



2020/21 Annual Review

Caring for our Environment



Caring for our *Environment*



“One of the first conditions of happiness is that the link between [people] and nature shall not be broken”

Leo Tolstoy (1828 - 1910), Russian Writer



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Measuring our success



83%
recurring revenues
from maintenance &
framework contracts



Evergreen Fund invested
£515k in 6 enterprises aligned
to our purpose



**532 diverse customers
and a low customer
concentration at 10%**



237,577
trees planted

2,700
EV charging
stations
installed



**Best in class,
multi-award
winning**



Championing the transition to sustainable
transport, we only purchase electric
company cars, **operating 120 EVs and
the largest Tesla fleet in Europe**

Market-leading
financial
performance:
£125.4m turnover
£22m EBITDA
**98% cash
conversion**

**5,000 happy talented colleagues across
the UK. Employee NPS +29**



Client retention rate **98.6%**
with Customer **NPS +44**

Unrivalled
technology
in all our
services

Directors' statements



Martin Leuw
Non-Executive Chairman

I joined Ground Control as Non-Exec Chair almost two years ago, attracted by its focus of the whole team on Caring for the Environment and making it safe, through a combination of exceptional people and great technology. Based upon the strong foundations that Ground Control has developed over many years, together we have now built an ambitious strategic plan to take us through the next five years to 2025 and beyond. This is not about growth for growth's sake, but being recognised by all of our stakeholders as being the best at what we do and achieving that sustainably and through continuous investment, governance and learning from the

very best globally across every function and operation of our business. If we do that well and continue to delight our customers, we will achieve our vision for the company and our impact on improving the environment both through our business and our Evergreen Fund.

Covid 19 has made 2020/21 one of the toughest years I have experienced in business. On behalf of the Board, I would like to thank the whole team and all of our partners for the way everybody has worked together to support each other and the business successfully through such a challenging time.



Simon Morrish
CEO

This past year brought a significant amount of change to Ground Control. In addition to the considerable challenges posed by COVID and the rapid adaptation we needed to make to our ways of working, we also transitioned Managing Director. After nearly ten years of sterling work, Marcus handed over seamlessly to Jason to take on the baton of sustainable growth.

Leadership is about ensuring we hire the very best people, give them the tools to do the job successfully, and ensure the environment is there so that they can work together in harmony to achieve the combined goals – continuously tweaking things to ensure that everything runs smoothly. I have every confidence that Jason is the right person to lead Ground Control going forward and has the requisite skills and leadership to reach our ambitious growth plans whilst also looking after our stakeholders and making Caring for our Environment our core purpose. I believe the next five years will be an exciting time in the Ground Control journey.



Kim Morrish
Director

I care deeply about a triple bottom line: People, planet and profit. Creating and maintaining a culture that puts people at the centre of everything we do and truly cares for our environment continues to be my primary area of focus. Too many businesses "greenwash" by publicising their hopes – not their results. Science-based targets and evidence-based standards are vital. In the past year, we have achieved carbon neutrality and received the Real Leaders Award, the RoSPA

President's Award for H&S, and the Investors in People Gold Award.

How we react to stress and hardship speaks volumes about the strength of our convictions. I'm so proud of the fact that when facing decreased revenues, significant disruptions to operations and continued economic uncertainty, we remained true to our all of our commitments, including dedicating 5% of profits into green investing and tree planting. Ground Control truly is a purpose-driven business.



Marcus Watson
Managing Director (2011 – Dec 2020)

Anyone can be a fair-weather sailor; true character comes from riding out the storm. The 2020-21 pandemic year certainly tested this statement. Ground Control weathered the impact of Covid19 exceptionally well. Our colleagues coming together admirably to achieve collectively much more than could have been reasonably hoped for in March 2020, as the world braced itself for a health crisis not seen in 100 years and an economic crisis not seen in 300 years.

Our colleagues are cared for, supported and happy. Their passion translates to outstanding customer service to our loyal returning customers who tell us they too are satisfied with our support. This auspicious combination led to solid 2020-21 financials where turnover and operating profit exceeded

both last year's actuals and our reasonable expectations.

Ground Control was lucky not to be significantly exposed to sectors most affected by the pandemic, such as hospitality or non-essential retail. That said, the very positive outcome for 2020-21 was down to many years of careful planning and investment.

Active diversification of the markets and customers we serve has been a successful strategic priority for many years, significantly increasing our resilience to external shocks. Our largest customer now accounts for about 10% of turnover, down from 70% in 2004.

Key to this year's success was team cohesion and loyalty at a time of enormous uncertainty. This was brought

about by sustained investment in people and an unwavering focus on the most important things people care about: purpose beyond profit, making a positive impact in the world, leading our industry on tackling climate change.

Our continued investment in technology & innovation allowed Ground Control to pivot to remote working for all staff, keeping everyone safe and able to work effectively and efficiently.

The arrival of Jason heralds a new chapter in Ground Control's journey, and it has been a privilege to hand over the baton to such a talented and capable leader.

My thanks go to our magnificent Ground Control colleagues who have made 2020-21 a clear success.



Jason Knights
Managing Director

Joining Ground Control in September 2020 has been a great experience with a calm and controlled entry into both the company and the market. Over the last 12 months, the thought-through plan accompanied by great communication enabled a seamless transition, even with the ongoing challenges subjected onto the market and company by Covid 19. Whilst handing over the MD reins to

myself, the advantage of maintaining Marcus' position as a non-executive gives the company a new perspective with my leadership whilst maintaining the experiences and lessons of the past. This additional strength added to the main Board again demonstrated strength in depth accompanied with a great culture. Formally taking over in January 2021 and completing a detailed review of

the business and its strategy sees a company in great shape underpinned by its 2020-21 results even during these difficult times. Having now secured detailed 5-year business plans built from the bottom up and having an ongoing focus around our environment with investment in IT, business development, client services, and our people makes the future very exciting.

Our ambitions & strategy

At Ground Control, we fundamentally believe that **business is a force for good** and that we have the opportunity, and indeed a duty, to build a vibrant and sustainable economy that cares for our environment and the communities we live in, allowing us to lead prosperous, fulfilling lives without mortgaging our children's futures.

