



# **Personal Group Holdings Plc**

Statement of Compliance  
with the QCA Corporate  
Governance Code

March 2022

## Chairman's Introduction

My role as Chairman of Personal Group is to ensure that the Board is performing its role effectively. This means making sure the Directors have the capacity, ability, structure, diversity and support to respond to the opportunities being created for us, whilst having consideration of our responsibilities under s172 of the Companies Act 2006.

I also have responsibility for ensuring the robust governance of the Group through challenge and direction of the Senior Leadership Team. Good governance should enhance performance and deliver positively for our shareholders, staff, customers, suppliers and other stakeholders whilst still enabling achievement of the Group's strategic aims.

The Board continues to have a significant role to play in establishing the culture of the business, ensuring that it is consistent with our business model and suitably cascaded through the Group. This is monitored through engagement with the wider investor community, through involvement of the Board Committees and by use of the wide-ranging experience, skills and capabilities of Board members.

We have worked on an integrated succession plan for the Board and, as noted in the Annual Report and Accounts 2021, I assumed the role of Chair of the Group, and Liam McGrath joins us as the Chief Operating Officer.

This year has seen continued challenges throughout the world as a result of the COVID-19 pandemic, the Board has been focused on supporting the Senior Leadership Team in delivering support to encourage and facilitate hybrid working to support the different needs for different roles. Ensuring our staff have the right support, not just in terms of equipment but also with their mental health, has been a major priority for the Board during this time.

In 2021, we continued to develop our governance processes to improve adherence to the Quoted Companies Alliance (QCA) Corporate Governance Code which the Group adopted in 2018. The Board does not consider that it departs from any of the principles of the Code and we continue to monitor our performance against each of the 10 principles. The Board is able to deliver effective decision making and subsequent drive of value for shareholders, based on the quality information which it receives.

The Board met 10 times in 2021 and the number of meetings each Director attended can be seen on pages 50 and 51 of the Annual Report and Accounts. In addition, the reports of the Audit, Risk and Compliance, Nominations and Senior Managers and Certifications Regime Committee, and Remuneration Committees can be seen on pages 53,54, 57 and 60.

### **Martin Bennett**

Independent Non-Executive Chairman

# Principle 1

## Establish a strategy and business model which promote long-term value for shareholders

Personal Group provide insurance services and a broad range of employee benefits and wellbeing products to businesses across the UK. The Group enable employers to improve employee engagement and support their people's physical, mental, social and financial wellbeing, supporting our vision of creating a brighter future for the UK workforce.

Full details of our business model and strategy can be found in the Strategic Report section of our Annual Report and Accounts which is available on the Personal Group Investor website: Results Centre | Personal Group – Personal Group.

In 2021, we introduced a Retail Investor Webinar in addition to the Annual General Meeting, to maintain communication with our investors during the pandemic, and this has worked so well that we plan to retain into the future. For more information, you can watch our Retail Investor Webinar here: [Personal Group H1 21 Results Presentation](#)

There is also a website for Policyholders – [Home – Personal Group](#), and a link for Personal Group's Business Services – [Home – Hapi](#)

## What we do



### Affordable Insurance

Hospital plan and death benefits policy provision: simple 'fair- deal' plans that are secured for the lifetime of the policy, providing people with peace of mind if the unexpected happens - all for the price of a cup of coffee a week.



### Benefits Platform

Hapi – A market leading, fully customisable, employee engagement platform and app. Flexible and easy to use, Hapi allows businesses to integrate existing benefits and connect all aspects of mental, physical, social and financial wellbeing with communication and engagement tools.

Hapiflex - offering flexible benefits, is also available for more complex requirements.

Sage Employee Benefits – An employee engagement product designed for the SME market. Operates on a monthly subscription model for Sage's payroll customers, delivered by Personal Group.



### **Pay and Reward**

Innecto Reward Consulting – A suite of solutions helping HR develop and implement fair, consistent and best fit programmes.



### **Other Owned Benefits**

PG Let's Connect: Enables employers to provide a benefit scheme that allows their employees to access the latest consumer technology and other high end products from leading manufacturers and spread the cost either by salary sacrifice or net pay arrangements.

