
THE HOLMES CARE (GROUP) LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2020

Likely long term consequences of decisions made. In making decisions on behalf of the Group, the Directors understand the environment the business operates which is critical in understanding the longer term impacts of decisions made. The Directors regularly monitor and assess the Group's strategic direction.

Notable long term decisions made in the period were the sale and leaseback deal plus the short term responses to the onset of the Covid-19 pandemic whilst ensuring long term performance.

The interest of the Group's employees. Of vital importance to the success of the Group's performance and strategic delivery is its employees. The Directors fully recognise and cherish the positive impact the employees make to the Group and to its care home residents. Employee welfare and wellbeing is hugely important as is ensuring they operate in a healthy and safe environment. Engagement with employees is high and maintained through regular company briefings, newsletters and visiting each site the business operates. When making decisions the impact upon the employees and their interests is considered.

Fostering the Group's business relationships with patients, clients, suppliers and others. The Directors acknowledge and understand delivering business success is dependent upon a variety of factors. As a people-focused business delivering personalised care, business relationships with key internal and external stakeholders are of strategic importance. This extends to working ethically with suppliers, to understanding the importance of strategic sourcing and ensuring the business minimizes its impact upon the environment where possible.

The impact of the Group's operations upon the environment and community

The Group holds its brand reputation very seriously and acknowledges it can be damaged through negative impact on the environment. The business therefore holds environmental responsibility with high regard. Similarly, as a business providing high quality of care to communities in Scotland and England, the business understands the importance of strong community relationships. The Group works with local meat and dairy suppliers where possible and engages with local support staff (hairdressers, entertainers, etc.). During the Covid-19 pandemic the Group repurposed various laptops and donated those free to local schools and educational establishments.

The Group has also started to monitor its Carbon Dioxide (CO₂) emissions and usage, with a view of driving awareness whilst also target setting in subsequent years of reducing CO₂ emissions. As a baseline the following estimates have been prepared for the current period:

- Electricity usage: estimated at 3.652m kWh, equivalent to 584 tonnes of CO₂ emissions
- Gas usage: estimated at 10.414m m³, equivalent to 1,617 tonnes of CO₂ emissions
- Mileage: estimated at 16,500 miles travelling between locations and homes in the normal course of business.
- Fuel purchase for the minibuses at the care homes: estimated at 11,603 litres (principally Diesel).
- Flights: There were very few flights undertaken in the period. The main flights were between our London Headquarters and Scotland to undertake business related activities. accounted for approximately 1,858 nautical miles.

The Group is currently assessing ways in which to undertake green initiatives at its locations and within its operational models.

The desirability of the Group to maintain high standards of business conduct.

Operating with sincerity and honesty and in a professional manner is important to the business and is expected from all employees. Practices such as Whistleblowing operate in the business and are taken seriously and confidentially.

The requirement to act fairly between members of the Group