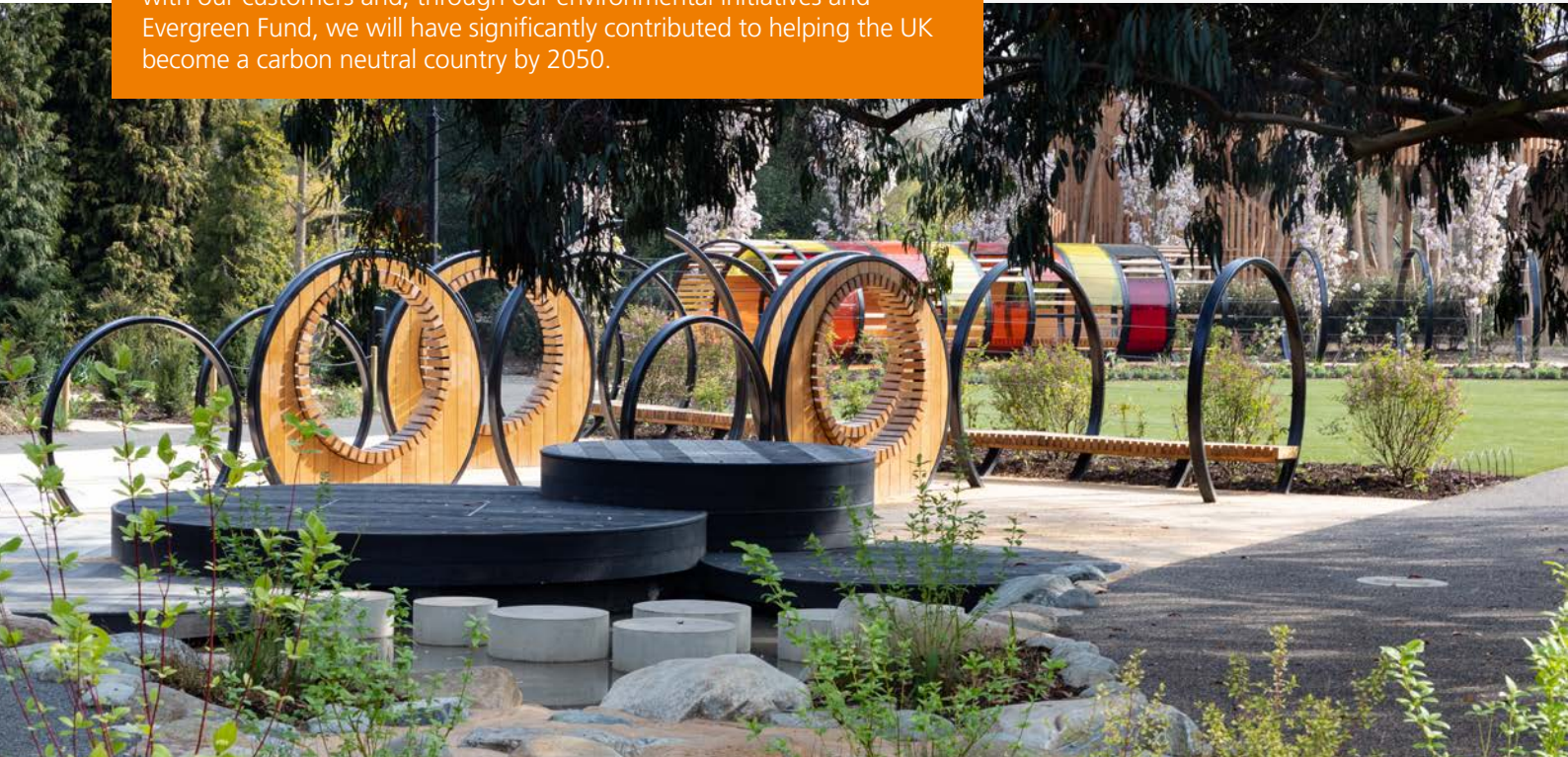
Why we are in business, is to care for our environment; putting purpose before profit. **How** we choose to go about this is to embrace innovation and technology to be sustainable leaders in our chosen fields, and we put people at the centre of everything

we do. In this way, no job is so urgent or important that it cannot be done safely.

What we do is we create and maintain external spaces that are safe, functional and enjoyable for all.

Imagine that by 2026...

Our technology platforms support a happy workforce of more than 10,000 people. We will have planted over 1,000,000 trees and installed more than 10,000 EV chargers, be promoting biodiversity enhancement with our customers and, through our environmental initiatives and Evergreen Fund, we will have significantly contributed to helping the UK become a carbon neutral country by 2050.



In our business plan published pre-pandemic in 2020, our ambitions were to achieve the following by 2025.

£300M
TURNOVER



MAKING A DIFFERENCE
£5MILLION
EVERGREEN FUND

1,000,000
TREES PLANTED

**STRATEGIC
PARTNER**
FOR INLAND SURFACE
WATER MANAGEMENT



**SUSTAINABLE
GROWTH**

90% RECURRING
REVENUE



FLEET
TO BE FULLY
ELECTRIC

10,000
EV CHARGERS



**CARBON
NEUTRAL**

By growing in our core maintenance-led markets, including frameworks, our aim is to continue on our ambitious growth trajectory by more than doubling in size by 2025 from 2020 levels. As we grow in our core markets, we become stronger and more stable as a business, providing stability to all who depend on Ground Control for their livelihoods. The sustainability this provides allows us to pursue our work in Caring for our Environment.

We have made significant progress against all these key indicators.

Whilst the pandemic has had an impact on Ground Control, the above targets for 2025 remain very broadly valid. Whilst 2020-21 saw our turnover grow by 3% on the prior year, our growth aspirations were paused due to the pandemic. As such, our 2026 growth target now sits at £290m whilst our operating profit target remains unchanged at £30m.

All other strategic targets are on track or ahead of target (see "Performance Against Key Objectives").



Who we are? Our values

We are **values centred**, what does this mean for us? Our six values define our culture. They define who **we are**.





“Complementary services offered into many markets serving a wide range of customers make Ground Control a diverse business resilient to external shocks.”

Our capabilities

Our services

Core services



Grounds Maintenance

(including inland surface water management)



Winter Maintenance



Arboriculture & Vegetation Management Utility



Arboriculture & Vegetation Management Rail



Landscape Construction



Design, Ecology & Arboriculture Consultancy



Electric Vehicle Charging Installations

Value-add services



Pest Control Services



Specialist Cleaning Services



Pothole Repairs



Fencing Services

Our varied markets



525
CUSTOMERS



7
CORE SERVICES



14
MARKETS



4
VALUE-ADD
SERVICES



A force for good, Ground Control helps tackle climate change

How important is climate change to Ground Control?

“Caring for our Environment” is Ground Control’s purpose, and climate change is the number one existential crisis facing the world.

Failure to address carbon emissions and reverse the exponential increase in greenhouse gas concentration in the atmosphere will lead to disruptions to life not experienced for millennia. This isn't simply about sea levels rising; it is also about whole swathes of the planet becoming too hot to inhabit or grow food and the consequent displacement of hundreds of millions of people.

Covid19 is a minnow by comparison, and climate change is the most significant medium-long term risk facing our business. Strategies to tackle carbon emissions are therefore central to Ground Control's way of thinking.

How is Ground Control Responding?

The first thing we do is **acknowledge** that we all have the power to alter the future and that, however large or small our business might be, how we choose to show up as leaders, as colleagues, as fellow human beings, has a real impact.

The second thing we do is **embrace the soft power leadership** that we have by virtue of people choosing to work for Ground Control. Our colleagues respect us; they respect our values; they respect our views. And so we communicate often through different channels and with purpose on what we are doing to help tackle



climate change. And we don't stick to just business: after all, the business air and the personal air that we breathe is exactly the same. We use the platforms available to us to encourage colleagues, their friends, and families to consider how they can make positive impacts in their personal lives.