## Principle 2

### Seek to understand and meet shareholder needs and expectations

Personal Group remains committed to listening and communicating openly with its shareholders to ensure that its strategy, business model and performance are clearly understood. Understanding what analysts and investors think about us, and in turn, helping these audiences understand our business, is a key part of driving our business forward and we actively seek dialogue with the market.

To ensure dialogue with shareholders is consistently maintained, the Company employs the services of a broker and a financial and corporate communications agency. Through our investor relations programme which includes regular updates, meetings, roadshows and our Annual General Meeting (AGM), we ensure that shareholders views are brought into the Boardroom and considered in our decision making.

To improve communications across investors, clients and customers, we have created three separate websites to cater for these specific groups, as referenced under Principle 1 (above).

#### Private shareholders

The AGM is the main forum for dialogue with shareholders and the Board. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. The chairs of the Board and all committees, together with all other Directors, routinely attend the AGM and are available to answer questions raised by shareholders. For each vote, the number of proxy votes received for, against and withheld, is announced at the meeting. The results of the AGM are subsequently published on the corporate website.

Due to the ongoing pandemic, PG hosted a Retail Investor webinar in March 2021 to ensure we continued to meet our commitments to shareholders. This worked very well and we plan to retain this in future years.

#### Institutional shareholders

The Directors actively seek to build relationships with institutional shareholders. Shareholder relations are managed primarily by the Chief Executive and Chief Financial Officer (CFO). In addition, the Independent Non-Executive Chairman is available to meet with major shareholders if required to discuss issues of importance to them.

Regular direct dialogue with shareholders is maintained through a system of formal and informal meetings throughout the year. Meetings are undertaken by the Chief Executive and CFO and provide a strong understanding of financial market perception and support the effective management of market expectations. Formal meetings include making presentations to analysts and institutional shareholders immediately following the announcement of the Group's full and interim results releases and at the Group's AGM. Informal meetings take place throughout the year and are not necessarily based around news flow. They are designed to

actively maintain and build relationships and, alongside the provision of independent feedback and the circulation of analyst research notes and comment, are aimed at ensuring the Board maintains a strong understanding of market views and opinions.

To request any investor meetings, please contact [investorrelations@personalgroup.com](mailto:investorrelations@personalgroup.com)

## Principle 3

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

Our business is driven by a passion and commitment to improve the wellbeing of our people, our communities and our environment. We pride ourselves on doing the right thing, a value that is shared throughout our entire organisation, and this goes beyond our day-to-day work, impacting our approach to how we operate as a business at all levels.

As a Board we understand our duty to promote the success of the Company whilst considering the views of, and impact on, our wider stakeholder group of customers, clients, colleagues, suppliers, our community and environment, as well as our shareholders. Engaging with all groups, via both formal and informal channels, strengthens our relationships and helps us stay connected.

#### Our people

Our employees are at the heart of our business. We take being a great place to work very seriously and, despite the implications of lockdown and remote working, our employee engagement scores have remained strong at 72%, and the Board has set an expectation to build this to 80% over the next three years.

We are also focused on investing in and improving the wellbeing and overall satisfaction of our own workforce both at and outside of work, including having conducted a thorough review of rewards and benefits offered to employees in 2021. Personal Group employee engagement and wellbeing is delivered through our industry leading platform, Hapi and our continued high employee engagement scores reflect our committed and passionate team. Post-period end the Group appointed the Hon Colonel Dame Kelly Holmes MBE as Chief Wellbeing Ambassador. In this role Dame Kelly will be helping to guide Personal Group's wellbeing strategy, to ensure that our offering remains as meaningful, relevant and impactful as it can be.

Despite disruption from the pandemic, in 2021 Group employees completed approximately 6,868 training hours. This is a very positive increase of 283% from 2020. The increase in training hours was helped by an increase of face-to-face delivery or longer virtual sessions, as opposed to all virtual or just e-learning courses in 2020.

Diversity, Equality and Inclusion is an integral part of the Company's objective of providing a welcoming and inclusive working environment, and the Board strives for equality of opportunity for all and for the Company to reflect the diverse communities that we serve. Not only is this the right thing to do, but we believe that diverse, inclusive teams are higher performing and better for our growth. As such the Board has put a number of initiatives in place to ensure the Company's desired culture is enhanced. These include:

- A diversity and Inclusion working group, to ensure that as an organisation, we continue to celebrate and support inclusivity and diversity within our workforce.

