

# Corporate Governance

## Corporate Governance Report

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In accordance with AIM Rule 26, the Company chooses to report against the Quoted Companies Alliance Corporate Governance Code for small and medium sized companies (the 'QCA Code').

The following report sets out the Group's governance arrangements and describes in more detail how we have complied with each of the ten principles set out in the QCA Code.

### Governance framework

The Board sits at the apex of a structure through which authority is delegated to ensure that the business as a whole is run smoothly and in accordance with our governance framework.

During the year to 30 September 2022, the Board comprised two Executive Directors and six Non-Executive Directors. The Directors are collectively responsible for matters of strategy, performance, budget, and resources, as well as setting standards of conduct and accountability. Each year the Board reviews its schedule of Matters Reserved. These were last approved on 16 September 2022 and a copy is available on the website at [www.premiermiton.com](http://www.premiermiton.com).

The Non-Executive Directors are appointed for an initial term of three years, and eligible for reappointment at AGM on rotation in accordance with the Articles of Association of the Company.

The Chairman, in conjunction with the Executive Directors and Company Secretary, sets the agenda for each Board meeting. Management information is delivered a week ahead of each meeting and the decisions of the Board are formally minuted.

### Senior Independent Director

Alison Fleming was appointed Senior Independent Director on 1 October 2022, succeeding Will Smith, who stepped down from the Board on 30 September 2022. The role of Senior Independent Director is to act as a sounding board for the Chairman and as an intermediary for the Directors, shareholders and stakeholders.

### Board and committee attendance

During the year, the Board held eight scheduled meetings, which included quarterly monitoring meetings, a budget approval meeting as well as meetings to review and approve the Company's full and half-year results, and an annual strategy session. The agreed schedule is supplemented with a number of meetings to cover single topic deep dive and training sessions.

The schedule of Board and committee attendance is set out below. Committee attendance can also be found in the introduction to each of the respective committee reports.

1 October 2021 to 30 September 2022	Board	Audit & Risk Committee	Remuneration Committee	Nomination Committee
Number of meetings	8	4	7	1
David Barron	8(8)	4(4)	–	–
Robert Colthorpe	8(8)	–	7(7)	1(1)
Alison Fleming <sup>1</sup>	8(8)	–	7(7)	–
Piers Harrison	8(8)	–	–	–

1 October 2021 to 30 September 2022	Board	Audit & Risk Committee	Remuneration Committee	Nomination Committee
Sarah Mussenden	8(8)	4(4)	–	–
Mike O'Shea	8(8)	–	–	–
William Smith <sup>2,3</sup>	8(8)	3(3)	7(7)	1(1)
Sarah Walton	8(8)	4(4)	–	–

1 Appointed Senior Independent Director and Chair of the Remuneration Committee on 1 October 2022

2 Resigned from office on 30 September 2022

3 Stepped down from the Audit & Risk Committee on 15 June 2022

## Delegation of authority

The Group's governance framework supports the flow of information through the Group through the orderly delegation of authority to achieve robust defensible decision making.

<b>Board of Directors</b>		
Responsible for setting the strategy, purpose and direction of the Group		
<b>Audit &amp; Risk Committee</b>	<b>Remuneration Committee</b>	<b>Nomination Committee</b>
For the activities set out in detail see page 68	For the activities set out in detail see page 72	For the activities set out in detail see page 78
Delegation of authority is set out in the terms of reference of each committee		
<b>Chief Executive Officer</b>		
The Board has delegated authority for the day-to-day running of the business to the Chief Executive Officer		
<b>Executive Committee</b>		

## Board committees

The Board delegates certain matters to its three standing committees. The committees report their recommendations to the Board after each committee meeting. The reports from the Chairs of each standing committee are set out on pages 68 to 79, and their respective terms of reference are published on the Company's website [www.premiermiton.com](http://www.premiermiton.com).

The committees are provided with sufficient resources to discharge their duties, including access to external advisers where required. Where independent advice has been sought during the year, this is disclosed in the relevant committee reports.

## Executive and operational committees

Operational matters are delegated by the Board to the Chief Executive Officer, who in turn ensures that the senior management are accountable for the success of the day-to-day business.