The next thing we do is to **Act**. We don't wait to have perfect data and plans before taking action. We believe

the most important step in completing any journey is, of course, the first step. Common sense is a useful guide to carbon reduction.

As a final point on what we're doing about it, **we have a plan and we signpost clearly our direction of travel.**

Our Business Plan 2020-2025 contains our targets aimed at curbing carbon emissions and fighting climate change. These help us measure our progress.





"Taking a leadership role in climate change is good for the Planet, People and Ground Control".

human-generated greenhouse gases, this resulted in 2020 seeing an increase in global average temperatures of 1.2oC when compared to pre-industrial levels.

The Paris agreement identifies 2oC warming as the dangerous upper limit of climate change, and the target is, therefore, to limit temperature increases to below 1.5oC by the year 2100. 2020 saw an increase of 1.2oC and, without action, the world is on track to warm by almost 3oC by 2100, double the rate scientists have identified as needed to constrain the worst impacts of climate change

In showing leadership in this most critical arena, Ground Control aims to be a visible leader in the race to the top, helping its customers adapt to the changes they too are required to embrace. In this way, as we work hard to mitigate the #1 risk facing our business, Ground Control aims to be the go-to company for customers and prospective employees alike.

A member of Chapter Zero since 2020, Ground Control joined forces with like-minded business leaders who are taking ownership of the climate challenge.

For example, Ground Control had a stated desire to be certified carbon neutral by 2025; this milestone we achieved four years earlier than planned in March 2021.

We only buy electric cars, our fleet will be fully electric by 2025, and we are transitioning to battery-powered equipment. We're **setting aside** 5% of our profits for our Evergreen Fund, which invests in sustainability-driven companies and projects.

By 2025, we will have installed 10,000 EV charging stations, planted 1,000,000 trees and, having achieved carbon neutrality, we are resetting this goal to achieve net-zero.

Good for the Planet, People and Ground Control

Human activity has increased atmospheric CO2 levels by 48% on pre-industrial levels. This is 80% higher than the average level over the past 800,000 years. Combined with other



With a passionate focus on people and planet, we were delighted to launch the Evergreen Fund in 2020.

Operating as a wholly-owned subsidiary of Ground Control, the Evergreen Fund further supports our "Caring for our Environment" mission by dedicating 5% of our annual profits for seed and growth capital for green ventures. In the past year, we have invested £515,000 in six enterprises that are aligned with our philosophy and values. We are well on our way to providing investments totalling £5m by 2025.

built environment. Not only are such investments good for our environment, but they are also good for business, and they reinforce why our customers choose to work with us.

In addition to the investment funding we provide, we will donate £100k per year to help plant 1,000,000 trees by 2025, in conjunction with our customers and on our own account.

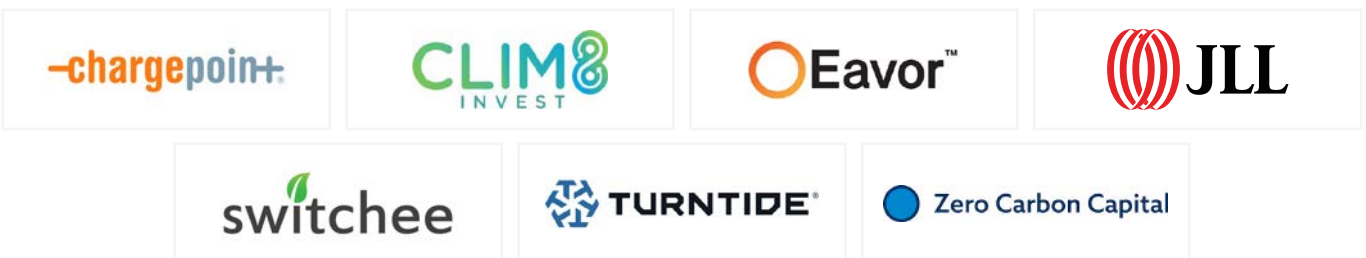
Where possible, we partner with our customers to broaden our impact and reach. In this way, we can act as a force multiplier in Caring for our Environment.

In the past year, we planted 237,577 trees, of which 177,869 were planted in partnership with our customers, whom we support in ensuring the right tree is planted in the right place for maximum impact and bio-diversity.

For example, Ground Control are co-investors in Turntide Technologies with our client JLL's Spark Fund. Together, we are helping develop and deploy the most energy-efficient motors in the

To put this into perspective, 237,577 trees will absorb 41,575 tonnes of CO2 after 50 years.

"The Evergreen Fund is committed to driving green innovation and will roll-over profits to create a perpetual investment facility to support environmental initiatives and carbon sequestration."



Happy people delivering outstanding customer service and market-leading performance



We Care for our Environment by putting people at the centre of everything that we do. We invest in technology and innovation to harness their talents, allowing them to achieve more than was thought possible.

Employee Engagement

The pandemic forced an immediate and significant change to the way we worked. Working from home became the norm for our 400 office-based colleagues. Combined with the uncertainties around the health, furlough, lockdown, homeschooling, looking after families, we recognised that the pressures on colleagues were significant. We were determined to support everyone in this transition through our "No one left behind" philosophy which recognised the significant contribution of all colleagues, whether field-based, home-based, furloughed or not furloughed.

A number of initiatives, additional training as well as extensive regular and varied communications meant that our colleagues remained informed, engaged and valued throughout, as demonstrated by an employee Net

Promoter Score of +29, achieving the Investor in People Gold standard and an "Outstanding" rating in the "Best Companies to Work For". Ground Control is a Top 100 Best Company to Work For, ranking 62nd in the UK. Our colleagues performed admirably and achieved more than could reasonably have been expected when the pandemic broke.

Equality, Diversity and Inclusion at Ground Control

We wish to be representative of a modern Britain with an inclusive environment where everyone can thrive. Everyone is welcome. We embrace a culture where difference is valued, and uniqueness is celebrated. We believe diversity grows innovation, and innovation creates initiative. Together, we'll succeed in caring for each other, our communities, and our environment.

We continue our journey to be the most inclusive employer we can be and have joined with **Business in The Community** to create sound Equality, Diversity and Inclusion foundations. Our EDI Strategy, **Inclusive by Nature**, sets ambitious goals to guide our efforts, measure our progress and hold ourselves to account.

Employee NPS score: +29	Rated "Outstanding" Top 100 Best Company To Work For
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INVESTORS IN PEOPLE™
We invest in people Gold



Recognising that we are on a journey, we will strive from the front because getting it right is critical.

We are initially focusing our lens on gender and non-white heritage representation while making headway on disability and LGBGTQ+, building partnerships with social enterprises and charities to strengthen our ability to reach under-represented communities and create sector first initiatives in place to move the dial.