- A Nominations and Senior Managers and Certification Regime Committee, responsible for reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and making recommendations to the Board with regard to any changes.
- A policy regarding the gender diversity of the board, aiming to keep the gender balance neutral.

As we look forward to 2022, the business has several core projects on its agenda. These will focus on three key areas: creating a high-performance culture, building our potential for now and the future and becoming an employer of choice. To support these, there are plans to launch an Accelerated Development Programme, a Mentoring Programme and we are also reviewing our reward strategy in line with our company goals.

### **Our community**

We encourage all our employees to engage in the local community and work with our PACT Committee to utilise the funds in the Personal Assurance Charitable Trust to support charities at home and abroad as discussed on page 42 of our Annual Report and Accounts. We are currently reviewing ways in which the Group can be more active in the local community and are beginning discussions with local schools and colleges to support them and to offer ourselves as a work experience possibility for their students.

### **Our environment**

Although the environmental footprint of our business is relatively small compared to others, reducing our impact on the environment remains a key focus. We have decreased our carbon footprint by installing solar panels at our headquarters. Since installation in May 2021, we have produced enough energy to power a home for 12,160 hours, or the equivalent of planting 71 trees. We have also committed to reduce 2019 CO2 usage levels by 25% over the next three years, working towards our goal of becoming net carbon neutral by 2030.

Further details on our ESG agenda and CSR can be found on pages 38 - 43 of our Annual Report and Account, available on our company website ([www.personalgroup.com](http://www.personalgroup.com)).

### **Whistleblowing**

All staff have undergone training on the Whistleblowing Policy and are encouraged to report incidents of concern in relation to any type of activity where the usual feedback control mechanism is either not appropriate or unavailable. As Independent Non Executive Director, Bob Head is the Group's Whistleblowers' Champion, ensuring the systems in place are suitable so any compromise in our values or behaviour can be reported in a confidential manner.

### **Modern slavery**

Our supply chains consist of global suppliers providing a range of goods and services to our business, clients and customers. High standards of corporate governance are a priority to the Group with the Board ensuring that our Procurement and Supplier Management Policy is followed when engaging a new supplier or reviewing an existing relationship. This confirms the supplier's commitment to the identification and eradication of slavery and human trafficking

through the due diligence process and overall management of suppliers.

We also require all staff to successfully complete Anti-Modern Slavery training as part of their induction in order to embed these principles in our wider business model.

Across the reporting period there have been no instances that do not comply with the Modern Slavery Act.

Our policy is available on the Personal Group website:  
<https://www.personalgroup.com/modern-slavery-act>.

## Principle 4

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

The Board is responsible for prudent oversight of the Group and ensures it is conducted in accordance with sound business principles and within applicable law, regulation and Government guidelines. The Board approves the risk appetite and tolerance levels and regularly reviews the effectiveness of the risk management system.

The risk environment is managed in a two-pronged approach: top-down risks that threaten the strategic plan and bottom-up risks identified within business areas. The risks are captured on a risk register where the gross, or inherent, risk is identified, with the net, or residual, risk after identifying operational controls and mitigating actions.

Responsibility to maintain the register as well as to implement and monitor mitigating actions sits with members of the Senior Leadership Team according to their role and function. Each month a Risk Forum is held where the Senior Leadership Team discuss the key risks, both current and emerging. Mitigating activities and timelines for implementation are agreed so that the Group can continue to achieve its strategic objectives.

The risks facing the business are discussed at each Board meeting and in greater detail at the quarterly Risk and Compliance Committee meeting. The Board is satisfied that, through the processes set out above, it can effectively identify, assess and manage current and emerging risks.

#### Rink management three lines of defence



## **Risk vision and strategy**

To achieve its objectives as well as sustainable profitability, the Group will pursue opportunities that give rise to risk. Therefore, we have adopted an Enterprise Risk Management Framework as part of our decision-making and business management processes. As a result of this rigorous approach, the Group can maintain financial security, the fair treatment of customers, produce good outcomes and meet the needs of other parties such as shareholders, employees, suppliers and regulators. We review the risk management strategy regularly, particularly after any significant change to the risk environment and each year after the approval of the Group strategy and business plans.