### Executive Committee (formerly the Management Committee)

Led by the Chief Executive Officer, this committee is composed of senior management, who are accountable for the management and monitoring of the Group's overall business operations, including business performance, people, culture, investment, distribution, operations, brand, and

financial matters. Meeting monthly, the committee reports to the Board and to the boards of the regulated subsidiaries as required.

### **Operations Executive Committee**

The Operations Executive is charged with the oversight of operational and regulated activities of the Group including risk and information services, investor and investment services, legal and compliance matters as well as keeping a watching brief on industry-wide initiatives in these areas. This committee meets every two months.

### **Investor Relations Committee**

This committee meets weekly to consider and monitor the external reporting requirements of the Company, ensuring that all disclosures are managed in a timely manner.

### **Distribution and Marketing Executive Committee**

Convening on a monthly basis, this committee oversees the distribution and marketing activities of the Group, including data collection of sales and marketing performance and progress against strategic objectives including gross and net sales analysis, building market share, seeking new business and developing sales pipeline. It also reviews industry trends and sales by Investment Association category, undertakes competitor analysis, and reviews marketing activities to ensure product and client diversification, in line with the agreed sales and marketing plan.

### **Operational Risk Committee**

This committee ensures that appropriate policies, procedures, controls, and reporting are in place to manage and monitor operational risks. It monitors the liquidity risk profile of the funds managed by the Group, assesses the risk of loss experience arising from operational risks, reviews the work and findings of the various operational and client services functions responsible for embedding a strong and compliant risk management culture. Monitoring the effectiveness of the agreed Risk Management Framework and reporting on its effectiveness, as well as maintaining the Risk Appetite Policy and Internal Capital Adequacy Assessment Process ('ICAAP') are also in its purview.

### **Product Governance Committee**

The oversight and ongoing management of investment products and services, existing and new, is overseen by this committee. It seeks to identify target markets and distribution strategy for our products and services, ensures the provision of relevant product information and communications to clients and distributors, monitors the way in which investors' expectations of investment performance are met and how value is delivered as well as ensuring that the delivery of client services, including treating customers fairly, is achieved.

### **Environmental Committee**

This committee sets the environmental objectives for the Group, monitoring progress against them during each financial year. This includes the collection of data on energy and water usage, waste generation and management of the Group's carbon footprint. This committee meets quarterly to monitor compliance with relevant regulatory requirements, identify and report on any environmental-related risks to the Executive Committee, monitor spending against any associated budget, as well as acting as champions of the Environmental Policy and encouraging participation and support from employees and suppliers.

### **IT Oversight Committee**

The purpose of this forum is to ensure the integrity of the IT infrastructure and associated business recovery processes.

The committee monitors third-party dependencies, has oversight of development projects and is responsible for the identification of infrastructure risks. It undertakes assurance activities including conducting regular penetration testing.

### **Regulated subsidiaries**

The regulated subsidiaries place reliance on a number of additional specialist working groups and committees to help them discharge their duties, including:

- Funds Risk Committee;
- Outsourcing Oversight Committee;
- Conduct and Policies Committee;
- CASS Committee;
- Financial Crime Committee;
- Investment Oversight Committee;
- Valuation Committee;
- Investment Trust Committee; and
- Responsible Investment Oversight Committee.

## QCA Code compliance

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The disclosures below describe in detail how we meet the principles of the QCA Code against which the Group chooses to report its governance arrangements. A formal statement on our compliance with the QCA Code is set out in the Directors Report at page 80.

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### **Principle 1: Establish a strategy and business model which promote long-term value for shareholders**

The Group's purpose is to actively and responsibly manage our clients' investments for a better financial future.

This is achieved via our investment product offering which is designed to meet the long-term needs of our clients and to deliver good investment outcomes through active management.

The Group maintains a scalable business platform to support our strategy, covering investment, distribution and operations.

The Group's investment products currently include open-ended UCITS and non-UCITS funds, closed-ended investment companies, a portfolio management service and segregated accounts. These products offer investors access to a range of asset classes including multi-asset, equities, fixed income and alternatives. These products have different primary objectives, including income, capital growth and absolute returns.

