

The Board's Statement on s172(1)

The directors, in line with their duties under s172 of the Companies Act 2006, aim to conduct business with the intention of promoting the success of the company for the benefit of its members as a whole. In order to do so, a range of matters are considered when making decisions for the long-term.

Through an open culture and regular communication with our key stakeholders, we have been able to develop a clear understanding of their needs and objectives which we regularly reassess. We aim to consider stakeholders perspective in order to understand the likely consequences on all parties of the decisions and actions which we take. This in turn ensures that our strategy is more fully understood and supported. Many key decisions are made at group level, such as our market strategy and payroll decisions.

The directors also have a regard to a number of broader factors, including the impact of the company's operations on the community and environment, and ensuring responsible business practices and high levels of internal compliance are adhered to.

Colleagues

Our people are key to our success and we want them to be successful individually and as a team. There are many ways we engage with and listen to our people, including colleague surveys, staff forums, and director led quarterly presentations. Key areas of focus include health and well-being, development opportunities, and pay and benefits.

Employee related issues are elevated to the board via the staff forum which consists of employees from all areas and levels of the business and senior managers. Alternatively issues may be escalated via Human Resources.

We also carry out quarterly anonymous employee surveys for the board to get feedback on key topics such as engagement, confidence in leadership, communication and confidence in processes. The senior leadership team enlists teams consisting of employees from various departments and levels of the organisation to form focus groups to take action on key issues identified from the surveys, which are shared with the rest of the company during the quarterly townhall meetings and through our weekly staff newsletter.

During 2020, some staff members were placed on furlough due to the impact of the Covid-19 pandemic, and the company received a grant from the government for this which is disclosed in note 5.

The company also made the decision not to issue a pay rise in July 2020 due to the uncertain economic outlook. However, when confidence in our strong position grew, we did award a bonus equivalent to 6 months pay rise in December 2020. These was communicated to employees directly from our CEO as well as via the more informal methods described above.

We continue to develop our diversity programme which is made up of employee representatives from different backgrounds. This group is focussed on highlighting who we are as a company, how

we positively encourage diversity and inclusion and how we can continue to improve upon this as a business.

As at December 2020:	Female	Male	Total
Number of employees that are:			
Directors of the Company	-	2	2
Senior managers	4	21	25
Total number of employees	75	284	359

Customers

Our ambition is to be the clear #1 in our industry. We build strong lasting relationships with our customers and spend considerable time with them to understand their needs and views. This knowledge has been integrated into our latest platform design. We are also listening to what printing developments are needed to support future demands, for example 5G, and an increasing focus on SMART factories and more automation in our everyday lives. The increased necessity for social distancing and remote working will only drive the demand for more integrated solutions. We have also embraced new ways of working such as engaging with our customers using remote demos of our products, and our online ASM Academy to train people to use our equipment and software remotely, which is expected to both retain and attract new customers.

Suppliers

We build strong relationships with our suppliers to develop mutually beneficial and lasting partnerships. Engagement with suppliers is primarily through a series of interactions and formal reviews, and we also host regular conferences to bring suppliers together to discuss shared goals and build relationships. Key areas of focus include innovation, product development, health and safety and sustainability. The directors recognise that relationships with suppliers are important to the Group’s long-term success, and are briefed on supplier feedback and issues on a regular basis. We pay attention to our environmental responsibilities and where possible aim to have localised supply chains to support our local operations across the world. Supporting local suppliers where possible helps create employment in our local community and make our hometown a desirable place to live.

Communities

We engage with the communities in which we operate to build trust and understand the local issues that are important to them. As the largest employer in Weymouth, key areas of focus include how we can support local causes and issues, create opportunities to recruit and develop local people and help to look after the environment. We partner with local charities and organisations at a site level to raise awareness and funds. We also engage with staff through our Sports & Social committee to ensure that we are focussing on local charities and organisations that are important to our staff. The impact of decisions on the environment both locally and nationally is considered with such considerations as the use of and disposal of plastic and how this might be minimised.

We regularly support the local community with initiatives such as sponsorship of the local annual carnival, apprenticeship schemes, and careers talks at the local college particularly in relation to encouraging careers in STEM. Our work in the community and with universities ensures the company's reputation as one of the leading employers locally, and in the engineering sector, to help us attract the best talent to ensure our long-term success.

Health & Safety and Environment

Key areas of focus are compliance with laws and regulations, health and safety and product safety. The Board is updated on legal and regulatory developments and takes these into account when considering future actions. We have separate committees for Health & Safety and for Environment made up of senior managers and employees from various departments. During 2019 we had a recertification audit to maintain our ISO14001 Environmental Management accreditation which remains valid during 2020. In August 2020, we achieved ISO45001 certification for occupational health & safety. We have an environmental awareness app that rewards employees for taking steps to improve their environmental impact.

We have also planted a number of additional trees on site and hosted litter picks around the local community. Schemes such as the Cycle To Work scheme support employees to own a bicycle and commute to work without using a car. We have also taken steps to increase the percentage of packaging and labelling that is made from recyclable materials, such as a new label maker in the spares department, and creating returnable wooden crates for use with certain suppliers. As we design our products from component level, we are able to consider the environmental impact at this early stage. We have also been able to reduce the amount of printed paperwork as various teams shift towards a paperless, electronic filing system, for example with copies of invoices stored electronically within our ERP system.