

## Board Governance

### Leadership and responsibilities

#### The role of the Board

The Board provides leadership by setting our strategic direction and overseeing management's execution of the strategy. It is responsible for establishing our purpose and values, and for ensuring that our culture and behaviours are both appropriate and consistent. It provides robust challenge within a framework of effective risk management and internal controls. The Board receives timely and comprehensive information so it can discharge its responsibilities, to encourage strategic debate, and to facilitate robust, informed and timely decision-making. In addition, Directors receive briefings from the CEO, CFO and other members of the Executive Committee in between meetings.

The Board is also collectively responsible for promoting our long-term sustainable success for the benefit of our shareholders, through the creation of long-term value and contribution to wider society. The Board understands the importance of stakeholder engagement, and works hard to ensure as much effective engagement as possible with our clients, shareholders, people, suppliers, regulators and communities, as well as considering the impact of our activities on the environment. You can read more in the Stakeholder Engagement and Section 172 (1) sections on pages 20–22.

As a collective body and as individual Directors, the Board is responsible for ensuring that it has the appropriate skills, knowledge, diversity and experience to perform its role effectively and independently.

#### How the Board operates

The Board meets regularly, at least six times a year. During the last year, the Board held six scheduled meetings.

Senior Executives below Board level are invited to attend meetings as required to present and discuss matters relating to their business areas and functions.

The full Board also meets when necessary to discuss important ad hoc emerging issues that require consideration between scheduled Board meetings. No such meetings were held this year.

Each Director commits an appropriate amount of time to their duties during the financial year. The Non-Executive Directors met the time commitment reasonably expected of them pursuant to their letters of appointment.

The Chair and Non-Executive Directors regularly meet in the absence of the Executive Directors, and separately with just the CEO present. During the year, the Board, led by the SID, met without the Chair present, to evaluate his performance.

### Attendance at Board and Committee meetings

The number of Board and Committee meetings attended by each Director during the year is set out below. Where Directors are unable to attend meetings, they are encouraged to give the Chairs their views in advance on the matters to be discussed.

	Board	Nomination Committee	ESG Committee	Audit Committee	Board Risk Committee	Remuneration Committee
<b>Chair</b>						
Mike McTighe <sup>1</sup>	6 of 6	4 of 4	–	–	–	8 of 9
<b>Independent Non-Executive Directors</b>						
Jonathan Moulds	6 of 6	4 of 4	–	–	8 of 8	9 of 9
Rakesh Bhasin	6 of 6	–	4 of 4	6 of 6	–	–
Andrew Didham	6 of 6	–	–	6 of 6	8 of 8	9 of 9
Wu Gang	6 of 6	4 of 4	–	–	8 of 8	–
Sally-Ann Hibberd	6 of 6	–	4 of 4	–	8 of 8	9 of 9
Malcolm Le May <sup>2</sup>	4 of 6	–	3 of 4	6 of 6	–	–
Susan Skerritt <sup>3</sup>	5 of 6	–	–	1 of 1	8 of 8	–
Helen Stevenson	6 of 6	4 of 4	4 of 4	–	–	9 of 9
<b>Executive Directors</b>						
June Felix	6 of 6	–	–	–	–	–
Charlie Rozes	6 of 6	–	–	–	–	–
Jon Noble	6 of 6	–	–	–	–	–

<sup>1</sup> Mike was unwell with Covid and sent his apologies for one Remuneration Committee meeting (June 2022)

<sup>2</sup> Malcolm sent his apologies for Board (July and November 2022) and ESG Committee (October 2022) meetings due to prior commitments

<sup>3</sup> Susan was appointed to the Audit Committee on 1 March 2023. She sent her apologies for one Board meeting (March 2023) due to a prior commitment

## Board Governance continued

### Succession planning and appointments to the Board

The Nomination Committee has specific responsibility for considering the appointment of Non-Executive and Executive Directors and recommending new appointments to the Board. It takes a proactive approach to succession planning. You can find more information on the work of the Nomination Committee in the Nomination Committee Report on pages 74–75. The whole Board is also involved in overseeing the development of management resources across the Group.