The Group has a talented and experienced team of investment professionals to manage our products. The Group offers a supportive and collaborative working environment that gives our investment teams the appropriate freedom to manage portfolios to produce good long-term

investment results. We support this with a strong business platform and an effective risk and compliance framework.

The Group currently maintains an extensive distribution and client service capability focused on UK professional investors, including financial advisers and wealth managers.

The Group's operations function includes investment administration, risk monitoring and portfolio analytics, legal and compliance, information technology and finance. We maintain key outsourcing partners to allow flexibility and scalability of our operation platform to help support business growth.

The five key pillars of the Group's strategy to deliver shareholder value in the medium to long-term are as follows:

- To offer relevant investment products;
- To deliver strong investment outcomes;
- To maintain a strong and focused distribution capability;
- To maintain a strong and scalable operating platform; and
- To follow a disciplined approach to financial management.

The Board believes these pillars are underpinned by a clear set of values designed to establish a responsible way of working, including ethical values and behaviours, aimed at protecting the Group and our clients from unnecessary harm.

There are a number of potential challenges and risks relating to the Group and its business, including: fluctuations in capital markets; adverse economic, political and market factors, ongoing impact of the UK's termination of its membership of the EU; the loss or inability to recruit key personnel; failure to maintain attractive investment performance; compliance breaches of investment mandates or operational errors; asset classes managed by the Group becoming less attractive to investors; competitive pressures; regulatory compliance and system security breaches.

#### **Principle 2: Seek to understand and meet shareholder needs and expectations**

The Board firmly believes that keeping the confidence of our shareholders is predicated on open, constructive dialogue. During the year, opportunities for effective shareholder engagement with both our institutional and retail shareholders has allowed the Board to engage and seek feedback on its strategic ambitions.

All shareholders are entitled to attend and vote at the Company's Annual General Meeting ('AGM'). The Directors are in attendance to respond to any formal questions on Company business at the meeting and make themselves available immediately afterwards for a more informal opportunity to engage. This year we welcomed shareholders back to the AGM in person and maintained the live broadcast to allow shareholders to listen to the proceedings. Shareholders not able to attend in person were invited to raise any questions in writing ahead of the meeting via the website.

The voting results of the AGM held in February 2022 demonstrated continued support from our shareholder base with all votes passed. The advisory remuneration vote at resolution 5 was passed with 78.81% of votes cast in favour of the resolution. The Company is not formally required to lodge this result on the Investment Association public register, however, the Board was of the view that it should act in accordance with the spirit of that guidance. Meetings between the Board Chair and major shareholders were held shortly after the AGM to discuss the evolving strategic direction and positioning of the Group as well as seeking to identify and understand the voting rationale for the adverse votes.

As a result of the discussions held, use of nil cost share awards and absence of a cap on bonuses were identified as the persuasive factors for the adverse voting. The Chair was able to reassure shareholders on these matters as the Remuneration Committee had been developing a

performance based LTIP for the Executive Directors and certain senior managers under which awards were made on 1 June 2022, and a bonus cap was agreed during the year.

Shareholders can access corporate, regulatory news, share capital and dividend information on the Group's website at [www.premiermiton.com](http://www.premiermiton.com). Enquiries can be directed to the Board via the corporate email address [corporate@premiermiton.com](mailto:corporate@premiermiton.com). As well as accessing the Annual Report and Accounts, shareholders can also now listen to the audio broadcast of the Group's results on the website.

Existing and potential institutional shareholders are invited to join results presentations and roadshows at the time of the full year and interim results. The importance of creating value and returns in a sustainable way and communicating how this is achieved continues to be a key theme. Accompanied by the Group's brokers, meetings with institutional holders afford the Executive Directors an opportunity to understand the needs and expectations of our shareholders, the motivations behind shareholder voting decisions as well as discussing the Group's progress and management team's views. The Executive Directors brief the Board on engagement following these meetings.

The Board also receives regular reports on share price monitoring, analysis of the share register, peer group, market comparison feedback and briefings from its professional advisers.