We understand the importance of visible allyship and have re-built our recruitment process with gender de-coded adverts, added diverse attraction collateral and diversity statements and have introduced blind CV screening and unconscious bias training for hiring managers to reduce bias during the hiring process. Members of Business in the

National
Probation
Service



New Futures
Network



Community, BITC, we are signatories for Ban the Box and The Race at work Charter, we are Disability Confident, and as signatories for the Armed Forces Covenant, we hold bronze employer status.

We work in partnership supporting schools and colleges with development programmes. Sandwell Schools, which specialise in the education of young adults with Autism, has worked with us to successfully create an apprenticeship programme for students to complete a Horticulture Qualification.

We have created a career pathway programme, 'Changing the Landscape', supporting those from lower socio-economic backgrounds to enter the Landscaping Sector, and have partnered with Glass House and New Futures Network, part of the Probation Service, to offer embedded Grounds Maintenance roles initially to female offenders released on licence.

Celebrating International Women's day this year, Ground Control actively supports our Women's Network, a group of highly engaged women progressing the equity agenda.

Our inclusivity journey is progressing in the right direction, and we are pleased to have been recognised for our achievements to date. Putting people at the centre of everything we do, we look forward to progressing and leading on this agenda.

When comparing mean (average) hourly pay in this FY, women's mean hourly pay is 0.6% lower than men's. Women's median hourly pay is 1.3% lower than men's.

This narrowing of the gap has been achieved mainly through one fundamental change. Ground Control became a Living Wage Foundation accredited employer in the summer of 2021 (see <https://www.ground-control.co.uk/news/ground-control-becomes-living-wage-employer/>). The salary changes necessary to achieve this certification were actioned during March 2021, meaning a significant and positive improvement on our gender pay gap for this reporting year that should continue to have an impact from now on. Whilst our statistics are very positive, we cannot and should not become complacent. To demonstrate our commitment to equality in the workplace, we will continue to take action and be vigilant to the issues of gender disparity in the workplace. We are confident that our commitment to paying a fair and comparable amount to those completing the same or equivalent roles will ensure that men and women can be sure to receive the same rate of pay within the same job grade across the business.

Working with people who believe what we believe

In order to fulfil our ambitions, we must be excellent at recruitment. Whether hiring staff or finding new Field Teams, we only want to work with like-minded people. We place enormous importance on recruiting people who share our Culture and Values. Combined with meaningful engagement, excellent training opportunities and career progression, we believe this leads to lower staff attrition. In the past year, total staff attrition was 15.2%.

In the past year, we have welcomed 242 new colleagues and 129 new field teams.

Best in Class Training & Development

Our business can only scale up and grow sustainably by training and developing our people. We support our peoples' development by 1) investing in our own training capabilities, 2) taking on and mentoring apprentices, 3) working with expert external learning partners, and 4) actively seeking developmental and stretch projects for those who want the opportunity to grow as the business grows.

No core job role is without a clear and pragmatic development path. We recognise rising talent and Future Leaders; they are assigned a coach/mentor and have a personalised development path. Our aim is to help those who want to grow at Ground Control.

Delivered through the University of Ground Control, GC Learning and GC's Leadership Academy, in the past year, we have:

-  **28**
PROFESSIONAL QUALIFICATIONS GRADUATES
-  **35**
INTERNAL PROMOTIONS
-  **2,114**
TRAINING COURSES
-  **31,103**
ELEARNING COURSES

Health, safety and wellbeing

Putting people at the centre of everything we do means that the health, safety and wellbeing of our colleagues, customers, neighbours and visitors are constantly in focus. We are better today than we were yesterday, and tomorrow we will be better still as we seek to raise the bar continually.

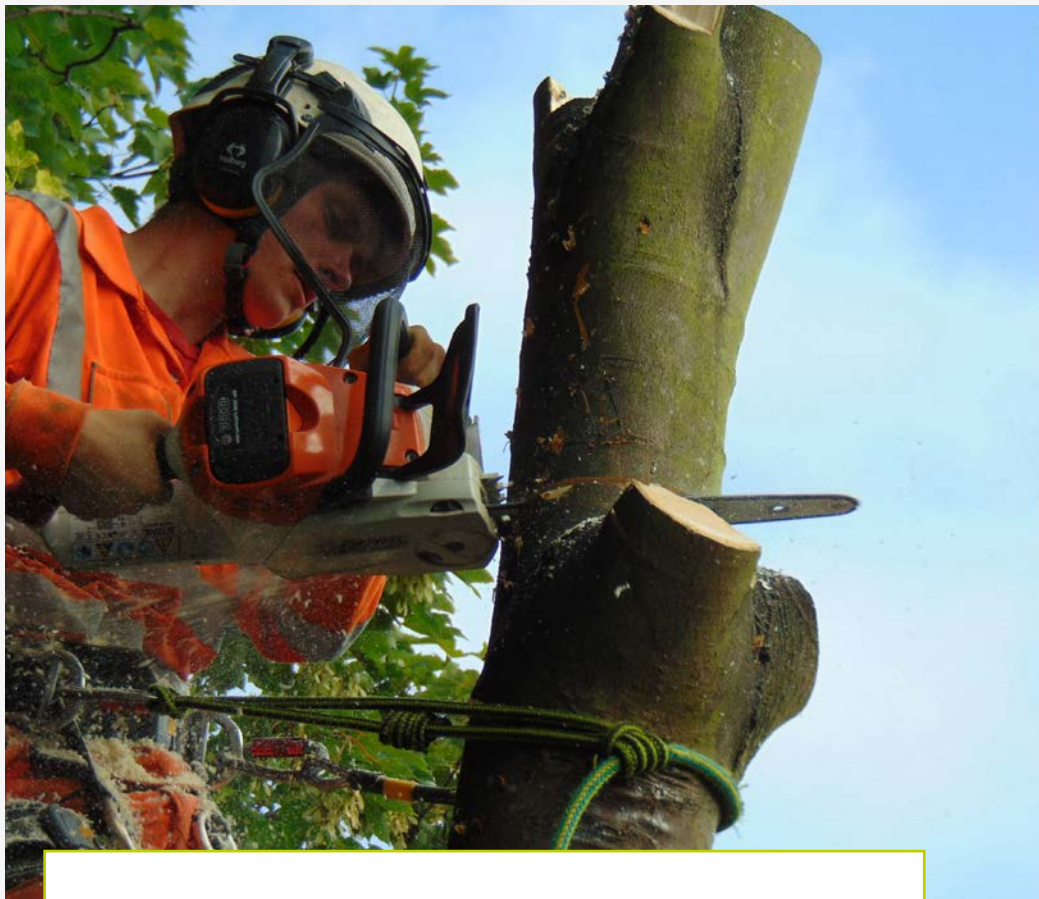
"There is no job so urgent or important that it cannot be done safely."

Receiving the RoSPA President's Award underlines our long-term commitment to Health & Safety over the long term.

