
DAYLESFORD ORGANIC LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE 52 WEEK PERIOD 26 MARCH 2022

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 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 matters set out are:

a) The likely consequences of any decision made in the long-term

As we grow, our business and our risk environment also become more complex so we continue to evolve our approach to risk management. We regularly meet with all senior managers to effectively identify, evaluate, manage and mitigate the risks we face such that these can inform any decisions we make in the long-term.

In the 52-week period ended 26 March 2022, the appointment of a new Daylesford Managing Director was approved, and continued investment was made into the farmsite and Daylesford's eCommerce operations.

b) The interests of the Company's employees

Our employees are fundamental to our business and we aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and well-being of our employees is one of our primary considerations and protecting our teams during the COVID-19 pandemic has been a priority of the directors. We encourage employee engagement through newsletters, surveys, team events and career development opportunities.

c) The need to foster the Company's business relationship with suppliers, customers and others

Our strategy prioritises organic growth, through the development and maintenance of strong client relationships. We value all of our suppliers and have built multi-year relationships with our key suppliers which we foster by meeting with them regularly to discuss our partnership in detail.

d) The impact of the Company's operations in the community and environment

As directors, we consider it fundamental to the Company's purpose that we promote sustainability and being environmentally friendly across all of our operations. Our approach is to create positive change for the people and communities with which we interact and to act as a responsible company and neighbour in the local communities in which we operate.

e) The desirability of the Company maintaining a reputation for high standards of business conduct

As the Board of Directors, our intention is to behave responsibly and fairly to ensure that management operate the business in this manner, operating within the high standards of business conduct and good governance expected for a business such as ours and thus nurturing our reputation. We monitor the conduct of senior management by meeting with them regularly to receive updates across all of the business' operations.

f) The need to act fairly as between members of the Company

The directors take active engagement in ensuring that its communications are transparent and are in accordance with the objective of promoting the long-term success of the Company.