

# Our Strategic Pillars

SIG HAS A CLEAR STRATEGY TO **GROW** IN ITS THREE CORE MARKETS OF INSULATION AND ENERGY MANAGEMENT, INTERIORS AND EXTERIORS BY COMBINING THE REPUTATIONAL STRENGTHS OF ITS **LOCAL BRANDS** WITH THE SCALE EFFICIENCIES AND KNOW-HOW OF A MULTINATIONAL GROUP.

Moreover, with its focus on specialist expertise and high customer service levels, SIG aims to continue to outperform its markets and thereby generate sustainable long-term growth in Shareholder value.

SIG's strategy is underpinned by the following six pillars which the Group is focused on to improve profitability, and these are supported by three key strategic priorities.

STRATEGIC PILLAR	OBJECTIVES	LINK TO PRIORITIES
 <b>1</b> OUTSTANDING CUSTOMER SERVICE	<ul style="list-style-type: none"> <li>→ Speed and reliability of service</li> <li>→ Provision of technical advice</li> <li>→ Availability and range of stock</li> <li>→ Competitive pricing</li> </ul>	  
 <b>2</b> SALES OUTPERFORMANCE	<ul style="list-style-type: none"> <li>→ Focus on core markets</li> <li>→ Benefit from legislative change</li> <li>→ UK national sales team</li> <li>→ Expand network and product range</li> </ul>	 
 <b>3</b> GROSS MARGIN ENHANCEMENT	<ul style="list-style-type: none"> <li>→ Category management</li> <li>→ Improved IT systems</li> <li>→ Price management programmes</li> <li>→ Growth of higher margin businesses</li> </ul>	  
 <b>4</b> OPERATIONAL EFFICIENCY	<ul style="list-style-type: none"> <li>→ Better leverage network</li> <li>→ Improve fleet utilisation</li> <li>→ Tight control of cost inflation</li> </ul>	
 <b>5</b> FINANCIAL RETURNS	<ul style="list-style-type: none"> <li>→ Rebuild ROCE</li> <li>→ Focus on cash conversion</li> <li>→ Target improvement in operating margin</li> </ul>	  
 <b>6</b> EXCEPTIONAL PEOPLE	<ul style="list-style-type: none"> <li>→ Training and development</li> <li>→ Improved communications</li> <li>→ Employee engagement</li> <li>→ Health and Safety</li> </ul>	  