## **The Role of the Risk and Compliance Committee**

The Risk and Compliance Committee currently has seven members: three Independent Non-Executive Directors, one Non-Independent Non-Executive Director, the Chief Executive, Chief Financial Officer and Chief Operating Officer. The Head of Risk and the Company Secretary are normally also in attendance at each meeting. The Risk and Compliance Committee will meet as required but not less than four times a year.

Bob Head (Independent and Chair)  
Martin Bennett (Independent and Chair of the Board of Holdings)  
Maria Darby-Walker (Independent)  
Andy Lothian (Non-Independent)  
Deborah Frost (Chief Executive)  
Sarah Mace (Chief Financial Officer)  
Liam McGrath (Chief Operating Officer)

The role of the Committee is to oversee compliance with Prudential Regulation Authority and Financial Conduct Authority requirements, as well as other appropriate regulations which impact the Group, in conjunction with the overall approach to governance and risk management.

## **2021 activity**

The Committee's Chairman reports formally to the Board on its proceedings after each meeting, and during 2021 the Committee met four times, overseeing significant Group-wide projects, some of which included:

- A review of the Group's Environmental, Social and Governance matters and to the financial risks posed by climate change.
- Fair value for insurance customers
- The quality of insurance sales made as our field-based sales staff return to work
- The Group's resilience against cyber threats
- Ensuring vulnerable customers are identified and supported during their relationship with the Group.
- Updating and further developing the Own Risk and Solvency Assessment (ORSA) for Personal Assurance Plc. The ORSA process is well embedded and the Committee and Board apply their mind to new potential or actual risks. For example, inflation is viewed as a more material risk this review compared to prior years.

- Greater focus being applied to the oversight of the Health and Safety Committee, specifically ensuring Government advice relating to the COVID-19 pandemic was complied with at all times.
- Oversight of the further embedding of data (specifically GDPR related) arrangements.
- The continued monitoring of the adequacy and effectiveness of the Group's Risk Management, including emerging and focus risks being informed by data from our Treating Customers Fairly (TCF) and Conduct Risk Dashboards.
- The ongoing review, consideration and approval of the existing Group policies used across the business.
- Consideration of management information which confirmed levels of quality and compliance and the effectiveness of the Information Security Management System.

The Committee continues to apply its mind to the Risk Logs both in terms of the completeness and how the risks are optimised. The Committee has also worked tightly with the Audit Committee to ensure that the Committees neither duplicate work nor allow things to slip between the gaps.

To view activity that was undertaken in 2021, view page 54 of the Annual Report and Accounts on the Personal Group website ([www.personalgroup.com](http://www.personalgroup.com)).

## Principle 5

### Maintaining the Board as a well-functioning, balanced team led by the Chair

The board comprises the Non-Executive Chairman, two Independent Non- Executive Directors, one Non-Independent Non-Executive Director, the Chief Executive, Chief Financial Officer, the Chief Operating Officer and the Company Secretary. The Board is confident that the Group is well placed to realise the long-term benefits of the sizeable and growing market opportunity that is emerging for employee benefits and wellbeing services. The foundations of the business are strong, with the investments made in recent years building a solid platform for growth.

The Group maintains, and is satisfied that, the Board has a suitable balance of independence and knowledge, with Directors encouraged to challenge all matters. The Board meets regularly, with a formal schedule of matters for its approval. The Board is supported by regular engagement with the Senior Leadership Team (SLT), and a system of formal Board committees. Directors are required to devote sufficient time to carry out their role. The Group has established four committees with the mix of appropriate skill sets. These include an Audit Committee, a Remuneration Committee, a Risk and Compliance Committee, and a Nominations and Senior Managers and Certification Regime Committee. (See Principle 9 for more information).

#### Board changes in 2021

Changes from 1 January 2021

- Ken Rooney stepped down from his position as a Non-Independent Non-Executive Director and Deputy Chairman on the Personal Group Board. Andy Lothian moved from an Executive Director to a Non-Independent Non-Executive Director on the Board, effective from 1 January 2021.
- Martin Bennett joined the Board as an independent Non-Executive Director

Changes from May 2021

- Mark Winlow, Non-Executive Chairman, stepped down at the Company's AGM in May 2021.
- Martin Bennett was confirmed as Mark's successor and took office at the May AGM.
- Liam McGrath joined the Board as Chief Operating Officer.

