The Board of directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its stakeholders as a whole, and in doing so have regard to a range of matters including:

- 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 suppliers, customers and others,
- the impact of the company’s operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly between stakeholders in the company.

Key decisions and matters that are of strategic importance to the company are appropriately informed by s172 factors. These include but are not limited to:

- the approval of the company’s strategy and five-year plans,
- the approval of the current year budget,
- the approval of the overall land acquisition strategy and individual site purchases,
- the approval of the buy-in of insurance contracts covering all liabilities of the Groups defined benefit pension obligations.

Through an open and transparent dialogue with our key stakeholders, we have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition and culture.

As part of the Board’s decision-making process, the Board considers the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Company’s operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term.

In making material decisions the Board has sought to increase shareholder value whilst delivering benefit to our customers and the communities that we build in, provide secure employment opportunities and fair economic relationships with our suppliers.
Purpose, culture, and values

The business has a clear purpose, culture and values that the board has established, and which guides how the factors in section 172 are applied in its decision making.

Our purpose, culture and values have been set with the considerations of the various stakeholder groups in the company.

The implementation of these factors is led by the Group Board, which benefits from a varied composition.

Roles and responsibilities of the Board

Avant Homes is headed by an effective Board which brings a wide range of commercial, housebuilding and financial experience and is collectively responsible for the long-term success of the Company and overall leadership of the Group.

Composition of the Board

At the date of this report, there are six Directors on the Board. The Board currently comprises the Chairman, two Non-executive Directors and three Executive Directors. The Non-executive Directors and Chairman represent the majority shareholders on the Board.
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**Division of Responsibilities**

There is a clear division of responsibilities between the Chairman and the Chief Executive Officer which is established and agreed by the Board. These are summarised below.

**Chairman**

- Responsible for the leadership and effective operation of the Board in all aspects of its role
- Sets the agenda for Board meetings to ensure coverage of material topics
- Ensures that the views of stakeholders are understood and considered in Board discussions
- Promotes a culture of open debate in the Boardroom and encourages contribution by all Directors
- Responsible, with support from the Company Secretary, for overseeing corporate governance practices

**Chief Executive Officer (CEO)**

- Proposes corporate strategy for consideration by the Board
- Responsible for delivery of strategy and leads the executive team in overseeing operational and financial performance
- Ensures risks are rigorously managed and maintains a disciplined internal control environment
- Ensures Avant Homes operates in line with its values and vision by fostering a culture of collaboration and empowerment

The other Executive Directors also have clearly defined roles.

**Other Executive Directors**

- Support the CEO in the delivery of corporate strategy and the day-to-day management of the business
- Oversee and report on their distinct areas of responsibility
- Engage with stakeholder groups and lead on related activity within their scope of activity
- Provide insights into the Group’s operational and financial performance and position

**Engagement with stakeholders**

We are committed to effective engagement with all our stakeholders. The Board is mindful that Avant Homes’ success depends on its ability to engage effectively, work together constructively, and to take all stakeholder views into account.

The Board engages with stakeholders by various means and addresses matters which concern them.
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Engagement with shareholders

Communication with our shareholders is extremely important for the Board. A direct and regular dialogue is maintained with our shareholders, via their regular attendance as invitees to Board meetings, reports from their representative Non-Executive Directors and meetings with the Executive Team, all supported by reports and papers as appropriate.

Engagement with employees

Our employees are a key asset, dedicated to building and selling homes that our customers value. Our employees are concerned with opportunities for personal development and career progression; a culture of inclusion and diversity; compensation and benefits; and the ability to make a difference. We undertake various activities and operate many forums to foster participation in Group events, invite opinions, questions and ideas. These include:

- Annual staff views and engagement survey administered independently by Best Companies – which recorded very good levels of engagement,
- Regular “lunch and learn” meetings to canvas views,
- Use of intranet, and communication videos to share information and act as a depository of in-house news items of interest,
- Team, regional and group meetings including presentations of strategy and performance updates,
- Discussion of views and questions at all training courses and sessions via meet the leadership sessions.

