

FIRST CORPORATE SHIPPING LIMITED
(Trading as The Bristol Port Company)

SECTION 172 STATEMENT
For the year ended 30 June 2023

Stakeholders

The company is the only member of the group which is active, hence this s172 statement has been prepared from the company's perspective. The company's key stakeholders are its shareholders, employees, customers, suppliers, the local community, local and national government and the environment. When making decisions, particularly of a strategic nature, the directors have regard to the likely long-term impact on the company's stakeholders. Five of the directors are involved in the day-to-day operation of the business and it is through these directors that the Board as a whole, including the non-executive directors, implements its strategic decisions. Engagement with the different stakeholders varies:

a) Shareholders

Each shareholder has representation on the Board to ensure they are involved with strategic decision making. Board meetings are held every other month.

b) Employees

The directors recognise that the safety and wellbeing of employees sit at the core of the success of the business. The company is totally committed to its health and safety responsibilities and strives to operate safe working practices in accordance with endorsed HSE, MCA and Port Skills and Safety guidance. The company safety ethos remains unchanged. Every employee is actively encouraged to challenge any activity they feel is unsafe and report it immediately with no fear of recrimination. The CEO speaks to every new employee on their arrival so that this message is delivered first hand.

The monthly Executive Health and Safety Committee, chaired by the CEO, continues to be the top-level management meeting. It consistently reviews the company's extensive safety data, including innovative use of AI and CCTV footage, to ensure issues are addressed in accordance with the HSE doctrine of Plan, Do, Check, Act.

The company continues to invest in specialist occupational health provider that has permanent facilities in the port. Physiotherapy and mental health support continue to be available at no cost for all employees, along with an on-site gym, which is used by over 40% of permanent employees.

The company endeavours to pay its employees a fair salary and a generous pension – employees who joined prior to 2000 continue to accrue benefits in the company's defined benefit pension scheme (see note 23) and those who joined after 2000 are offered an 8% employer's contribution into the defined contribution pension scheme. The company also operates a profit-related pay scheme for all employees. Details of the number of employees and related costs can be found in note 7 to the financial statements.

c) Customers

The company has a variety of customers; for example, ship owners and agents, cargo owners, technical service providers and tenants. The company's Commercial Team ensures regular dialogue with customers is maintained and endeavours to ensure all customers' needs and concerns are met. The company operates an ISO9001-certified quality management system to ensure the highest standards are maintained and specifically any customer complaints are dealt with in a timely, appropriate and fair manner.

d) Suppliers

The company continues to value its numerous and diverse suppliers, who are vetted and regularly reviewed to ensure quality is maintained. A third-party assurance service is used to ensure all the relevant documentation is in order for contractors. Where possible, the company works with local and small businesses in the port community. Engagement with suppliers is primarily managed by the staff responsible for the particular service or project. However, the company's purchasing department and/or management also engage with key suppliers or where there is an issue of significance. The company endeavours to pay its suppliers in a reasonable and equitable timeframe and ensures any disputed invoices are resolved swiftly and fairly.

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e) Local community

The directors fully appreciate the importance of an open and transparent relationship with its neighbours and local community. The directors endeavour to maintain communications with communities via local residents' associations, meetings and updates and actively encourage port tenants to follow this lead. Tours of the port are given to many different groups and to individuals. The company actively participates in the annual "Bristol Open Doors" weekend, with guided tours of the port being given to over 200 visitors. Ad hoc tours are also given for other interested parties. The company supports as many local causes as it can, mainly via its relationship and annual donation to the Quartet Community Foundation, supplemented with more direct donations or employees' time, including an annual community project by port apprentices.

f) Local and national government

As one of the UK's largest ports and the largest in the South-West, engagement with local and national government is important for the company. Either directly, or through the UK Major Ports' Group or the Port Skills and Safety forums, the directors maintain dialogue with both national government and local councils. The company also engages through (and is represented by the CEO on) the Western Gateway, the West of England Combined Authority (WECA) and the Local Enterprise Partnership (LEP). Relationships with local MPs and councillors, one of whom is a director, also helps the company with its proactive engagement with the local community.

g) Environment

The company, as a Statutory Harbour Authority, exercises its functions with regard to nature, conservation and other related environmental considerations (Section 48A Harbours Act 1964), including its role as a relevant authority under the Habitats Regulations 1994 and Countryside and Rights of Way Act 2000. The company manages its operations and projects in a sustainable manner and in doing so maintains an appropriate balance between meeting its commercial requirement for economic growth and its environmental responsibilities. The company is currently contributing to the Department for Transport (DfT) Clean Air Strategy and the Maritime 2050 objectives, and also operates an ISO14001-certified environmental management system.

Key decisions in the year and long-term consequences

The company's business and shareholder structure mean that the company's governance can be managed by the Board alone without the need for any sub-committees. The key decisions made by the Board during the year were:

- **Safety:** All employees attended a half-day interactive workshop, facilitated by a specialist third party, to reinforce further the Oi! Safety campaign. This campaign has been designed to empower individuals to challenge unsafe practices and behaviours.
- **Cyber:** In response to the ever-increasing threat from Cyber attacks, the company has invested heavily in both technology and employee education in order to mitigate this potential risk to the business. A number of specialist third party experts have been assisting with this project and further support and advice has been gained from the relevant Government agencies. All employees with IT accounts are required to complete regular on-line training with a corresponding pass/fail test. Further internal training is planned for the forthcoming year.
- **Employees:** Alongside the usual annual pay increase this year, the company implemented a scheme to reward loyalty by giving employees additional annual leave based on length of service. Also, a private GP service is being implemented and is due to be available to all employees early in the new financial year.
- **Investment:** The company has invested £18.0m in capital projects in order to support demand from existing and new customers. There has been a specific emphasis on mobile plant and a continued focus the demolition of redundant buildings in order to create new opportunities.

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Key decisions in the year and long-term consequences (continued)

- **Environment:** The company has reduced its carbon emissions by 35% since its baseline in 2016/2017. The upgrade and conversion to the much more efficient LED lighting is nearing completion, along with the procurement of electric vehicles for the company's light van fleet and smaller forklift trucks. An order has been placed to install solar panels on a warehouse in Royal Portbury Dock. Employee commitment to environmental issues has remained strong and the company's Cycle to Work scheme continued.
- **Communities:** The provision continued of mentors for the KeysforLife charity that assists ex-offenders in finding permanent employment. Direct support has been given to the North West Food Bank, located in Avonmouth. The company also continues to employ a number of Afghan resettlers to work within the Car Force.

The Board believes all these decisions will have positive long-term consequences. The safety and cyber initiatives should protect the company and its employees both physically and virtually. The continued investment in assets will allow the company to sustain and enhance service levels to existing and new customers. The continued engagement with environmental and community matters ensures the company remains sympathetic with those stakeholders, which will benefit the company and its stakeholders in the long-term.

29 September 2023