



Barrett Steel Limited

Section 172 statement (for the year to 30 September 2023)

The revised UK Corporate Governance Code ('2018 Code') applies to accounting periods beginning on or after January 1, 2019. The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (a) to (f) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the company.

In response to the matters set out in section 172(1):

(a) the likely consequences of any decision in the long term

The Group continues to be focussed on its General Steels, Engineering and Tubes divisions as highlighted by the significant investment in capital expenditure, and the acquisition of the Aartee Bright Bar steel distribution businesses.

Acquisitions and investment in capital equipment allow the Group to increase market share, purchasing power and remain at the forefront of processing capability. The Group continues to hold significant port space to allow bulk stockholding and steel imports. Acquisitions are targeted to increase market share and geographical coverage.

(b) the interests of the company's employees

Our employees are fundamental and core to our business and delivery of our strategic aims. The success of our business therefore depends on attracting, retaining and motivating employees.

The Group continues to operate an appraisal and goal setting system, has regular training and development programmes and promotes people annually to more senior positions. Communication is achieved through Group wide emails, internal notices, dissemination through site leads at monthly board meetings and an annual meeting with the Directors and site leads in attendance.

The Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible. This includes ensuring that we remain a responsible employer, deliver suitable pay and benefits, and are committed to our health, safety and workplace environment.

(c) the need to foster the company's business relationships with suppliers, customers and others

Delivering our strategy requires strong mutually beneficial relationships with our suppliers and customers. These relationships have been developed over several years. The Group's success is dependent on the resilience of these relationships and the Board regularly monitors its supply chains and the financial viability of customers.

(d) the impact of the company's operations on the community and the environment

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Registered in England 2755663
VAT number 651777021



The Group is committed to achieving compliance where relevant. Our fleet replacement rolling programme brings the benefit of the latest Euro VI vehicles and allows us to operate within Low Emission Zones.

Decisions on site locations, shift patterns and investment and machinery all have consideration of the impact on the local community and environment.

The Group supports the local community initiatives via sponsorship and charity partnerships.

The Group is committed to reducing its carbon footprint. Following the publication of a Net Zero Roadmap in 2022, the Group continues to assess its current emission levels, and is developing monitoring mechanisms and carbon reduction strategies.

(e) the desirability of the company maintaining a reputation for high standards of business conduct

The Group recognises its proud history as a 6th generation family business and its current position as the UK's largest independent steel stockholder. The reputation of the Group is therefore paramount and customer service is key to the success of the Group.

The Group seeks to promote strong and effective corporate governance in all areas, which are overseen by the Board.

(f) the need to act fairly as between members of the company

Section 172 statement (continued)

The Board includes three members of the Barrett family who collectively control the Group. Two of these members hold Executive Director positions within the Group and have day to day responsibilities. On this basis the Board feels that the Executive Directors are fully aligned with shareholders.

The Board holds annual strategy days to discuss and agree the overall strategic aims, together with actions required in the coming year. The Board then meets regularly throughout the year to discuss the results of the Group and the status of completion of strategic actions, approve annual budgets and agree on investment decisions.

The Board consider, both individually and collectively, that they have acted in a way that would be most likely to promote the success of the company for the benefit of its members as a whole in the decisions taken during the year ended 30 September 2023.

By order of the board

R B Barrett

Chairman

8 December 2023

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