At our strategy day in June 2021, we reflected on our previously stated strategic aims and growth aspirations to widen the footprint of the business and to double the EBITDA in the mid-term. We refined this further to concentrate on those areas of the business that we believe have the greatest potential to deliver on this.

This has resulted in the identification of three core pillars of focus to deliver the refined strategy:

- Driving insurance sales through new and existing channels
- Transforming reward and benefits
- Accelerating SME

In response to our strategy reset, we also considered the format of our Board meetings to help support this and have consequently reshaped the structure of our agenda to enable an increased amount of time and focus to be spent on the areas that will help deliver on our strategy.

In line with the revised format for our Board meetings, we also adopted a slightly different approach to our work at the Risk and Compliance Committee.

We have continued to cover all relevant areas of risk and compliance but have focussed debate on exceptions. With the time saved we now address two 'deep dives' at each meeting on subjects regarded as either new risks or areas where we perceive we have increased risk which are key to us achieving our business objectives.

In addition, through our outsourced internal audit function, provided by RSM, we have changed our approach to ensure that we not only focus on the effectiveness of key internal controls but also those areas of the business that are potentially going to witness the most change as we progress on our journey to growth.

In 2021 we also introduced a Nominations and SM&CR Committee to enable focussed discussions around the composition of the Board and the Group requirements around SM&CR, which had previously been discussed as part of regular Board meetings.

### **Directors' conflict of interest**

The Group has effective procedures in place to monitor and deal with any potential conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to, and, where appropriate, agreed with the rest of the Board on a monthly basis.

## Principle 6

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

The background and experience of the Board ensures there is an effective and appropriate balance of skills and knowledge. Additional training is provided where needed and Board members are encouraged to maintain their professional development.

#### Appointment, removal and re-election of Directors

The Board makes decisions regarding the appointment and removal of Directors, and there is a formal, rigorous and transparent procedure for appointments. The Company's Articles of Association require that one-third of the Directors must stand for re-election by shareholders annually in rotation; that all Directors must stand for re-election at least once every three years; and that any new Directors appointed during the year must stand for re-election at the AGM immediately following their appointment.

Full details of the Board of Directors can be found on pages 50-51 of the Annual Report and Accounts.

## Principle 7

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

Board evaluation is the responsibility of the Chairman. Internal Board effectiveness reviews are undertaken yearly, with independent reviews at least every three years.

The annual Board effectiveness assessment is used in the development of Board succession plans. These consider the skills needed on the Board as the business develops, the tenure of existing Board members and their individual performance. For further detail on recent and upcoming Board changes refer to principle 6 within this document.

The assessment of the Board's effectiveness asks:

- Does the Board of Directors have the necessary mix of skills and experience to execute and evolve the strategy and business model?
- Do all individuals on the Board work together effectively?
- Does the Board have the right processes and systems to enable successful execution of the strategy?

The Board members have objectives set each year and performance feedback is given to individuals; the Chairman gives feedback to the Independent Non-Executives and the Chief Executive; the Chief Executive gives feedback to the Executive Directors; and the Chair of the Remuneration Committee gives feedback to the Chairman.

## Principle 8

### Board promotion of corporate culture: How the Board promotes corporate culture based on ethical values and behaviours

The Board believes Group culture is set from the top of the organisation and promotes a culture based around four values. These core values ensure that everyone understands, and is aligned with, who we are and how we want to operate.

**Solid.** Trustworthy, respected and dependable. We keep our promises and get it right the first time – every time.

**Driven.** Motivated, ambitious and determined, delivering what our clients and customers need on an ever-changing landscape.

**Engaging.** Genuine, approachable and passionate, ensuring people feel comfortable when talking to us.

**Expert.** Professional, precise, knowledgeable, learning all the time to make sure we are delivering viable quality solutions to our clients.