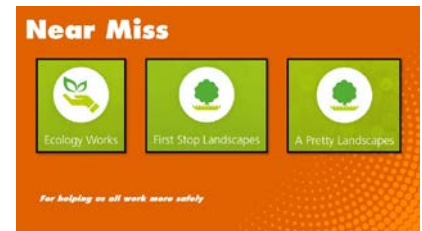


In supporting the wellbeing of our colleagues, we have continued with well-established initiatives and introduced several new ones to help deal with the impact of the pandemic. Our wellbeing initiatives which are all free at the point of use, include:

- Mental health first aiders
- Access to mindfulness App, "Calm"
- Access to Babylon GP, an App that allows staff to see medical professionals
- Gym memberships
- Wellbeing Action Plans



"There is no job so urgent or important that it cannot be done safely."



Colleague Awards

The purpose of the Company Awards is to ensure that all staff understand the importance that we place on recognising our people and that all staff join in celebrating our colleagues' success. Nominations come from colleagues across the business and are awarded democratically by the Executive team, based on the feedback received.

In 2020, we had;

★ 258
NOMINATIONS

🏆 90
FINALISTS

🏆 18
WINNERS

Field Teams – The Face of Our Business

"Working with people who believe what we believe, we work predominantly with Field Teams, micro-entrepreneurs. Through Ground Control's model, Field Teams gain access to regular, high-quality work they would otherwise be denied access to."

We have created and built many small new independent businesses as part of our business model. As we grow, we fit in new teams into an area as the density of our sites increases, and therefore the travel of our existing teams reduces, and they and we become more efficient. Our Field Teams are critical to the business's success, and we support them through training, technology and by providing a consistent workbank. In return, our teams deliver an exceptional level of service on the ground.

We recognise our Field Teams achievements in delivering exceptional customer service through the Surprise & Delight Awards of £250, and their high standards of behavioural safety through our Near Miss H&S Award. At the year-end, teams can win £500, £1500 or £3000 through the Chairman's Awards in both of these categories. In 2020/21 we gave out 35 awards, totalling £12,000.



A Wide Employee Shareholder Base

Ground Control has a wide employee shareholder base and is owned by the people who work here. Our 360 employees who have shares and share options are motivated and engaged in the company's continued success. In this way, they share in the rewards and responsibility of being of a company owner.

Outstanding customer service

One of our values is that we deliver outstanding customer service.

“Outstanding customer service means supporting our customers in their time of need.”

With no disruption to service when others faltered and complete flexibility in uncertain times, our customers valued their partnership with us. Not only were we remembered for our service, but we were also remembered for the tone of our interactions and deeds, cementing customer loyalty in the process. Our 98.6% customer retention rate and a customer Net Promoter Score of 44 are testaments to this.

“Ground Control... remembered for the tone of our interactions and deeds.”

One of the most striking features of a market dominated by a pandemic was the flight to quality by buying

organisations. This was not about the scale or size of service partners but a vision of the future. The imperative of sustainability became manifest in sourcing processes, whether it be carbon emission reduction goals, biodiversity, real living wages or investing in local jobs. The breadth of social values is well documented, but for Ground Control, two significant themes reflected the heart of the business – places and people.

This shift in selection criteria was good news for Ground Control. More than at any time, market assessments reflected our values and, thus, our vision for future sustainability. Ground Control has always sought to be a force for good, and we believe the shift in sentiment is a precursor to mutual growth for good.

This meant recognising the opportunity to work more closely with organisations with values we share for our sales teams. We spent more time with existing customers listening to requirements and creating solutions which benefitted a

“Outstanding customer service means supporting our customers in their time of need.”



A BIG THANK YOU TO EVERYONE AT GROUND CONTROL WHO HELPED US ACHIEVE...



broad range of stakeholders, whether this is the planting of pollinator pathways beside major trunk roads for Highways England (for which Ground Control won an award), flood alleviation with the Environment Agency, or maintaining safe external spaces with Tesco, Network Rail and Assura.

Equally, we sought to identify organisations with whom we could build long term partnerships. We profiled market sectors that had social value at the core, and those for whom build back better meant more the physical. We've been delighted to welcome for the first time or significantly extend



WWW.GROUND-CONTROL.CO.UK



our work with, CBRE, Southern Water (Engie), Western Power Distribution, several bluelight services, several housing associations, Barclays Bank (ISS) and high-quality business parks such as Green Park in Reading. We commenced our largest provision of EV charge ports to date with BT, a contract that will last at least five years. Our new 5-year partnership with JLL already includes extensive work on biodiversity and robust assessment of our commitment to social values by their customers.

Perhaps the most poignant of all work we undertook was the transformation of

outside spaces into tranquillity gardens at Newham hospital as an expression of gratitude to those in the NHS that had cared for Covid-19 patients.

We were delighted to commence the process of committing to becoming a Real Living Wage provider (since completed), of expanding our apprenticeships schemes and of applying for external accreditation of our status of being Carbon Neutral (since achieved).

Looking back, it's been a demanding yet exciting year for sales at Ground Control.

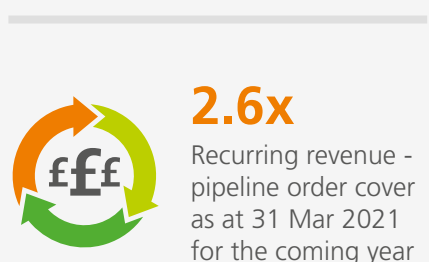
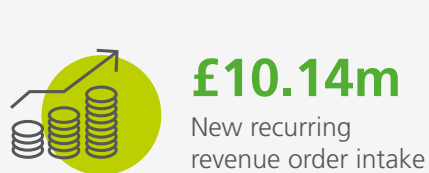
It's been a year of growth, despite a pandemic. It's been a year of building new processes that enable us to identify customers and organisations with whom we share a vision for the future.

Looking ahead, we foresee last years trends accelerating as more organisations demonstrate commitment to sustainability and the need for service partners who contribute to gain in value whilst reducing GHG emissions. We believe Ground Control is well placed to meet those needs and be core to a future that enriches external environments for generations.

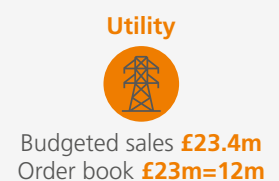
Serving Britain's Most Respected Brands



BD metrics for period 1 April 2020 – 31 Mar 2021



Forward sales visibility in project businesses as at 31 Mar 2021



"Focussing on sustainable growth, we aim to achieve £155.8m sales in 2021-22 with a growth target of £290m by 2025-2026."

Innovation & technology

“We embrace innovation & technology to enable people to be the best that they can be, helping them achieve more than was thought possible.”

2020 put our business continuity to the test like never before. Years of investment in our apps and infrastructure meant we were already well underway with our digital transformation. When it came to needing to move with speed to "fully deployed working", meaning no offices and no paper, we were able to do so almost seamlessly.

Some recent investments really stood out here. In November 2019 we moved to 8x8, a cloud-based phone and video conferencing system. 8x8 made it much easier to work from anywhere whilst providing what would become essential tools for staying connected. We had already started moving to Microsoft 365 services, having migrated email from a legacy setup to Office 365 over Christmas 2019. That was the hardest bit done.

