

# Corporate Governance Statement

Biographies of directors are set out at the back of this Report and Accounts immediately prior to the Notice of Annual General Meeting. In proposing retiring directors for re-election at the Annual General Meeting, the Board has considered the skills, experience and contribution of each, as part of an ongoing process.

Your Board is committed to the principles supporting good corporate governance from executive level and throughout the operations of the business.

Fiske plc is listed on AIM and all such companies are required to comply with a recognised corporate governance code. The Board adopted the Quoted Companies Alliance Corporate Governance Code (QCA) for Small and Mid-Size Companies. The Board believes that the QCA Code is both proportionate and appropriate in view of our size, strategy and resources. The QCA Code consists of 10 broad and accessible principles together with a set of minimum disclosures that are considered to be appropriate for both companies that are at an early stage of development and organisations that are more established.

Our Corporate Governance Statement, which aims to assist shareholders in understanding our approach to corporate governance, can be found on our website.

## **The Board**

The Board is collectively responsible for the management of the company and its success by directing and supervising its activities. It is also responsible for setting the company's culture and promoting our core values of dealing with all stakeholders with integrity, acting professionally and treating all fairly and with respect.

## **Board Composition**

During the period, the Board comprised three executive and two non-executive directors. The two non-executive directors are considered independent directors. All directors submit themselves for re-election at least every three years. MHW Perrin, a non-executive director who has served on the Board for over nine years, submits himself for re-election each year.

The Remuneration and Nomination Committee (a standing committee of the Board) is responsible for reviewing the composition of the Board and, when appropriate, follows a transparent process when identifying potential candidates for appointment to the Board. Such candidates will need to be duly knowledgeable with the appropriate skills; can work together with existing members and have a voice at Board meetings by taking decisions objectively in the interests of the company. The people chosen will have the necessary experience and practical ability required to develop and deliver the strategy and business model of the Company.

## **Board Effectiveness**

I believe that the Board has an effective and balanced structure. The existing members have the appropriate skill and a wealth of experience in the financial services sector which enables them to challenge, motivate and enhance our business to the benefit of all stakeholders, shareholders, clients, employees and suppliers alike.

Members of the Board, Investment Managers and all employees of the Group are required to undertake continuous professional development to maintain their skillset.

The three executive directors are full time employees. As regards the two non-executive directors I am satisfied that they continue to devote sufficient time to their roles with the Company.

## Corporate Governance Statement (continued)

### Shareholder engagement

As Chairman I am aware that understanding our shareholders' and other stakeholders' interests is crucial in building trust and explaining what has transpired during the past year. I have had dialogue with some of the significant shareholders to discuss company matters and their comments about Fiske plc. The dialogue with other shareholders would take place at the Annual General Meeting where we encourage questions from our shareholders. We publish the results of shareholder votes at General Meetings on our website.

Finally, Corporate Governance is dynamic and as the Board develops the strategy of the Company or the business model is changed the governance by the Company will evolve to meet the changing circumstances.

### Attendance at meetings

In the period to 30 June 2022, attendance at meetings can be quantified as:

	Scheduled Board meetings	Remuneration and Nomination committee	Audit committee	Risk Committee
Number of meetings in the period	13	1	3	5
Clive Fiske Harrison	13/13	1/1	-	-
James Harrison	13/13	-	3/3	5/5
Tony Pattison	13/13	-	-	-
Martin Perrin	13/13	1/1	3/3	5/5
Alexander Fiske-Harrison	12/13	1/1	3/3	-

### Internal Control

The Board of Directors recognises that it is responsible for the Group's systems of internal control and for reviewing their effectiveness. Such systems, which include financial, operational and compliance controls and risk management include:

- the ongoing identification, evaluation and management of the significant risks faced by the Group;
- regular consideration by the Board of actual financial results;
- compliance with operating procedures and policies;
- annual review of the Group's insurance cover;
- defined procedures for the appraisal and authorisation of capital expenditure and capital disposals; and
- regular consideration of the Group's liquidity position.