### **Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success**

#### **Social responsibilities**

The Group is committed to taking a responsible approach to investing which includes complying with the principles for business of our regulator, the FCA, and treating customers fairly.

In delivering good long-term investment outcomes for our clients, the fund managers monitor a range of metrics of an investee company as well as financial performance in the furtherance of the stewardship of clients' assets in the Group's investment products. The fund managers are actively engaged with their investee companies and their advisers in order to encourage good standards of governance and creation of shareholder value.

The Group retains the services of ISS, a specialist third-party provider, to bring specialist corporate governance expertise and provide relevant research, voting recommendations and rationale.

The Group manages six specialist funds focused on actively managed portfolios based on the consideration of ethical or sustainable factors. The range includes the Premier Miton Responsible UK Equity Fund, Premier Miton Global Sustainable Optimum Income Fund, Premier Miton Global Sustainable Growth Fund, Premier Miton Global Renewables Trust plc, Premier Miton European Sustainable Leaders Fund and Premier Miton Diversified Sustainable Growth Fund. The fund managers of these funds work closely with the Group's Head of Responsible Investing.

The Group has an active Environmental Committee which champions participation and support from stakeholders on environmental and nature related matters and runs a number of initiatives and monitoring activities including oversight of energy usage, water usage, waste generation and management, material usage and carbon footprint.

All employees are actively encouraged to participate in charitable events with a corporate matching facility for fund raising. They can also nominate charities with a personal connection as beneficiaries of the Group's charitable donation programme. During the year, the Group made charitable donations of £25,307.

The Group complies with relevant regulations, including the Modern Slavery Act. Our statement is available on the Company's website.

## Engagement with stakeholders

The Group has identified its key stakeholders as its employees, financial intermediaries including IFAs and wealth managers, clients invested in the fund product range, third-party providers of goods and services to the Group, as well as the regulator, our local communities and environment. Further details on our approach to stakeholder engagement is set out for each of these categories at pages 66 to 67 in our response to Principle 10 is set out.

Through our membership of the Investment Association, we engage on wider regulatory matters to ensure the Group is aware of pending regulatory and legislative changes and able to implement them effectively. We also communicate directly with the FCA on issues affecting the Group.

The Board meets with senior executives and heads of department on a regular basis, including the Chief Operating Officer and Chief Risk Officer. Through the regular reporting structures, the Board is kept updated with information on key customer and supplier relationships. The Head of Compliance and Legal reports to the regulated firms' boards on all regulatory matters as well as having direct access to both the Chairman and Senior Independent Director as required. The Company's Nominated Adviser updates the Board on stock exchange matters. The external auditor and externally facilitated internal auditor also regularly attend meetings of the Audit & Risk Committee.

## Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Group's risk appetite framework allows it to understand and articulate its risk appetite and to manage its tolerance to risk. This allows the Group to assess the impact of new or changing strategies, projects or emerging risks. The Group's control process is set out in a systems and controls document which details the individual committees that govern operations. An ICAAP is embedded for the Group and the dashboard is reviewed quarterly by the Board. This year the ICAAP will be superseded by the Internal Capital Adequacy Risk Assessment ('ICARA') and a disclosures in compliance with MIFIDPRU 8.4 can be found on the Group's website.

The Chief Risk Officer has responsibility for the operational risk monitoring system and processes (in addition to market, credit and liquidity risks). The identification of operational risks and incidents is embedded within the various business units and logged centrally in the operational risk monitoring system that tracks the remedial actions undertaken to reduce the risk of operational incidents re-occurring and helps to identify future areas of risk, including those relating to our service providers and end-customers.

The Chief Operating Officer, Chief Financial Officer, Director of Finance and Strategy, Chief Risk Officer, Chief Investment Officer and Head of Compliance and Legal each have access to the Chair of the Audit & Risk Committee to raise any concerns in respect of the control environment.

## Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair

### Composition

During the year to 30 September 2022, the Board comprised of two Executive Directors, Mike O'Shea and Piers Harrison, and six Non-Executive Directors, Robert Colthorpe, Non-Executive Chairman, David Barron, Alison Fleming, Sarah Mussenden, Sarah Walton and Will Smith. The biographies of each of the Directors are set out on pages 54 to 55. On 30 September 2022, Will Smith stepped down as a Director of the Board and Alison Fleming succeeded him as Senior Independent Director.

The role of the Non-Executive Directors is to provide entrepreneurial leadership, offer constructive challenge to management and direct the development of strategy, ensuring that a framework of effective controls is in place. They also help to set culture and values, holding the management accountable for setting the overall tone of the Group.

## Independence

In assessing the independence of Non-Executive Directors at the date of this report, the Board took account of their experience, character and judgement, and their dependence on, or relationships with the Group. In light of this, Robert Colthorpe, Alison Fleming, Sarah Mussenden and Sarah Walton are considered by the Board to be independent and are free from any associations or relationships with the Group or its investment funds, with the exception of the fees that they receive as Non-Executive Directors. David Barron, having previously served as Chief Executive of Miton Group plc, is not considered fully independent. David brings valuable industry knowledge and board experience to deliberations, and the Board confirms that they consider him able to act impartially and that he continues to demonstrate independence of thought and judgement.

## Roles and responsibilities

The Directors have a duty to promote the best interests of the Company and are collectively responsible for the corporate governance arrangements of the Group. Delegation of authority is set out in the terms of reference of the standing committees of the Board, the job description of the Chief Executive Officer, and through the wider business via the subsidiary governance arrangements in place.

The Board receives management information from the Executive Directors, various heads of department as well as minutes and reports from the material subsidiaries. This is all provided in a timely manner to facilitate assessment of the matters requiring monitoring, a decision or insight.

## Conflicts of Interest

A schedule of attendance at Board and committee meetings is set out on page 58. On appointment, each new Director is required to declare any potential conflicts of interest. Directors are reminded at each Board meeting of their obligations to notify any changes in their statement of conflicts and declare any benefits received from third parties in their capacity as a Director. The register of conflicts is formally reviewed annually, and the Board has concluded that the process has operated effectively during the period.

### Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board is satisfied that the composition reflects the necessary mix of skills and expertise to meet the Group's strategic requirements.

New Directors are given a comprehensive induction to the Group which includes introductory meetings with departmental heads for Investment, Sales, Marketing, Compliance and Legal, Operations, Risk, Finance, Internal Audit, HR and the Company Secretary.

All Directors receive briefings and regular training on a range of relevant topics during the year. The Directors are also encouraged to attend external training relevant to their ongoing development. Regular compliance, cyber-crime, health and safety and money laundering training is provided for all Directors.

Where committees of the Board have sought external advice, this is reported in their respective reports. The Board has recourse to the Company Secretary for governance advice and the Senior Independent Director is available in an advisory capacity for the Chair, Directors and Shareholders.

David Barron, Robert Colthorpe, Piers Harrison, Sarah Mussenden and Sarah Walton are Chartered Accountants, and their continuing professional development is maintained in accordance with the requirements of the institute.

### Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board evaluation is undertaken annually in the fourth quarter of the financial year. Led by the Chairman, the process is delivered by the Company Secretary and the results discussed with the Board.

This year, the evaluation was focused on 'impact and influence' and Directors were asked to rate and respond to a number of business and governance matters including the value drivers of the business, directors' duties, boardroom dynamics, networking and engagement on industry matters.

The areas prioritised for development included facilitating engagement with a wider management cohort, continuing to enhance meeting efficiency and improve management information, increased focus on external reporting and simplification of the legal and governance structures as well as training opportunities and team building for the Board.

In satisfaction of the matters identified in the prior year's evaluation, the Board commissioned additional reporting on responsible investing and held an ESG deep dive facilitated by external specialists, attended focus sessions on new product offering including presentations from the Premier Miton Income Fund manager and the Premier Miton Global Smaller Companies Fund team, and held a deep dive on the new institutional distribution channel.