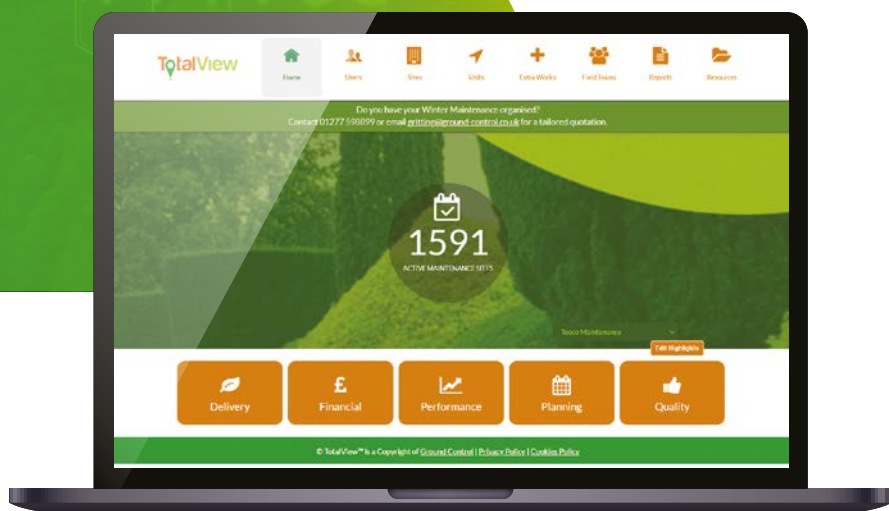
With the start of lockdown and our colleagues working well from home, we accelerated and completed our move to Microsoft 365 Apps. This brought our business-critical apps right up to date and improved efficiency through introducing collaboration tools like Teams, Sharepoint and OneDrive.

Despite the macro-economic uncertainty brought on by Covid, we decided to invest in our core systems. We kicked off a project to move our Finance systems to the latest cloud-hosted Microsoft Dynamics platform as we knew this would be essential for our future scalability.

We also continued to innovate with our operational systems, "white labelling" Blade, our Winter Maintenance system, so our Field Teams could start using it for their private work.

In support of our core purpose, we launched the Fleetfix application, an innovative new tech platform to support fleet managers transitioning to electric vehicles.

Building on our success and with an ambitious vision of the future, we decided to increase our investment in the technology team significantly. Establishing new teams in Infrastructure, Engineering, Product and Governance brought new colleagues into the team, many additional capabilities and skills whilst also providing new opportunities for the development and advancement of our existing team.



Financial performance



Freddie Wepener
CFO

“Achieving market-leading profitability and some growth despite the worst economic shock in 300 years.”

Despite extremely difficult economic circumstances during 2020-2021 financial, we managed to broadly match our operating profit compared to the previous financial year. This was largely a result of the natural resilience of the business coupled with reacting quickly to the changing market and operating circumstances and implementing strong cost controls. We also used this as an opportunity to sharpen our credit control processes which resulted in strong collections and improved year on year cash flow from operations. These improved processes continue going forward.

Despite some of our customers pausing our service because of the impact of the pandemic, we experienced some organic growth. This was helped by good client retentions as well as the diversified nature of our revenue streams (recurring, framework and project) which provided a natural hedge against lost revenue as a direct result of the pandemic. As we progressed through the year, the market

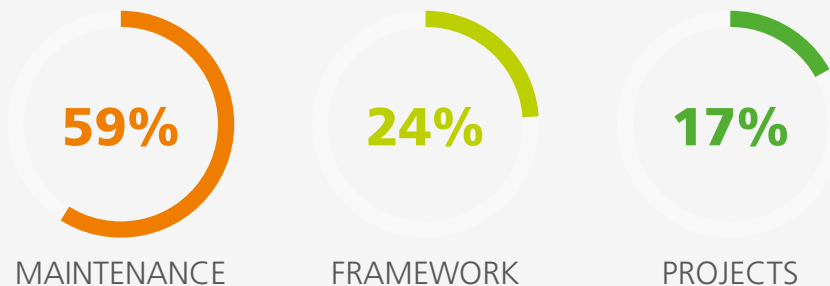
started to recover and it resulted in more sales decisions being made by our prospective customers. We were quick to capitalise on this, and although it did not have a material impact on our in-year revenue, it will provide us with good momentum in the upcoming financial year to restart our growth journey.

Throughout, we achieved our most prudent banking covenants and we did not apply for any government-backed loans. Our banking leverage is low at 1.5x EBITDA. Combined, these factors underline the robustness of the business whilst reducing our borrowing costs.

With a very healthy balance sheet and track record of strong cash generation, we are in a fantastic position to make the most of the opportunities that will arise during the ongoing economic recovery. The focus in the new year will be to invest in our ability to deliver profitable growth.

Revenue:	£125.4m
Operating Profit:	£18.3m
EBITDA:	£22m
Cash conversion:	98%
Debtor days:	90 days
Creditor days:	28 days
Bad debt:	£8k
Net assets:	£47.5m <small>(as at 31 Mar 2021)</small>
Cash at Bank:	£1.65m <small>(as at 31 Mar 2021)</small>

What our mix of services looks like...



83% of our revenues come from recurring maintenance or frameworks.



Divisional performances

Grounds Maintenance



Jay Hancocks
Grounds Maintenance Director

Grounds Maintenance has seen a period of phenomenal growth, with the PPM portfolio increasing by 28.4%. This 'pressure test' has enabled us to identify opportunities for enhancing resilience across the board, as we look forward to achieving our 5-year plan growth aspirations.



With growth comes opportunity, and this year has seen several internal promotions in GM across all teams, enabling our exceptionally talented people to grow in role and enable our future successes. We have also welcomed a lot of new and some returning very talented people to the GM family – we look forward to your ideas and input, and we evolve and grow!

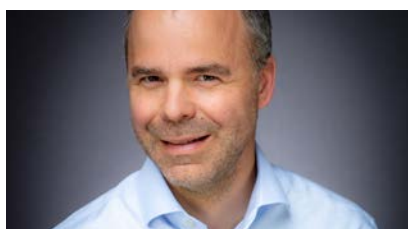
Delivery has certainly been challenging this year, influenced by a number of factors - Covid impacts through illness, self-isolation throwing challenges at both our clients and ourselves in terms of available staffing. These have been in addition to stretch through portfolio growth with some demanding and exciting new clients.

Safety is always top of the agenda, and this season has seen incidents ranging from cut cables in overgrowth, cracked ribs, broken ankle from a slip/trip to a working at height incident – these all serve to remind us that H&S needs to remain top of our agenda and be part of each conversation we have – We are all the Health and Safety team!

Focus remains on pushing innovation & improvement to technology to enable us to be more efficient and reduce basic administration, with project Huxley in user testing and project Protecting Our Clients being trialled with our Field Teams.

The future will be designed to accommodate growth, focusing on enhancing Field Team numbers to support delivery, systems for facilitating growth and, of course, people. Paramount is further developing our H&S culture as we grow and achieving our mission to be the safest Grounds Maintenance business in our industry.