When reviewing the effectiveness of the systems of internal control, the Board has regard to:

- a quarterly report from the Head of Compliance covering FCA regulatory matters and conduct of business rules;
- the level of customer complaints;
- the prompt review of daily management reports including previous days' bargains, unsettled trades and outstanding debtors;
- the regular reconciliation of all bank accounts, internal accounts and stock positions; and
- Management Committee meetings of Executive Directors for the day-to-day running of the business.

## Corporate Governance Statement (continued)

### Customers

The Directors set it as a priority that customers and their affairs are well looked after, and customers and their treatment is specifically reviewed at each Board meeting. The Board believes that building good relationships with clients over a sustained period of time creates a better investment environment and basis for the Company's future.

*Clive Harrison*

**Clive Fiske Harrison**  
**Chairman**

19 October 2022

# Corporate Governance Statement (continued)

## Remuneration and Nomination Committee Report

### Composition and constitution

The Remuneration and Nomination Committee is appointed by the Board and consists of not less than two members. The members of the remuneration and nomination committee are:

C F Harrison (Chairman),  
A R Fiske-Harrison and  
M H W Perrin

The Committee normally meets twice a year. The purpose of the committee is to

- (i) ensure that the Group's executive directors, Associates and senior executives are fairly rewarded for their individual contributions to the Group's overall performance, and
- (ii) demonstrate to all the stakeholders in the business that the remuneration of the executive directors and senior executives of the Group is set by a Remuneration Committee of board members, who are independent and have no personal interest in the outcome of their decisions and who will give due regard to the interests of the Group.

The Committee is authorised by the Board to

- (i) pursue or investigate any activity within its terms of reference, and
- (ii) to obtain outside legal or other independent professional advice (advisers with relevant experience and expertise may attend meetings of the Committee if the chairman of the Committee considers this necessary).

### Areas of Focus

The work of the committee is

- (i) to determine the remuneration of executive directors and to approve any changes to their other terms and conditions including pensions and contractual notice arrangements,
- (ii) to supervise the establishment of, and changes in, employee and executive share option schemes and other employee benefit schemes,
- (iii) to approve all share option allocations and to be consulted in regard to proposals for the grant of share options to staff,
- (iv) to monitor and review the membership and composition of the Board and senior executives; to consider appointments to and promotions within the Board, plans for succession and to make recommendations to the Board on Board appointments, promotion and succession generally.

Signed on behalf of the Remuneration and Nomination Committee

*Clive Harrison*

### Clive Fiske Harrison

Chairman, Remuneration and Nomination Committee

# Corporate Governance Statement (continued)

## Risk Committee Report

### Composition and constitution

The Risk Committee is appointed by the Board and consists of not less than two members. The members of the risk committee are:

M H W Perrin (Chairman), and  
J P Q Harrison, CEO

In addition, meetings are generally attended by two or three senior executives as required. The Committee formally meets at least twice a year. In practice, most of its work is executed by its members on a continuous basis in conjunction with senior operational management.

The purpose of the committee is to

- (i) review the full spectrum of risks and the impacts on business planning and capital requirements,
- (ii) promote risk management within the company, helping to integrate risk management within the company infrastructure and day-to-day business processes, and
- (iii) provide appropriate risk information to the Board.

The Committee is authorised by the Board to

- (i) pursue or investigate any activity within its terms of reference,
- (ii) to seek any information that it requires from any employee and all employees shall be directed to co-operate with any request made by the Committee,
- (iii) to obtain outside legal or other independent professional advice, and
- (iv) to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

### Areas of Focus

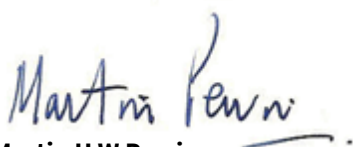
The work of the committee is

- (i) to identify and evaluate the key risk areas to the business,
- (i) to identify those individuals who are accountable for managing specific risks,
- (ii) to assess the incidence and impact of various risks,
- (iii) to design and implement controls by which those risks can be managed and maintained at a level acceptable to the Board and
- (iv) to monitor and review results.

During the period there has been continued focus on new internal policies and procedures, and on preparations for new ICARA processes and documentation including new scenario planning. This work continues to be carried out in conjunction with the Audit committee and with assistance from external consultants.