### Principle 8: Promote a corporate culture that is based on ethical values and behaviours

We understand and value the importance of our people in everything that we do. We aim to attract and retain high calibre, talented individuals who have diverse skills, experience, and backgrounds. We encourage and support the continuing development of their skills with appropriate training and development. It is our policy to ensure that employment by, and progression within the Group is based on merit.

The Board seeks to create a working environment that is positive and productive for our employees and our clients, including an effective management team and good staff communication. We support staff with a range of benefits including company pension, ill health protection, life cover and private medical insurance. Regular updates are received from the Chief Executive Officer, which act as a forum for discussion and feedback.

The Group's approach is to treat job applicants and our people in a consistent and fair way, regardless of gender, sexual orientation, religion or belief, age, race, ethnic origin, marital or civil partnership status, pregnancy, maternity, or disability. This policy applies to recruitment and selection as well as terms and conditions of employment, including remuneration and personal development.

### Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

All Directors receive appropriate and timely information to ensure that they are properly briefed in advance of Board meetings and have access to the advice and services of the Company Secretary and other senior management. The Company Secretary is responsible for advising the Chairman and the Board on governance matters.

The Board has an established schedule of Matters Reserved that includes material acquisitions and disposals, investments, and capital projects. The Board maintains a calendar of scheduled meetings which are supplemented with ad hoc meetings convened as required to address issues that arise outside of the regular schedule. The Board also attends deep dive sessions typically selected to focus attention on emerging matters or new products, aiming to balance internal and external points of interest.

The papers circulated prior to Board meetings include the following:

- a report from the Chief Executive Officer covering performance and forecasts, an update on strategy and details of any matters recommended for Board approval;
- a report from the Chief Financial Officer covering financial results, comparison of forecasts with published consensus, financing and tax matters;
- markets and industry insights;
- reports from senior management responsible for key functions such as risk, compliance, legal, operations, investment strategy and performance, responsible investment, sales, marketing, and human resources;
- capital expenditure approval requests and investment proposals; and
- papers on issues scheduled for Board consideration.

Board committees receive the papers required in order to fulfil their duties in accordance with their terms of reference.

Each committee has access to the resources, information, and advice at the cost of the Group, in order to enable each committee to discharge its duties. These duties are set out in the terms of reference of each committee, copies of which are available on the Group's website. The Executive Directors may attend meetings by invitation. The meetings are formally minuted and once approved, the minutes of each meeting are circulated to the Board.

#### **Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

The Board endeavours to facilitate open investor dialogue with both institutional and retail investors, employees and other stakeholders.

The key components of the investor relations remit are the AGM, to which all shareholders are invited to attend and vote, and the full year and interim results presentations to analysts and institutional investors.

The corporate website carries the current and past editions of the Report and Accounts and Interim Report and Accounts, financial calendar, and dividend information as well as the disclosures required in satisfaction of AIM Rule 26, and regulatory announcements.

The Executive Directors, together with the Group's brokers meet with existing and potential shareholders to discuss our business strategy, plan, and progress. This enables a healthy dialogue to exist, and enables all interested parties to come to informed decisions about the Group.

The outcomes of all stewardship votes since the Group's listing are included on the Group's website at [www.premiermiton.com](http://www.premiermiton.com).

#### **Stakeholder engagement: Section 172 statement**

In the performance of their duties, the Directors, both individually and collectively, have exercised due regard for the matters set out in Section 172(1)(a) to (f) of the Company Act 2006, acting in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequence of any decision in the long-term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and the environment;

- The desirability of the Company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the Company.

The Board considers its key stakeholders to be its shareholder, employees, clients, suppliers, regulators, community and environment and the table on pages 66 and 67 details how we typically engage with each.

#### Key decisions during the year

In promoting the success of the Company, the Board considers the following to be the key decisions made during the financial year ended 30 September 2022:

#### Financial performance

- Approval of 2021 Annual Report and Accounts;
- Declaration of a final dividend;
- Approval of the half year review to 31 March 2022;
- Declaration of the interim dividend;
- Grant of awards under the 2016 LTIP with performance conditions;
- Review of quarterly management accounts; and
- Approval of the 2022 ICAAP and associated Pillar III disclosures.

