

Sword IT Solutions Limited Section 172 statement

Section 172(1) statement

The Companies (Miscellaneous Reporting) Regulations 2018 require the directors to explain how they considered the interest of key stakeholders as set out in sections 172(1) (A) to (F) of the Companies Act 2006 when performing their duty to promote the success of the company. The following paragraphs summarise how the directors fulfil their duties.

Long term decision making

In light of the kind of activities undertaken by the company and the type of contracts it implements, the company has been structurally adapted to streamline its operational management.

- Organised into profit centres: the company has been structured as specialized, autonomous business units, each with its own management. Each specialized business unit is a profit centre and is responsible for its own operational management and financial performance,
- Project knowledge and expertise: managers in charge of specialized business units have technical training in computer sciences and all have extensive experience in IT project management. Most of them are experts in their own field of competence,
- Technical management: each business unit relies on its own internal technical competencies as well as being able to call upon specialist technical competencies elsewhere in the group if necessary.
- A specialist commercial approach: the sales force tend to have a strong technical background and are specialists in the field in which the Business Unit operates. This allows them to propose sound technical solutions which address our clients real business problems.

Looking after people and the company's employees

Most of the company's employees and sub-contractors have strong professional qualifications. The company provides its staff members with a wide range of tools and training to facilitate the continued development of the staff.

The company has many centralised knowledge sharing repositories that allow teams from across the organisation to independently access relevant information and the right specialists where appropriate.

Facilities available across the group:

- Laptops for mobile workers, with external access to the Sword information system; all staff members have one or two additional monitors for their laptops to ensure greater comfort when working,
- State-of-the-art collaborative tools (e-mail messaging, instant messaging, collaborative spaces, standardized document reference systems, professional HR tools, customer relationship management tools, each Group site is equipped with video conference rooms), and
- Quality work environment: Offices are organized into small project teams. Access to management is also ensured by the geographic proximity of offices.

The company operates a very flat hierarchy ensuring all employees are involved in the day to day activities of the business as well as its future strategy. Monthly meetings are held at the Business Unit level in order to discuss and share:

- Results and outlook for the individual Business Unit and the entire Group along with its strategical direction,
- Current and future sales opportunities and forward looking strategy, and
- A comprehensive review of current projects, difficulties encountered and successes.

The company is a specialised IT Services and Software company.

The companies most valuable asset is its people, their expertise, training and knowledge.

The company has people at the centre of its culture and ethos and pays special attention to fostering an environment in which the employees feel valued and motivated to further their own personal and professional development. Internal strategies have been put in place to ensure the company can:

- Maintain skills and pool knowledge through the implementation of training and knowledge capitalisation and sharing processes. These processes are consistent with the specific features of each of our business units and make it possible to 'grow' our staff members to become specialists in their field. To do this, the various educational means provided by the company include:
 - Specialized and general documentary assets,
 - Tutorial references for each speciality,
 - Support for new staff members in the form of mentoring and sponsorship, and
 - Implementation of on-line or external training, implementation of certification programs.
- Maintaining team motivation throughout the term of a contract based primarily on an organization in small-size business units, strong involvement by management in the business unit, internal mobility and personalized training plans,
- Change management: induction and departure of a new staff member in a team taking account of the project's constraints and objectives.

As such, the company is constantly investing in training with a large proportion of its employees having undergone internal or external training.

The company offers a number of facilities to enable staff members to develop a better balance between work, family commitments and leisure time.

- The possibility for staff members to access sports facilities,
- Flexible working practices,
- Geographic mobility and opportunities to travel if desired, and
- Sword's international presence also allows staff members to be offered international opportunities.

Fostering relationships with suppliers, customers and others

To meet the strategic challenges of its clients, the requirements of adapting their technological environments and the needs of evolving business processes, the company is structured into specialised Business Units.

The company provides its customers with proximity, high added-value specialist know-how and an optimised economic approach.

This is a company with strong, sustainable and profitable growth, which is pursuing an expansion approach based on specialization, proximity and the quality of its expertise and services.

In working with carefully selected organisations, the company continues to deliver innovative ideas to its customers while maintaining its business knowledge, technical expertise and ability to innovate.

The company requires all of its stakeholders and partners to comply strictly with the laws and regulations in force in the countries in which they operate, as well as a commitment to collaborate with the Group in implementing compliance with the principles set out in the Group's Ethics Charter, and if necessary, to take any appropriate corrective measures as part of a continuous improvement process. The company expects its stakeholders and partners to take all reasonable steps to ensure that its own suppliers and subcontractors comply with the terms of this Charter. Sword Group undertakes to comply with this responsible purchasing charter for suppliers, subcontractors and independent contractors and to promote transparency and dialogue with its partners.

The on-going pursuit of excellence and leadership by Sword is developed in line with the company and group's founding values: respect, rigour and involvement.

Impact on the community and the environment

Sword Group's Social Responsibility is to consider the company not only as a place of production and a profit centre, but also as having a responsibility for the community and the environment.

The company is committed to:

- Applying the precautionary approach to environmental problems,
- Undertaking initiatives to promote greater environmental responsibility, and
- Promoting the development and dissemination of environmentally friendly technologies.

This general framework is applied through various actions adapted to the specificities of the Sword Group, its businesses, its employees and its subsidiaries.

The group's investment is not restricted to staff training; it also takes the form of outreach to universities and engineering schools throughout the world and especially presentations and partnerships in the United Kingdom with the University of Aberdeen, the Robert Gordon University, the University of Strathclyde.

Maintaining reputation for high standards of business conduct

In 2011, the Sword Group joined the United Nations Global Compact, committing to 10 principles related to human and labour rights, the environment and corruption.

Through this membership, the company wishes to show that it is a good corporate citizen in the global economy. The choice of the Global Compact was made because it guarantees a globally recognised framework and sustainability. Sword Group ensures that the 10 principles of the United Nations Global Compact are respected:

Universal Declaration of Human Rights:

- Businesses should support and respect the protection of international human rights law within their sphere of influence, and
- make sure that their own companies are not complicit in human rights abuses.

International Labour Organisation Declaration on Fundamental Principles and Rights at Work:

- Companies should respect the freedom of association and recognise the right to collective bargaining,
- The elimination of all forms of forced or compulsory labour,
- The effective abolition of child labour, and
- The elimination of discrimination in employment and occupation.

Rio Declaration on Environment and Development:

- Apply the precautionary approach to environmental problems,
- Undertake initiatives to promote greater environmental responsibility, and
- Promote the development and dissemination of environmentally friendly technologies.

United Nations Convention against Corruption:

- Companies are urged to take action against corruption in all its forms, including extortion and bribery.

The company is committed to transforming its organisation to improve its environmental policy, its social and societal commitments, and the protection and security of its data (RGPD, BCR, BCP).

The Board of Directors at ultimate parent level was strengthened and will continue to evolve to move towards greater parity and to increase the proportion of independent members.

The company has a policy on Sustainable Development and Corporate Responsibility which is consistent with the Sword Group's commitments to human rights, international labour standards, the environment and the fight against corruption.

The need to act fairly as between members of the company

The company has taken steps to empower managers and business unit directors across the company by giving them accountability and control over their respective areas and to ensure that they are rewarded for their achievements.

Future developments

The company continues to be well positioned in its market place and offers tailored solutions to its customers. The directors do not anticipate any changes in the company's principal activities and trading performance which is expected to remain consistent for the foreseeable future. The company will continue to work within the Sword world-wide group to ensure that the group operates with good synergies that enable improved service offerings to customers.