Winter Maintenance



Ian Morehouse
Winter Maintenance Director

Ground Control's Winter Maintenance Division saw strong growth during the year 2020-21.



The division successfully completed the integration of The Gritting Company and together delivered over 275,000 visits across over 9000 customer locations, using over 30,000 tonnes of salt. Visits increased 140% over 2019-20; whilst the winter started relatively mild during a seven-week period from Christmas through mid-February, we saw prolonged freezing conditions, snow, and other challenging weather. During that condensed period, GC delivered the same amount of gritting services as in the entire Winter 2019-20. Our resilience and reliability are underscored by Client feedback during this period, recognised with an "Excellent" rating in our annual Net Promoter Score survey.

GC's Pothole team saw fantastic growth in service delivery, growing over 30% over the prior year. We are very pleased with client feedback on this service and have committed to further growth and capacity expansion. The division focussed on building resilience in operations through the pandemic. The result was operations uninterrupted through the winter, with our colleagues staying safe and healthy by following rigorous measures;

examples included changes to working practices to avoid vehicle sharing where possible and a rapid transition to home working for our office-based colleagues.

We had an excellent safety record with no reportable incidents. Environmentally, our dynamic route optimisation resulted in a reduction of 250,000 miles driven and over 160 Tonnes of CO2 saved, a fantastic result. Additionally, our Leeds hub ran an electrically operated gritter, reducing CO2 by 1.5kg per mile. A trial of brine commenced with the aim to improve effectiveness in low traffic areas while using less salt with positive results, including a 25% reduction in salt usage. Both of these initiatives will continue and extend during Winter 2021-22, whilst we plan to extend our use of electric technology.

Construction



Alistair Wallace
Construction Director

The start of the 2020/21 financial year was marked by the first UK lockdown of the COVID-19 pandemic. We quickly stood our sites down until we could put the necessary health and safety precautionary measures in place to adhere to government guidelines on working safely. As a result, throughout the pandemic, we have seen little disruption because of enforced isolation.



Our varied portfolio of activity enabled us to successfully weather the global health crisis. We saw very little impact on trading. The significant volumes of direct to client trading, supported by the UK government's early payment charter, enabled the construction division to support the wider group's positive cash position.

Through framework agreements, we worked in partnership with national organisations to support the country's infrastructure. This included Highways England, National Grid and BT Openreach.

This year, we measured our performance and client satisfaction through a net promoter score (NPS) survey. Our clients praised our strong delivery and quality of work. This feedback contributed to an 'excellent' NPS rating across the division. Our electric vehicle (EV) charging department was recognised as 'world class'.

Operating profitability exceeded budget and forecast expectations on reduced revenues. This solid performance has enabled all the

business functions to invest in our people, gearing up for the planned growth outlined in our 5-year strategic plan.

We have significantly developed our Fleetfix portal. This is a bespoke scheduling and site management tool, which has enabled us to scale up our EV offering at pace.

Looking ahead, the outlook for the construction industry is certainly a precarious one, with Brexit, global material shortages and workforce self-isolation all having an impact. However, as the year ended, we secured approximately £24million of future works, resulting in high expectations for 2021/22.

Utilities & Environment Agency



Steve Amison
Utilities and EA Director

2020/21 marked another lost time injury-free year for Utility Arb. The business unit has now gone more than three and a half years since its last lost-time injury and more than five years since the last RIDDOR reportable incident. This was despite the significant distraction and disruption caused by Covid-19.



Indeed, demonstrating the importance of Ground Control's varied portfolio and the critical nature of our service, the business thrived during the pandemic. It was the only part of Ground Control to not need to use the furlough scheme. The 'call to arms' during the pandemic saw Utility Arb register record volumes at the start of the year. We are proud to have played our part in 'keeping the lights on'. Our consistently strong service delivery was also recognised by our clients, with the business unit enjoying an excellent NPS score of 50, no mean feat in such a challenging sector. Appropriately for such a strong year, the business unit posted a record net profit of £2.23m. Our healthy financial position allowed us to invest in the bench strength and capability of our senior management team, with two senior appointments being made during the year. Moreover, working in partnership with Skyports, we are exploring the use of drone and autonomous inspection technologies so that we remain at the cutting edge of vegetation management.

In January 2021, the Environment Agency contract transferred from Grounds Maintenance into Utility

Arb. The amalgamation has given rise to a rebranded business unit, 'Utilities & EA', to better reflect the breadth of service we are able to offer. 2020/21 was also a record year for the Environment Agency contract, delivering revenues in excess of £5m. This included delivering work in the East Midlands area, which is not one of our contracted areas. This highlights the high degree of confidence the Environment Agency has in our team's ability to deliver complex work safely.

The end of the year saw a number of key contract wins, with the business enjoying tender success with WPD Chesterfield & Mansfield, WPD South Wales Resilience, WPD East Wales and Cardiff and Scottish Power Cheshire. In total, this amounted to wins delivering in excess of £6.5m per annum for the next four years (three for Scottish Power). These wins, when combined with the Environment Agency transfer, nigh on doubled the size of the business, setting up a strong start to 2021/22.

Arb Rail & Infrastructure



Austin Brown
Infrastructure Director

Our Rail & Industrial Services division has had a very solid year's trading, achieving forecast and setting the requisite enablers in place for substantial growth.



Intensive recruitment has resulted in the division now operating under a talented, experienced and forward-thinking management team, and some key appointments in operations and HSQE have further strengthened our delivery.







Unparalleled success in Network Rail's 2020/21 national framework competitive tender for vegetation management saw us as the only company to retain a place across all routes within Network Rail's regions, giving us national coverage. We were also highly successful in the national framework tender for fencing, increasing our coverage from 20% to 80% of mainland UK. These framework awards are for six years beginning in July 2021 and provide access to a forecasted spend of ~£430m which will provide the foundations for growth in both vegetation management and fencing services and a springboard for diversification and expansion of our customer base.

Diversification in services into, primarily, asset inspection and industrial painting will build on our ability to deliver works

compliantly, safely, to programme, on budget and to an excellent standard in safety-critical and regulated environments.

We continued to focus on innovation and technology to improve our operational safety, efficiency and reduce the inherent risk associated with working lineside on the railways. These initiatives included the use of Proteus helmets in partnership with Network Rail and increasing the use of our mechanised arboriculture machinery across our works to minimise working at height and manual handling activities. Moving forward, we will be introducing systemisation, a market-leading solution for the increasingly prevalent issue of Ash Dieback and a focus on biodiversity that will deliver no net loss, moving toward net gain, on all our major works.