#### Operational performance

- Receive reports and business updates from the CEO and COO;
- Receive quarterly business reports and operational oversight reports;
- Sanctions checks and related activities following the invasion of Ukraine by Russia;
- Receive and act on internal audit findings reports from Grant Thornton; and
- Institutional distribution channel under development.

#### Stakeholders

- Approve annually the Modern Slavery Statement;
- Receive regular updates from HR on various employee matters;
- Approval of FRC stewardship code submission and responsible investing Report;
- Commitment to Net Zero Asset Managers Initiative;
- Review and approval of applicable supplier-related policies; and
- Review and approval of annual reports from Data Protection Officers, MLRO and on product governance.

#### Governance

- Receive regular reporting and updates on governance developments;
- Annual Board evaluation;
- Annual review of the Matters Reserved of the Company; and
- Approval of Terms of Reference of standing committees of the Board.

## Section 172 Statement

### Shareholders:

The Company is AIM listed and keeping the confidence of shareholders through regular, transparent engagement over the course of the financial year encourages valuable dialogue with those who are invested in our success.

Stakeholder's key interests	How we engage
<ul style="list-style-type: none"> <li>• Long-term value creation underpinned by a talented team of investment professionals.</li> <li>• Good governance practices including adherence to the QCA Governance Code standards.</li> <li>• Ability to engage in meaningful dialogue.</li> <li>• The expectation of financial returns through dividend payments, balancing investment in growth with returns.</li> <li>• Scalable business platform covering investment, distribution and operations.</li> <li>• Dedicated and informative corporate website content.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring the Board has a clear understanding of its role and contribution to the success of the Group.</li> <li>• Transparency in the way we do business, maintaining good governance practices in line with the QCA Governance Code.</li> <li>• Balancing shareholder returns with investment in business initiatives to perpetuate our business and create long-term value.</li> <li>• Tracking achievement against strategic objectives throughout the year.</li> <li>• A clearly defined dividend policy targets an ordinary dividend payout of approximately 50 to 65% of profit after tax, adjusted for exceptional costs, share-based payments and amortisation.</li> <li>• Regular shareholder roadshows for institutional investors facilitated by the Nomad.</li> <li>• An accessible AGM that allows shareholders to attend in person or listen to proceedings via a live broadcast.</li> <li>• The provision of comprehensive investor materials available on the corporate website including all results, regulatory announcements and financial calendar.</li> </ul>

### Employees:

Looking after the interests of our employees ensures that they are well positioned to bring their skills to the pursuit of our strategic objectives and know that their contribution is valued. Our ability to deliver excellent investment outcomes and exemplary client services depends upon a corporate culture that promotes and supports good conduct and a collegiate working environment.

Stakeholder's key interests	How we engage
<ul style="list-style-type: none"> <li>• A healthy corporate culture that operates ethically and acts with integrity.</li> <li>• Regard for employee health and wellbeing.</li> <li>• A safe working environment.</li> <li>• Training and development opportunities.</li> <li>• Well-designed remuneration structures that attract and retain employees.</li> <li>• Ability to raise concerns safely.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintaining a compliant culture with good conduct across the Group through appropriate policies, monitoring and reporting.</li> <li>• Seeking views via regular employee engagement surveys and tracking feedback actions.</li> <li>• Regular business updates from the Group CEO.</li> <li>• Regular updates on people initiatives from HR.</li> <li>• Investment in employee training initiatives.</li> <li>• Formation of the Sports &amp; Social Committee and Equality, Diversity &amp; Inclusion Committee during the year.</li> <li>• Employees can raise concerns through various channels including staff surveys, discussion with line managers, HR and Compliance, and the whistleblowing procedures.</li> </ul>

### Community and environment:

The Group is committed to an active and growing role in corporate social responsibility and building a more sustainable future.