### Induction

Following appointment, each Director receives a comprehensive, formal induction, linked to their individual experience, to familiarise them with their duties and our business operations, risk and governance arrangements. The induction programme, which is coordinated by the Company Secretary, may include briefings on relevant industry and regulatory matters, our strategy and business model, our history, risk management and risk appetite, as well as meetings with senior management in key areas of the business. These are supplemented by induction materials such as recent Board papers and minutes, organisation structure charts, governance matters, and relevant policies. Newly appointed Directors may also meet the Company's External Auditor, brokers and advisers, and attend a presentation from the Company Secretary and the Company's external legal counsel on the roles and responsibilities of a UK-listed company director.

### Ongoing professional development

To facilitate greater awareness and understanding of our business and operating environment, all Directors are given regular updates on relevant changes and developments.

Training opportunities are provided through internal meetings, workshops, presentations and briefings by internal advisers and management, as well as by external advisers. The Company Secretary regularly updates the Board on any relevant legislative and regulatory corporate governance-related changes.

The Directors meet with Executives to receive further insights into the operations of the business in the jurisdictions where we operate.

The Chair ensures that the Directors continually update and refresh their skills and knowledge.



Helen Stevenson, Non-Executive Director, Teach First UK school visit

## Board Governance continued

### Board accountability

#### Financial and business reporting

The Strategic Report on pages 9–55 describes our purpose, strategy and business model, which guide how we generate and preserve value over the long term and deliver our objectives.

A Statement of the Directors' Responsibilities in Respect of the Financial Statements is set out on page 122, and a statement regarding the use of the going concern basis in preparing these Financial Statements is provided in the Going Concern and Viability Statement on pages 54–55.

#### Risk management and internal control

We are exposed to a number of business risks in providing products and services to our clients. The Board is responsible for establishing the overall appetite for these risks, which is detailed and approved in the Principal Risks and Risk Appetite section set out on pages 49–53, and for ensuring the maintenance of, and annually reviewing, our risk management and internal controls.

Our Risk Management Framework is supported by a system of internal controls, designed to embed the effective management of our key business risks. The risk management and internal control systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable assurance against material misstatement or loss.

Through reports from the Board Risk Committee and the Audit Committee, and consideration of the ICARA and Wind-Down Plans, the Board regularly reviews and monitors our risk management and internal control systems, and the effectiveness with which we manage the emerging and principal risks we face.

The Directors confirm that the Board has carried out a robust assessment of the principal and emerging risks we face, including those that would threaten our business model, future performance, solvency or liquidity. We outline the risks to which we are exposed and the framework under which these risks are managed, including a description of the system of internal controls, in the Risk Management section on page 48, and in the Going Concern and Viability Statement on pages 54–55.

An annual formal review of the effectiveness of our system of risk management and internal controls has been carried out which supports the statements included in the Annual Report and Financial Statements. The review focused on the overall Risk Management Framework and the setting of our risk appetite. It considered the key risk assessment and monitoring activities, as well as the processes and controls in place to manage our principal and emerging risks, and for escalating exceptions highlighted by the risk-management processes. No significant failings or weaknesses were identified during the year.

There are risk management and internal control systems in place for identifying, evaluating, and managing the principal and emerging risks facing us in accordance with the Code and FRC guidance.

Throughout the year and up to the date of this report, we have operated a system of internal controls that provides reasonable assurance of effective operations covering all controls, including financial and operational controls, and compliance with laws and regulations.

### Internal controls over financial reporting

Our financial reporting process has been designed to provide reasonable assurance regarding the reliability of the financial reporting and preparation of Financial Statements, including consolidated Financial Statements, for external purposes in accordance with UK-adopted International Accounting Standards. The assessment of the overall effectiveness of the governance and risk and control framework included reviews of systems and controls relating to the financial reporting process.

Internal controls over financial reporting include procedures and policies that:

- Relate to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposals of our assets and liabilities
- Provide reasonable assurance that transactions are recorded as necessary to permit the preparation of Financial Statements, and that receipts and expenditures are being made only in accordance with authorisations of management and respective Directors
- Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposal of assets that could have a material effect on our Financial Statements