

SECTION 172(1) STATEMENT FROM ARROW SHIPPING (U.K.) LIMITED
GROUP STRATEGIC REPORT FOR YEAR ENDED 31/12/19

The directors have regard to their responsibilities as set out in Section 172 (1) of the Companies Act 2006, and make the following disclosure as required by the Companies (Miscellaneous Reporting) Regulations 2018.

In making decisions the directors confirm that they act in good faith, in a way most likely to promote the success of the company for the benefit of the members as a whole and in particular taking into account:

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the company's employees,
- (c) the need to foster the company's business relationships with suppliers, customers and other interested parties,
- (d) the impact of the company's operations on the community and the environment,
- (e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the company.

In particular, the directors note that:

- (i) they conduct on-going financial monitoring and forecasting which ensures decision making can take place in the context of longer term ambitions and with regard to longer term impacts;
- (ii) they recognise that employees and the company's culture are a key component of its success and they ensure through appropriate reporting line arrangements and employee policies that employees have an open line of communication with senior managers and the directors so that the directors may maintain an awareness of employee interests when considering and taking decisions;
- (iii) they identify, assess, and balance risks as part of their decision making process;
- (iv) they recognise the importance of having regard to the interests of suppliers and customers. Fostering long term relationships with such stakeholders and providing a high standard of client service is critical to the continued success and operation of the company; and
- (v) the company supports charitable and community causes in conjunction with its employees.

It is also acknowledged by the directors that in consideration of the above, the requirements of shareholders and stakeholders will often diverge. By maintaining an open and accessible management structure, directly engaging with both internal and external stakeholders and promoting open communication, the directors remain conscious of the requirements of these stakeholders, and are able to guide their decision making appropriately.