Stakeholder's key interests	How we engage
<ul style="list-style-type: none"> <li>• Commitment to high standards of corporate responsibility.</li> </ul>	<ul style="list-style-type: none"> <li>• The Environmental Committee has developed key initiatives including the Group's work towards net zero carbon emissions,</li> </ul>

<ul style="list-style-type: none"> <li>• Oversight of environmental, social and governance matters including climate risk.</li> <li>• Sustainable investment funds.</li> <li>• Reputation within the community.</li> <li>• Committed to carbon reduction.</li> </ul>	<ul style="list-style-type: none"> <li>calculating its greenhouse gas emissions and submitting the Group's CDP disclosure assessment.</li> <li>• Active engagement with industry bodies on responsible investment and climate risk.</li> <li>• The Group manages six specialist funds focused on Environmental, Social and Governance ('ESG') or sustainable factors.</li> <li>• This year, the responsible investment working groups have been supplemented by a formally constituted Responsible Investment Oversight Committee ('RIOC').</li> <li>• Premier Miton is a signatory of the FRC's Stewardship Code.</li> <li>• Adoption of the Responsible Investment Policy in September 2022.</li> <li>• The Group supports colleague volunteering activities.</li> </ul>
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## Clients:

The Group, acting via its two FCA regulated subsidiaries is focused on building and maintaining strong client relationships. Our clients are typically independent financial advisers and wealth managers who intermediate between the firm and the end consumer of our fund products.

<b>Stakeholder's key interests</b>	<b>How we engage</b>
<ul style="list-style-type: none"> <li>• A well-diversified range of investment products.</li> <li>• Ensuring the quality and content of product communications.</li> <li>• Reliable and efficient client services.</li> <li>• Regulatory compliance.</li> <li>• Treating customers fairly and consumer duty.</li> </ul>	<ul style="list-style-type: none"> <li>• The Board receives regular updates on advisory and discretionary client engagement to understand how clients' needs are evolving.</li> <li>• The Product Governance Committee undertakes a regular review of the Group's funds to ensure they are being managed in line with their objectives, policy and strategy.</li> <li>• Client facing teams strive to establish an understanding of client needs and expectations.</li> <li>• The costs associated with the Group's branded funds are subject to annual value assessment by the Board of Premier Portfolio Managers Limited, a Group subsidiary.</li> <li>• Due attention to treating customers fairly and the new consumer duty.</li> <li>• Close monitoring and handling of any client complaints.</li> <li>• Maintaining a user-friendly website for product related information.</li> </ul>

## Suppliers:

We aim to maintain good relationships with our suppliers and ensure they uphold high standards of ethical business conduct. The selection process and engagement with any third-party providers is guided by our Procurement Policy, supported by suitable due diligence processes and in accordance with our Modern Slavery Statement.

<b>Stakeholder's key interests</b>	<b>How we engage</b>
<ul style="list-style-type: none"> <li>• Minimising the inherent risks of outsourcing.</li> <li>• Promoting responsible and ethical business practices to maintain good long-term relationship with key suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>• The Board has delegated oversight of key business partnerships to management and receives regular reporting on the risks associated with outsourcing from the Audit and Risk Committee.</li> <li>• Monitoring and oversight of key third-party supplier relationships is undertaken by the Outsourcing Oversight Committee.</li> <li>• Senior management meet regularly with suppliers.</li> <li>• Routine contract renewal or tendering is undertaken at intervals.</li> <li>• Relevant policies, including the Procurement Policy, Anti-Bribery, Gifts and Entertainment, Legal Contracts Policy and Record Retention Policy, are in place and subject to annual review.</li> </ul>

## Regulators:

The regulated activities of the Group are undertaken via its two FCA regulated subsidiaries, and the Group seeks to maintain a positive and open relationship with the FCA.

### Stakeholder's key interests

- Transparency and integrity.
- Candid and regular dialogue.
- Proactive response to FCA initiatives and publications.

### How we engage

- Actively engaged, notably via the Quoted Companies Alliance and the Investment Association to ensure that we remain alert to legal and regulatory change.
- A regulatory change log is included at each regulated subsidiary meeting which highlights impact and timing of incoming regulatory change.
- Any direct contact from the FCA is responded to promptly.
- A comprehensive rolling programme of compliance training for all employees and for senior managers subject to the certification regime.
- A review of the duties delegated to certain committees on behalf of the regulated business was undertaken during the year to formalise the framework and enhance reporting.