Performance against key objectives

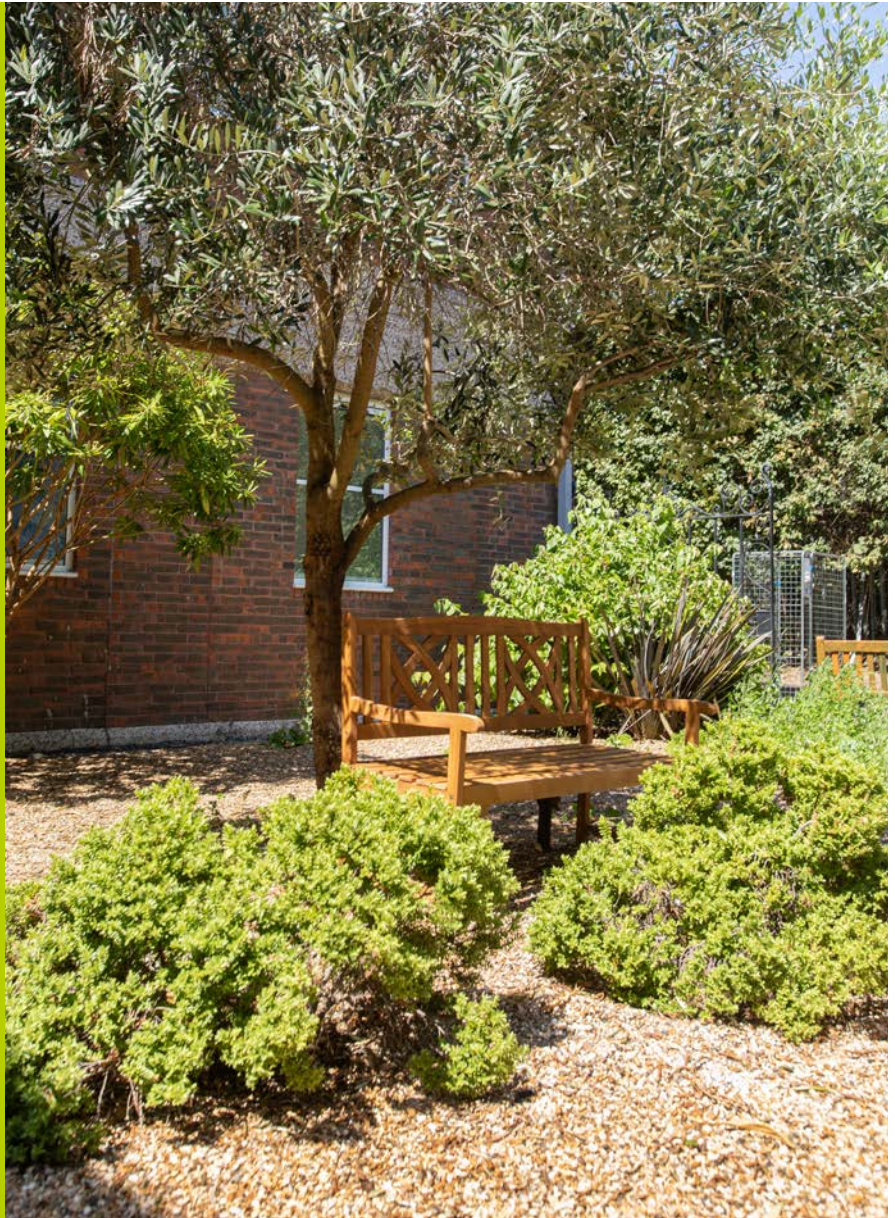
Objective	2025 target	Achieved so far	On track?
Tree planting	1,000,000	400,000	
EV chargers installed	10,000	2,700	
Evergreen Fund	£5m invested in aligned business and projects	£515k	
Recurring revenues	90%	87%	
Fleet transformation	Fleet to be fully electric	100+ EVs, largest Tesla fleet in Europe	
Decarbonisation	Be certified carbon neutral	March 2021	 Achieved four years ahead of schedule
Battery operated tools and equipment	50% tools and equipment battery operated	Circa 50% of teams have started using battery equipment. More ambitious target set: 100% of tools and equipment battery operated by 2023.	
Sustainable growth	£300m turnover by 2025	£125.4m	Delay by 1-year due to pandemic. £290m by 2025-2026
Mitigate the impact of climate change by working with like-minded organisations	Establish multiple strategic partnerships with organisations that believe what we believe	Strategic partnership with the Environment Agency established and functioning well.	

Community engagement

Ground Control transformed the gardens and outdoor spaces at one of England's largest NHS trusts as a way of thanking staff and commemorating all those who tragically lost their lives to Covid-19.

The week-long project at Newham Hospital involved revamping courtyard gardens and revitalising outside spaces into retreats and places of comfort for staff, patients, and visitors.

Ground Control also worked with Veterans charity "Walking With The Wounded" to create a tranquil outdoor space on the grounds of the newly established Veterans Bub in North Shields. The tranquillity area made the most of the limited outdoor space at the centre to create a usable space for the hubs staff, users and residents.



Company awards



Queens Award for Enterprise Innovation



Living Wage Employer Accreditation



IIP Social Responsibility Award 2020



RoSPA Presidents Award



Sunday Times Top Track 250



London Stock Exchange 1000 Companies to Inspire Britain

Our commitment to higher levels of governance and transparency

B Lab is a non-profit organisation designed to help businesses simultaneously grow and do good and has become one of the most respected global standards in corporate sustainability.

The B Corp status is an increasingly powerful way of communicating a business's ethos to clients, employees, partners and investors.

Becoming a B Corp would position Ground Control as a business that has taken meaningful steps towards the UN's Global Goals and demonstrates our commitment to balancing purpose and profit. Tens of thousands of companies have applied for B Corp status, but only 3,720, in 74 countries, and 500 in the UK, have made it. By achieving B Corp status,

we join an international community of businesses that see business as a force for good.

"By working towards B Corp certification, we are underlining our commitment to attaining the highest levels of governance & transparency."

To achieve accreditation, businesses are graded on their answers to nearly 200 questions, ranging from social and environmental impact to parental leave policies and salary ratios. Only

those that score 80 points and above and pass rigorous verification processes receive B Corp status and, because B Lab updates its standards, businesses must recertify every three years. Achieving and maintaining B Corp accreditation will mean we must consider the impact of all our business decisions on workers, customers, suppliers, the community and the environment. We aim to be B Corp accredited by the end of 2021.



Keeping on track: our 5-year strategy plan

Given the unprecedented nature of 2020/2021, a thorough review of the business strategy was conducted using a top-down and bottom-up approach.

The review confirmed that whilst our plan 2020-2025 Business Plan was paused by a year due to the pandemic, our ambitions and targets

remain unchanged; they will simply be delivered in the financial year 2025/2026. Our revised 5-year strategy plan was created in Q2 2021/2022.



Contact us

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Why?

As a business, our purpose is to care for our Environment

How?

The way we have chosen to do this is by putting people at the centre of everything we do and by embracing technology & innovation to be sustainable leaders in our chosen field, enabling our talented people to deliver more than was thought possible.

What?

What we do is to create and maintain external spaces that are safe, functional and enjoyable for all.



“The pessimist sees difficulty in every opportunity. The optimist sees the opportunity in every difficulty.”

Winston Churchill

