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## SALUTEM LD TOPCO II LIMITED

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### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Stakeholder engagement - Section 172(1) Statement

Each individual director must act in the way they consider, in good faith, would be the most likely to promote the success of the Company and Group for the benefit of its members as a whole, and in doing so, the directors have had regard to the matters set out in Section 172 (1) of the Companies Act when performing their duty under this section of the act.

The directors confirm the long-term success of the business has been promoted for the benefit of its members as a whole by having regard (amongst others) to the following matters when performing their duty:

- The likely consequences of any decision in the long-term;
- The interests of the Group's employees;
- The need to foster the Group's business relationships with suppliers, customers and others;
- The impact of the Group's operations on the community and the environment;
- The desirability of the Group maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the Group.

With regard to maintaining high standards of business conduct, the Group has a strong framework of key policies and procedures that all employees and contractors are expected to maintain and adhere to. These policies include a modern slavery policy supported by yearly training for all employees alongside reviews of the Group's supplier partners.

The Group has retained an external party to receive all whistleblowing notifications and have a robust whistleblowing policy which all staff have access to, alongside being provided with the details of the Group's whistleblowing phone line at all of its locations.

The Group takes its data protection responsibilities seriously and provides privacy notices to all staff and individuals it supports (including in easy read format where required). The Group has data protection and confidentiality, information security and records management policies in place supported by annual training. Consent is also obtained and recorded as needed when working with personal and sensitive data. As an additional tool, the Group has a Caldicott Guardian who oversees and embeds the adherence to the Eight Caldicott Principals of good information sharing across the organisation.

Staff are expected to adhere to a code of conduct which aligns with the Saludem values and the Group has a robust grievance policy and procedure for employees. Recently, the Group has launched the "Saludem Voices Group" for the individuals it supports to provide a communications channel where staff can discuss and raise issues of importance.

To assist with corporate decision making, the directors maintain a corporate risk register which is owned and updated by the Senior Leadership Team on a quarterly and ad-hoc basis as new items are identified or risk mitigation is changed.

**SALUTEM LD TOPCO II LIMITED**

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

**Stakeholder engagement - Section 172(1) Statement (continued)**

The directors are conscious that the Group's operations affect a range of stakeholders, and they take care to consider and engage, to the greatest extent possible, all affected stakeholders in their decision making.

The following matrix sets out the Group's various stakeholders and the ways with which the Group engages with those stakeholders to influence decision making:

Stakeholder group	Key engagement methods	Stakeholder expectations	Long-term value creation
Clients: <ul style="list-style-type: none"> <li>• Individuals we support</li> <li>• Families / friends</li> <li>• Commissioners</li> </ul>	Client relationships managed at multiple levels, from individual home managers and principals through to the CEO.  Support and education plans regularly reviewed with the people we support and their social workers.  Support workers and education staff give daily input on activities and actions within support and education plans.	Transparent and collaborative relationship to safely achieve defined outcomes.  Support with practical, emotional and health related matters.  Appropriate developmental and educational outcomes.	The people we support achieve positive outcomes and lead a meaningful and happy life.  People are enabled to transition through a "Pathway of Care" and achieve their desired level of independence.  Introduction of children's homes and schools in same locality provides further avenues for continued care and support.
Regulators	Discussion of any relevant matters with regulators in a timely and open fashion.  Engagement in improvement plans agreed with inspectors.  Regular circulation of regulatory requirements, including updates, to key affected staff.	Full, accurate and timely disclosure of information.  Adherence to regulatory standards.  Prompt resolution of identified issues.	Maximised quality within our services, to the benefit and reassurance of the people we support and their families.  Improved relationships with commissioners and reputation within the industry.  Growth opportunities, both from easier approval of new services and from taking over as provider for failing services managed by other providers.  Systems developed to better enable the Group to track the quality and compliance levels of our services.