The committee interacts with the work of the audit committee to maximise comprehensive coverage of internal controls and interacts with management activities to address client assets and CASS recovery, the application of company policies and regulatory reporting.

Signed on behalf of the Risk Committee



**Martin H W Perrin**  
Chairman, Risk Committee

# Corporate Governance Statement (continued)

## Audit Committee Report

### Composition and constitution

The Audit Committee is appointed by the Board and consists of not less than two members, two of whom are to be non-executive directors. The Chief Executive, the Senior Financial Officer, the Head of Compliance and a partner of the external auditors will attend meetings of the Committee as required. The members of the audit committee are:

M H W Perrin (Chairman),  
C F Harrison, and  
A R Fiske-Harrison

The Committee formally meets at least twice a year. In practice, much of its work is executed by its members on an as needed basis.

The purpose of the committee is to

- (i) ensure that management has systems and procedures in place to ensure the integrity of the financial information reported to the shareholders and in the maintenance of a sound system of internal control; and
- (ii) to provide, by way of regular meetings, a line of communication between the Board and the external auditors.

The Committee is authorised by the Board to

- (i) investigate any activity within its terms of reference,
- (ii) to seek any information that it requires from any employee and all employees shall be directed to co-operate with any request made by the Committee,
- (iii) to obtain outside legal or other independent professional advice, and
- (iv) to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

### Areas of Focus

The work of the committee is

- (i) to consider the appointment of the external auditor, the audit fee and any questions of resignation or dismissal,
- (ii) to review the non-audit services supplied to the Company by the external auditor,
- (iii) to consider with the external auditor the nature and scope of the audit,
- (iv) to consider internal audit functions and priorities,
- (v) to review the interim and full year financial statements and related announcements/press releases before submission to the Board focusing particularly on:
  - a) application of the Company's accounting policies,
  - b) any changes in accounting policies and practices,
  - c) the going concern assumption,
  - d) compliance with the Stock Exchange, legal and other regulatory requirements, and
  - e) the statement on internal control.
- (vi) to discuss any problems and observations and recommendations arising from the interim review and final audit and the Report of the Auditors to the Audit Committee, including their Significant Risks dashboard, any weaknesses identified, or recommendations made in respect of the Company's accounting systems or internal controls and any matters the auditor may wish to discuss (in the absence of management where necessary),
- (vii) to review the external auditor's report on their audit of full year financial statements and on their review of interim statements and management's response.
- (viii) to consider any other topics, as may arise.

There were no interactions between the Company and the Financial Reporting Council during the period.

## Corporate Governance Statement (continued)

In reviewing the preparation of the Report and Accounts, the critical accounting judgments and key uncertainties were evaluated, and further information is set out in note 2 to the accounts.

During the period there has been continued focus on preparations for new ICARA processes and documentation by way of an upgrade to our ICAAP documentation. This work continues to be carried out in conjunction with the Risk committee and with assistance from external consultants. Also, in conjunction with the work of the Risk Committee, the risk and control framework and processes have been reviewed with rolling updates to policies and procedures.

The Company looks to augment internal resources with the use of external resources to carry out internal audit activities on a project by project basis. This does not normally affect the work of external auditors.

It is the Company's policy to balance guidelines on auditor rotation with the cost benefits of continuity. There are no contractual restrictions on auditor choice. BDO were first appointed to carry out the audit of the report and accounts of the Group for the period to May 2020. BDO also provide tax advisory services: the Board do not consider that this gives rise to any material conflict of interest. The Audit Committee assess the effectiveness of the audit on the basis of avoiding last-minute surprises, timely completion of the audit, on audit costs being on budget and on the efficiency and industry knowledge of the audit staff.

### **Whistleblowing**

The Chairman of the Audit Committee is the Whistleblowing Champion for the Firm. It is formal policy that any member of staff may contact the Whistleblowing Champion privately.

Signed on behalf of the Audit Committee



**Martin H W Perrin**  
Chairman, Audit Committee

### **Further information**

Shareholders may review the detail on Fiske's Corporate Governance on our website at [www.fiskeplc.com](http://www.fiskeplc.com).