We focus on strong talent attraction and retention and consciously maintaining a distinct identity to underpin our culture and values and to differentiate ourselves in the employment market. This translates into a strong employer brand, with a Glassdoor rating consistently above 4 stars. The leadership team focus on the structured reduction of attrition across key groups supported by an average length of service for key roles of around 4 years, which is strong for the sector.

We focus on investment in our people and their development and provide bespoke development and training to a significant number of staff through our Avant Academy training programme offering construction, sales, management, and leadership training. This programme has benefited from significant investment and employee attendance during the year and over prior years. 60% of our sales professionals have been trained via the accredited Avant Sales Academy.

Our health and safety commitment

Our vision and values include a fundamental commitment to operate safely in everything we do as a company. We have a detailed and rigorous health and safety framework covering aims, policies, procedures and task steps. This is implemented on all our sites and is supported by a dedicated health and safety team who undertake real time digitised workplace inspections and quarterly formal audits to drive the correct behaviours on all our sites.
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We have an industry leading accolade of having been awarded Gold Star awards by the Royal Society for the Prevention of Accidents (RoSPA) for ten consecutive years.

Our customers

Our customers are our collective barometer. Our aim is to create and deliver homes that enhance our customers lifestyle. Our customers are concerned with the quality of the homes we deliver, the range and choices offered, the sales and aftercare support and the overall customer experience. We strive to deliver what the customer wants and seek customer views via various mediums. These include:

- Engagement with all our customers throughout the home buying process – gaining and listening to feedback,
- The conducting of market reviews of what home buyers wants are – including customer interviews and market research,
- Benchmarking exercises covering what we offer against the market and how we continue to adapt,
- Trade show and retail trade show attendance to stay abreast of developing trends.

We seek independent feedback from our customers via the NHBC/HBF customer satisfaction survey which focuses on the customers sales experience and product satisfaction. We achieved 5 stars for our 2019/20 financial year. We have specific policies and processes which are followed and are fundamental to the Avant Homes “Right First Time” approach.

Our suppliers and finance partners

Our suppliers are key stakeholders in the business, they facilitate our delivery of the homes that our customers want. They allow us to position and represent our brand in the market. Without the support of our suppliers we would not be able to create and bring our homes to life. We seek to ensure we engage with all our suppliers in a partnership manner and follow various principals in our engagement with them. These include:

- Operating tender processes for orders above set limits,
- Agreeing open and transparent commercial basis of operation,
- Paying to terms on agreed invoices and agreed certificates,
- Sharing the Group’s and regional business plans through supplier events,
- Seeking supplier views on our manner of engagement and areas for improvement at such events,
- Having clear codes of conduct and policies covering the way in which we engage with suppliers.

We have several valuable long-term supplier partnerships which have been built by following our culture and values and embedding them in the relationships we build. These extend to our banking partners with whom we operate on an open basis, holding regular business update sessions supported by the provision of extensive management information.
Our communities and the environment

We demonstrate Avant Homes culture and values through the way we engage with our communities. Our aim is always to enhance the locations and communities in which we develop. We take a non-high-density approach to site planning and focus on delivering public open spaces and amenities to enhance the built environments we deliver.

We aim, where possible to minimise and mitigate our impact on the environment. We have in place robust policies to address issues around ecology, resource use and biodiversity which see us manage environmental impacts throughout the built environment development life cycle.

Further we work actively with suppliers to adopt the most energy efficient design for our houses covering both the construction fabric, equipment, and appliances. We also participate in research and development evaluations around energy efficiency. For example, we were the first house builder to introduce the Hive energy efficient heating system into all our homes. Throughout construction our objective is to minimise construction waste – which sees 96% of our construction waste recycled.

We endorse a culture of “making a difference” by giving back to the communities in which we operate. The highlight of which during 2019/20 was our “Day to Make a Difference” which saw the whole company close for a day providing 800 person days and the support of some of suppliers products to deliver meaningful differences to good causes in our communities. These ranged from redecorating full schools, building children’s playgrounds, renovating hospices and fitting kitchens at homeless shelters.

2020 was also the inaugural year of the “Let’s Make A Difference” awards. Which offered our stakeholders the opportunity to nominate and recognise those who make a real difference in our communities. The regional winners were provided with some funding to support their good works and honoured with a gala lunch.