

SECTION 172(I) STATEMENT

The directors satisfy their duty to promote the long-term success of the company whilst having regard to the matters and stakeholders described in Section 172, points (a) to (f) of the Companies Act 2006 through the adherence to its Corporate Governance framework, as outlined in the directors report. The ultimate long-term success of the group is dependent upon the efforts of its stakeholders, including employees, suppliers and customers, and the directors take into consideration the interests of these stakeholders when making decisions.

Employees

The directors consider the interests of employees when making decisions through regular consultation where both important information is provided and feedback is obtained. The directors have a strong and collaborative working relationship with employees and engage closely with the employees on key decisions.

Suppliers and customers

The group develops innovative new products that are designed to meet global customer needs. This requires a close relationship with customers who provide valuable feedback, which the directors use when making decisions regarding the direction of product development. New product development requires new components and regular discussions with suppliers help drive the direction of sourcing decisions made by the directors. Regular meetings and conferences with customers and suppliers facilitate this process.

Community and the Environment

The group's strategy for environmental sustainability covers six core work streams - alternative fuels and product efficiency; waste reduction; use of recycled materials; carbon reduction in the logistics and manufacturing operations; removal of single use plastics; and culture and behaviour change. Achieving these core work streams drives the decision making of the directors who are committed to delivering a reduction in carbon emissions from the business.

In the UK, JCB supports the community in many ways, particularly in education. JCB is committed to developing the next generation of engineering and manufacturing talent. JCB also undertakes a range of activities internationally – regularly donating machines and manpower to communities devastated by natural disasters worldwide. In the areas where it operates globally JCB supports the local communities with activities such as adopting a local school in India and providing an early childhood development centre for disadvantaged children in Savannah, USA.

Business conduct

The group maintains a strict code of conduct to promote and maintain high standards of business conduct and to ensure it acts fairly towards its various stakeholders. The group's supplier code of conduct, health and wellbeing policy and other documents are published on the group's website.

