S 172 (1) Statement

Under Section 172(1) of the Companies Act 2006, the Directors are required to describe how they consider a broad range of stakeholders when performing their duty to promote the success of the Company. Section 172 requires that a director of a company must act 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:

(a) the likely consequences of any decision in the long term;

(b) the interests of the company's employees;

(c) the need to foster the company's business relationships with suppliers, customers and others;

(d) the impact of the company's operations on the community and the environment;

(e) the company maintaining a reputation for high standards of business conduct; and

(f) the need to act fairly as between members of the company.

Long term decision making

When making decisions, the Company's Board considers the long-term impact of its decisions on its key stakeholders, including its clients, shareholders and employees.

Our business has continued to trade successfully, and this is testament to our focus on core values, a clear strategy, the consideration of our stakeholders during our decision-making process, in which long term consequences are considered. We detail in this statement how we engage with our key stakeholders. The Company has a number of stakeholders but the key stakeholders with which the firm engages regularly are our employees, our regulators, our clients and our shareholders and together they are central to our long-term success.

During the year, work started in earnest on the update to the IT landscape, effecting all departments and functions. Known as Project R, this project is expected to take between 3 and 5 years and focusses on upgrading all aspects of the IT landscape in order to bring increased efficiency across the Group, as well as improved client experience and ready access to our markets. The impact on specific stakeholders is considered below.

Culture and values

The Company continues to focus on its culture and values with ongoing management commitment to the tone from the top principle. It is within the Company's culture to promote high standards of conduct within the Company and with all external parties. During the year the Board continued to strengthen the "Visions and Values" statement, which sets out the six key values to the Company, with its directors and its employees by embedding these values directly into objective setting within the Personal Development Review ("PDR") for all employees. These values show that the Group is looking beyond profit in order to build a sustainable business, which invests in people and technology, and one which has a positive impact on local and global communities, and embedding these within employees' objectives shows the importance the Directors' place on driving the business towards the success of these values.

Employees

Our employees are our key asset and central to how we move forward as a business. We are committed to investing in our employees' development and progression. The Company provides a range of benefits, which will help our employees achieve long term success in their careers. The PDR and continuous feedback are at the heart of our performance culture, ensuring alignment between individual objectives and long-term business strategy. Our PDR is a valuable tool to understand how our policies are impacting staff and where there is scope for us to make positive changes to our business and our focus on embedding our values across the Company had a positive employee engagement. The Company uses a staff survey to obtain employee feedback. The Directors use the information to target areas for improvement. The survey has proved valuable in building a committed employee base. In addition, our investment in the rollout of external training platforms to all employees for both business and non-business related learning shows the importance we place on development and how we value our staff.

Regulators

As Directors of a regulated investment firm, we believe adherence to all relevant regulation is central to the way the Company conducts its business. The Company always engages positively and openly with the regulator, which has been particularly relevant during this extended period of regulatory change. Engagement with the regulator is maintained through regulatory seminars, round table events, and participating as members of key industry bodies, and supplemented by regular training on key regulatory areas. The Company is in regular contact with regulators as required, and work with them to ensure the Company is not only compliant, but in as strong a position as possible, including conducting annual fire drills for areas considered key risks from both a Group and regulator perspective.

Clients

We have a client focused strategy, and this is clearly demonstrated by the way the Company's employees engage with our clients to understand their business and their needs. The structural change made this year evidences the importance of our clients and the way the Company wants to engage with them going forward. The Company engages through meeting with its clients on a regular basis; this will include visiting the clients' places of business, phone calls and electronic communications and hosting client events in the major trading locations. This engagement has guided some of our strategic decisions regarding the new markets we have entered, as we look to meet the expectations of our clients. The Directors' contribution and feedback on the strategy is a key part of driving successful outcomes for clients.

As mentioned in the long term decision making, the IT landscape upgrade is underway with one of the main aims to bring about an enhanced client experience and faster access to markets, allowing all clients better and more informed decision making, as well as attracting new clients thanks to these advantages.

Shareholders

As a wholly owned subsidiary of Mitsui & Co., Ltd our shareholder engages fully with our strategy, objectives and performance. The Company has an open communication channel with the shareholder. The management of this relationship and the building up of trust is key to the Company's success. The Chair of the Board, who is based within the parent company, is able to share insights into the strategy of the parent, which is critical as the Company continues to expand.

Along with an improved client experience, another key aim of the IT upgrade is to enhance return on equity for our Parent and shareholder through increased efficiencies and lower overall costs. The Directors are confident that the investment in the project will return a positive outcome for our shareholder.

Environment

Although our activities are primarily office-based, we are aware of the role we can play in protecting the environment. Whether it is by reducing wastage, improving recycling or digitising workflows, we aim to improve our efficiency and minimise our environmental impact. The Company works closely with its building management company in reducing waste, with monthly recycling percentages monitored and disseminated to all employees encouraging more recycling and less water usage. Energy savings measured, such as reduced out of hours lighting and non-use of meeting rooms, has also been instigated during the year.