

Chairman's Introduction to Governance



Dear Shareholder,

I am pleased to present our 2021 Corporate Governance Report for the Group which includes reports from the Audit, Risk & Compliance, Remuneration & Corporate Social Responsibility, Nominations & Succession and Disclosure Committees on pages 46 to 74.

Stephen Karle
Chairman

The Board has always been committed to applying the highest standards of corporate governance and has adopted the main principles of the 2018 UK Corporate Governance Code (the Code), although as an AIM-listed Company, we are not required to comply. At 27 February 2021, the only exceptions were (i) the Directors' Remuneration Report which has been prepared in accordance with AIM Rule 19 and (ii) Provision 11 of the 2018 Code which relates to the proportion of Non-Executive Directors whom the Board considers to be independent. However, the Board is satisfied that the arrangement regarding the proportion of non-independent Non-Executive Directors is correct for the business at this time and will keep the matter under review.

The Directors believe that this general approach is a firm foundation for good governance and clarifies not only the appropriate allocation of duties, authority, and responsibilities but also the way the Group meets its legal and regulatory obligations. I have also included a statement on pages 10 to 11 of the Strategic Report.

Board of Directors

Much work was done five years ago to first establish a Board equipped with the experience and expertise to drive forward the Group's future direction, strategy, and culture prior to the Company's admission to AIM. During this financial year, Board membership has evolved considerably. I welcome the appointments of Sheryl Lawrence and Michael Yeates as Independent Non-Executive Directors, replacing Baroness Simone Finn and Les Easson as Independent and non-independent Non-Executive Directors respectively. The Company has also recruited Graeme Campbell as CFO, allowing Andy Thomson to return to his previous role as Non-Executive Director, and appointed Gary Marshall, the Company's COO since July 2019, as Executive Director. The Board currently comprises six Non-Executive Directors and three Executive Directors, whose biographies are presented on pages 41 to 43. All Directors submit themselves for re-election or election at each Annual General Meeting in accordance with the provisions of the Code.

As Chairman, I carried out a formal Board evaluation process between January and March 2021. The performance of the other Non-Executive Directors was assessed against the quality of the discharge of their supervisory and stewardship roles. Their personal contributions at Board, in Committee and more widely, were considered, and the collective performance of the entire Board was reviewed, and any personal development areas identified. In addition, the progress of each individual against their 2021 objectives was reviewed, and objectives for 2022 were set and agreed.

My conclusion was that the Group has a Board that is engaged, has a wide variety of relevant experience, and is focused on outcomes – for customers, investors, employees, self-employed agents, and other stakeholders. The Board operates on a unitary basis, and we value the views of the Executive Management team whose members attend some Board meetings to provide specialist knowledge and experience.

I look forward to another year where the Group continues to develop, with a strong and experienced Board at its heart.

Stephen Karle
Chairman
13 May 2021

