

Section 172 statement

The Companies (Miscellaneous Reporting) Regulations 2018 require Directors to explain how they have considered the interests of all stakeholders of the business and the broader matters set out in Section 172 (1) (A) to (F) of the Companies Act 2006 ('S172'). This includes considering the interests of other stakeholders which will have an impact on the long-term success of the Company.

This Statement explains how the Directors of Churchill Retirement Plc have fulfilled their duties under the S172 requirements for the year ended 30th June 2022 through:

- Engagement with Colleagues, suppliers, Customers, and other stakeholders of the business; and
- Maintaining regard for Colleagues' interests, the need to foster the Company's business relationships with its suppliers, sub-contractors, customers and other stakeholders and the part they all play in the success of the Company. All principal decisions taken by the Directors on behalf of the Group have had regard to these interests and have sought to balance them accordingly.

Decision making of the Board

When making decisions, each Director, and the Board collectively, ensures that they act in a way they consider to be in good faith, to promote the long-term success of the Company, for the benefit of its Colleagues, Customers, suppliers, and other stakeholders of the business. This is reflected in the Board minutes.

Colleagues

Engagement with Colleagues is of primary importance and the Directors ensure that they include them in key business updates, listen to their feedback and concerns, and provide them with regular updates on the progress of the business. We are fully aware that there is a strong correlation between happy Colleagues and satisfied Customers, and this is shown in the feedback

received and the Group's HBF 5 Star rating. The Churchill Training Academy continues to offer our Colleagues best-in-class learning and development opportunities that support both career progression and the Company's future growth. Recent investment in Colleagues' personal development and wellbeing can be demonstrated by a new expert training programme called 'Rewarding Relationships' which is being rolled out across the Group via interactive workshop sessions. These training sessions are designed to bring fresh insight into Colleagues' working relationships with each other, and will serve to promote the success of individuals, teams, and the Company alike.

Meeting our Customers' needs

As part of the Sales & Marketing function, regular Customer feedback and research is conducted to ensure that every detail of our retirement developments is specifically designed to meet the needs of our Customers. As a result, Churchill's developments are built to a high standard with specifications designed around this insightful feedback and research. A review committee is in place to continually assess our offering, ensuring our Customers' changing needs remain pivotal in everything we do. The launch of Careline Support Ltd has extended the support the Group is able to offer its Customers post sale, with a dedicated team available to assist them, 24 hours a day.

Suppliers and subcontractors

The Group seeks to build and maintain strong relationships with a network of trusted suppliers and subcontractors across all its regions who can produce high quality outputs in line with the Group's requirements and specifications. This ensures high standards and efficiencies are consistently met.

Financial stakeholders

The Directors are completely transparent with the Group's financial stakeholders and provide timely

information to ensure investors and secured creditors alike are aware of the Group's performance and funding requirements to enable the business to operate at its full potential.

Environmental, Social and Governance

Churchill continues to incorporate social responsibility and promote sustainability throughout its processes. In Spring 2022 senior leaders from across our business were brought together to unify our Environmental, Social & Governance (ESG) credentials, headed by Board Director, Gary Day, as Chair of our newly formed ESG Committee. During the year, the Committee has made great progress in identifying key ESG factors that are important to our business operations. The Directors have approved an ESG Strategy and Policy which seeks to capture the Group's existing strengths and build upon them in the years ahead through KPI monitoring.

Business conduct

The Churchill Group has built an industry-leading reputation as a high-quality, highly trusted, multi-award-winning business. Protecting and enhancing this reputation is extremely important. To maintain this, the Directors are continually focused on ensuring that the business delivers upon the Churchill brand and values and requires every Colleague to represent those values in a positive way, delivering a consistent high-quality product and service while meeting the needs of Churchill's stakeholders.

Acting fairly between business owners

The Company has just one class of voting share in issue and so all voting shareholders benefit from the same rights, as set out in the Company's articles of association.