company is well positioned to take advantage of the market recovery when it occurs. The Company is also launching new products in adjacent markets to counter the weaker traditional markets that it usually operates in.

SECTION 172 AND STAKEHOLDER ENGAGEMENT

The Directors consider that they have performed their fiduciary duty, as stipulated under s172 of the Companies Act 2006 in good faith to promote the success of the Company for the benefit of its members as a whole. They have taken into consideration, amongst other matters: the likely long-term consequences of their decisions; the interests of the Company's employees; the need to foster relationships with suppliers, customers and others; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly between members of the Company.

The directors have identified its key stakeholders as its employees, customers, suppliers and the communities in which it operates. This section describes how the Board engages with its key stakeholders and how it considers their interests when making its decisions, and provides details on primary methods of engagement, why engagement is considered important, examples of issues raised by stakeholders and actions taken as a result of the engagement.

Employees

The business is a people business. Engagement with the business's stakeholders is through its people, and engaging with the workforce therefore underpins the Company's success. Growth and sustainability depends on having the right company culture, supported by suitable behaviours and with a clear purpose.

Engagement activities include Employee Engagement surveys led by the Group, cascading regular communications to employees relating to company news and recognising achievements, and training and development.

Actions taken include investments in training and development of staff, continued investment in health and safety and a focus on employee wellbeing and mental health. We have expanded our toolkits to help line managers better manage the different needs of their people in the workplace.

Customers

Understanding the needs and requirements of our customers is hugely important and we seek to use this knowledge to partner effectively with our customers. Customer service is vital to maintaining and growing revenues and profits, and we use engagement with our customers to develop and strengthen our sales capacity and productivity to improve our service and product offering.

Actions taken during the year include management at local level of customer relationships, listening to customer feedback to understand the needs of our customers and improving digitally to better communicate and facilitate customer requests and requirements.

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STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

SECTION 172 AND STAKEHOLDER ENGAGEMENT (CONTINUED)

Suppliers

The Directors understand that the Company adds value by procuring raw materials at the right quality and price to ensure the manufactured items perform to customers expectations and provide them with the longevity expectations that a quality product should give them.

Engagement activities include supply chain management and maintaining and growing supplier relationships, including holding regular meetings with key suppliers.

Local community

The Directors appreciate that environmental matters are important to all stakeholder groups who are calling on companies to do more on key sustainability topics and be more transparent about their efforts. The Company seeks to operate sustainably for the benefit of communities and the environment. We recognise that close relationships with the communities in which we operate help to foster the long-term success of the business.

Engagement activities include charitable events, involvement in charity projects and links with local universities to support student projects such as work experience and opportunities to join the business as an apprentice.

This report was approved by the Board on 13 June 2025 and signed on its behalf.



Amanda Huddleston
Director