



LUCY ELECTRIC UK LIMITED

Company Number: 01179461

FOR THE YEAR ENDED 31 DECEMBER 2024

Section 172(1) Statement

The Board sets the Company's strategic direction and manages its operational performance in the way most likely to promote its long-term success for the benefit of its members. A key cornerstone of this is engagement with key stakeholders and considering their feedback appropriately. We set out below the key stakeholder groups that the directors have engaged with in the financial year, together with the benefits of doing so for the long-term success of the Company.

The directors have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing their duties under S172.

- **Shareholders:** We strive to obtain shareholder buy-in to our strategic objectives and how we go about executing them. We create value for our shareholders by the generation of sustainable results that translate into dividends. We seek to promote an investor base that is interested in a long-term holding in the company.
- **Employees:** The company's long-term success is predicated on the commitment and delivery of our strategy by our workforce and its consistent demonstration of our values. To maintain competitive advantage and meet the growing demands of the environment in which we operate, we need a workforce which is adaptive and whose skill base constantly evolves. We also value employees with long-term practical experiences. We engage with our workforce through one to ones, team meetings and employee surveys to ensure that we are fostering an environment that they are happy to work in and that best supports their well-being. We invest in our workforce as we believe that training benefits both the individual and the Company and that such investment helps to retain our employees and reduce absenteeism and turnover rates.
- **Customers:** In a highly competitive environment success depends on meeting customer needs and requirements more effectively than our competitors. We therefore recognise the benefits of engagement with our customers to ensure that both our current products and those in development are fit for purpose in the longer term.
- **Suppliers:** Our suppliers are fundamental to the quality of our products and to ensuring that as a business we meet the high standards of conduct that we set ourselves and comply with regulatory requirements. The Company relies on its supplier base to deliver products on time and to the specified quality and standard. It is important to mitigate against supply chain risk to prevent interruptions to manufacturing or product delivery schedules which could impact our relationships with customers.
- **Pension:** The Company contributes to a pension scheme operated by the Group providing benefits based on final pensionable pay for eligible employees who joined on or before 10th April 2002. The scheme is administered by trustees and the funds are independent of the Company's finances. The Company also operates a defined contribution scheme that includes auto enrolment.
- **Communities and Environment:** Doing business responsibly brings benefits for wider society and assists our commercial success.
- **Regulatory Bodies and Trade Associations:** We recognise that the Company operates in an environment which can be impacted by regulatory changes and engage with regulators and trade associations to assist with our compliance framework, training and new product development. This assists with the development of the Company's strategic direction.

We define principal decisions as both those that are material to the Company, and also those that are significant to any of our key stakeholder groups. In taking actions and making principal decisions during the year the Board considers that it has acted in the way that, in good faith, is most likely to promote the success of the Company and for the benefit of its members as a whole. It has considered feedback and responses from its stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the Company.

This s172 Statement was approved by the board on 18 February 2025.

M Laxton
Secretary