**SALUTEM LD TOPCO II LIMITED**

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

Stakeholder group	Key engagement methods	Stakeholder expectations	Long-term value creation
Employees	<p>Regular employee pulse surveys and annual feedback cycle.</p> <p>Internal Blink app available to all employees allowing real time communications and feedback.</p> <p>Quarterly newsletters regarding new developments and key messages.</p> <p>Annual service manager conference.</p> <p>Whistleblowing facilities.</p>	<p>All employees treated fairly and equally.</p> <p>Employee views taken into consideration when decisions made that affect them.</p> <p>Meaningful development and career progression opportunities.</p> <p>Fair remuneration.</p>	<p>Improved recruitment, retention and quality including domestic and international recruitment initiatives, including the use of international recruitment under the Government visa scheme.</p> <p>Promotion of an innovative and efficient environment through teamwork and communication.</p> <p>Creating an attractive workplace for culture and benefits.</p>
Suppliers	<p>Dedicated accounts payable team, engaging with suppliers daily.</p> <p>Specialist support teams engage directly with suppliers in their respective areas.</p>	<p>Open dialogue.</p> <p>Prompt payment upon invoices falling due.</p>	<p>Higher quality of service delivery due to good relationships with quality suppliers.</p> <p>Improved payment terms and credit limits.</p>
Shareholders	<p>Monthly reporting.</p> <p>Regular board meetings with investor representation.</p> <p>Open dialogue.</p>	<p>Meeting agreed financial and operational targets.</p> <p>Transparent, reliable and timely information.</p>	<p>Shared understanding of and support for long-term business goals.</p> <p>Support for future growth activities.</p>
Banking partners	<p>Monthly and quarterly reporting.</p> <p>Open dialogue.</p>	<p>Meeting agreed financial targets.</p> <p>Transparent, reliable and timely information.</p>	<p>Ensuring a financial platform to support growth, developments or acquisitions.</p>
Local communities	<p>Community events.</p> <p>Dialogue with local groups and community leaders.</p>	<p>Hiring local people where possible.</p> <p>Meaningful opportunities to participate in the community to the benefit of all.</p> <p>Considerate, neighbourly behaviour.</p>	<p>Sustainable employment base.</p> <p>Positive outcomes for people we support.</p> <p>More support with growth activities in area.</p>

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

Stakeholder group	Key engagement methods	Stakeholder expectations	Long-term value creation
Environment	Efforts to minimise wastage e.g. of food, water and power.  Adopting remote working practices wherever possible outside of frontline services.  Paperless working to the greatest extent possible.	Minimal power usage.  Reducing travel as far as possible, and using efficient methods for travel.  Only consuming what we need.	Protection of resources.  Sustainable cloud-based methods of working available securely in any location providing real time information so employees can focus on care provision.
Public	Maintaining clear corporate governance with effective controls in place to ensure business is conducted to high ethical standards.	Stakeholders are treated fairly and the business acts to promote high standards of business efficacy.	Improved business reputation.  Higher levels of staff and customer retention.

**Business relationships statement**

Consideration of stakeholders has had particular influence on the following decisions:

- Ongoing review of the pay structures with further increases in the National Living Wage demanding that the Group provides progressive incentives over and above National Living Wage to encourage training, retention, and development across all employee grades and relative to competitor providers;
- Investment in training schemes to develop our employees and drive excellence in care and quality delivery;
- Development of the care planning system on hand held devices to move towards becoming a paperless business;
- Further investment in systems to provide group-wide communication through multiple channels;
- Investment in an electronic care planning and audit system to increase accuracy and to reduce manual paperwork for our employees. The system also captures direct feedback from the individuals we support to ensure their voice is heard as well as providing access to information for their families and friends if the individual wishes to;
- Measures to reduce the use of agency staff in favour of full-time payrolled staff through incentive schemes for employment referrals, wider recruitment channels including international recruitment, which will begin to have an operational and financial benefit to the business in future years; and
- Investment in further education facilities to widen the offering of education services in different geographical areas.

The directors acknowledge their responsibility to act fairly as between members of the Group and Topco, with which the Group and Company shares many contracts. All contracts affecting these parties are reviewed by directors of affected companies, and before entering into any such contracts due consideration is given to the needs of all parties.

This report was approved by the board and signed on its behalf.



**P R Lawes**

Director

Date: 18/10/2024