

Section 172(1) Statement

The directors of CorpAcq Limited have acted in a way that they considered, in good faith, to be the most likely to promote the success of CorpAcq Limited for its shareholders and key stakeholders, and in doing so had regard, amongst other matters, to:

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

The directors also took into account the views and interests of a wider set of stakeholders, including governmental and non-governmental organisations.

Considering the broad range of interests is an important part of the way the board makes decisions. However, in balancing those different perspectives it will not always be possible to deliver everyone's desired outcome.

Examples of how the board engages with stakeholders

Shareholders

The board recognise monitoring and supporting the subsidiary trading companies along with acquiring and integrating new acquisitions is essential to the long-term success of the business and benefit of the shareholders.

The board ensure that shareholders are provided access to timely and accurate reporting information which includes current and projected performance, short and long-term cash forecasts and where needed, other key subsidiary information including projected investment, key performance indicators, market conditions and any ad hoc reports requested by shareholders. The board will also meet and review performance with shareholders as and when needed.

On 1 March 2022, the entire issued share capital in CorpAcq Limited was transferred from its existing shareholders to CorpAcq Holdings Limited pursuant to a share purchase agreement dated 23 December 2021. This transaction resulted in both a liquidity event for the shareholders along with access to both further capital for future acquisitions and specialist expertise to support the next phase of the group's growth. The board considered that the transaction was very much aligned with shareholder interests. Further details of this event can be found in note 30 to the financial statements.

Subsidiary trading companies

The relationship with each subsidiary trading company is pivotal to long term success of the group. The size and distribution of our stakeholders both inside and outside of the group means that stakeholder engagement often takes place at an operational level. The board's approach to engage with each subsidiary trading company is to ensure that the relationship is always deemed to be a long-term partnership for success.

Typically, the leadership team in each business has successfully owned and operated their business for the success of the stakeholders for many decades and transitioning to group ownership only adds to that successful platform, by providing additional experience and support.

The board ensure that the investment team meet regularly with the leadership teams and the wider employee base within each group company. Typically, members of the board also meet monthly with each subsidiary trading board of directors and review performance, market conditions, investment requirements, key customer and supplier activity and relationships, employee engagement, compliance and health and safety updates.

The board ensures that each subsidiary trading company provides weekly, monthly and annual reporting information including but not limited to, financial data, key performance indicators and any ad hoc reports requested by the CorpAcq Limited board.

The board will regularly engage with a subsidiary trading company where any exceptional matters outside the ordinary course of business arise including but not limited to, key personnel appointments, significant legal or regulatory questions, substantial items of expenditure or a proposed change in company strategy.

Employees

The board strive to meet the shareholders' vision of being 'an employer of choice'. To facilitate this across the group, the board ensure that it sets the standards with its own employees by providing an environment of success and support through regular and effective employee engagement. The investment team then promote and encourage similar practices within the subsidiary trading companies.

Customers

Having built-up long-established relationships with their respective customers, the directors are fully aware that these relationships are the cornerstone of each subsidiary trading entity's business, and ensuring that collectively we build on these relationships is imperative to the future performance of each company of the group. The directors of each trading subsidiary are hands-on in the businesses and are in day-to-day contact with senior management from our customers. Each company's long-term success has been built on delivering exceptional client service to customers – a key contributory factor to CorpAcq's investment in these companies.

Environment

The board recognises that it is expected to act as a responsible group and employer and to minimise the impact the group has on the community and the environment. Consequently, the board has an objective that ensures all trading companies uphold the highest environmental requirements, and adhere at all times to updated legislative requirements in this regard.

Publication Date: July 2022