#### Recruitment

All new starters undertake a comprehensive induction course, which combines training with an introduction to the Group values, culture and behaviour. Throughout their employment, employees are asked to complete various training programmes, which help ensure these values and behaviours are understood and maintained. Employees are also required to read and accept core policies including: Data Protection: Compliance Following GDPR, Financial Crime, ISO, Personal Group Conduct Rules, Absence, Disciplinary and Grievance, Modern Slavery Awareness, Whistleblowing and Equal Opportunity and Dignity at Work.

#### Reward and recognition

Our ongoing reward and recognition programme, called 'Cheers', seeks to ensure our values are actively and visibly supported at all levels across the business. Behaviour and conduct form a key element of any decisions to increase employee pay and provide bonus awards.

#### Employee satisfaction

PG regularly conducts employee engagement surveys, with the results fed back to the Board. We have implemented a flexible hybrid working policy to cater for a broad variety of personal preferences, and in 2021 PG achieved an 80% approval amongst employees for Social Connection.

## Principle 9

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

The Board is collectively responsible for the long-term success of the Group and for setting and executing the business strategy. The Board meets at least ten times each year in accordance with its scheduled meeting calendar and sets direction through a formal schedule of matters reserved for its decision. Appropriate and timely information is provided prior to each meeting. Board meeting attendance by each member is highlighted on pages 50-51 of the Annual Report and Accounts.

Occasionally there may be additional meetings scheduled if required by the business. The Board and its Committees receive appropriate and timely information prior to each meeting from the Senior Leadership Team (SLT) and a formal agenda is set for each meeting. We also make use of a 'Forward Agenda' that seeks to ensure that the Board consider all appropriate subjects, to ensure that operational pressures do not overshadow strategic considerations. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and then followed up by the Group SLT.

#### The Role and Responsibilities of the Chair

The role of Chair is to lead the Board and ensure that the Board is performing its role effectively. This means ensuring the Directors have the capacity, ability, structure, diversity and support to respond to the opportunities being created. The Chair also has responsibility for ensuring the robust governance of the Group through challenge and direction of the Senior Leadership Team, seeking to maintain high standards of corporate governance whilst still achieving the Company's strategic aims.

#### The Role and Responsibilities of the Chief Executive

The Chief Executive is responsible for growing the business of the group and leading it, in conjunction with the Board, to develop and deliver both the strategy and business model, thereby creating shareholder value. Additionally, they will lead the development and subsequent embedding of the Group culture and standards.

#### The Role of the Audit Committee

The Audit Committee comprises the independent Non-Executive Directors and meets at least twice a year. Current Committee members include:

Bob Head (Chair)  
Martin Bennett  
Maria Darby-Walker

Three formal meetings were held during 2021, and all committee members were in attendance. Additionally, the remaining Board members, Head of Risk and Company Secretary were also present at all meetings.

The meetings of the Committee are designed to facilitate and encourage communication among the Committee, the Group, the Group internal audit function and the appointed external auditor. A full report on the work of this committee can be found on pages 54-56 of the Annual Report and Accounts.

### **The Role of the Remuneration Committee**

The Remuneration Committee comprises the independent Non-Executive Directors. Current Committee members include:

Maria Darby-Walker (Chair)  
Martin Bennett  
Bob Head

The Chief Executive and Chief People Officer may be invited to be in attendance at times. The Remuneration Committee operates within defined terms of reference and it met four times in 2021.

The primary purpose of the Remuneration Committee is to review and make recommendations regarding the remuneration policy for the Group, specifically regarding the Group's framework of Executive Remuneration.

The Committee's overall objective is to align reward for the Executive Team with the delivery of profitable sustainable growth through the Group's remuneration framework. A full report on the work of this committee can be found on pages 60-63 of the Annual Report and Accounts.

### **The Role of the Risk and Compliance Committee**

Full details of the Committee responsibilities and its members can be seen within principle 4 of this document.

### **Nominations and Senior Managers and Certification Regime Committee**

A Nominations and Senior Managers and Certification Regime Committee was constituted. The Committee met for the first time in 2021 and it was introduced to enable focused discussions around the composition of the Board and the Group requirements around SM&CR which had been previously discussed as part of other Committee meetings.

The Remuneration and Senior Managers and Certification Regime Committee comprises of the independent Non-Executive Directors, with the Chief Executive, Non-Independent NED and Company Secretary normally present at the meetings. Current Committee members include:

Martin Bennett (Chair)  
Maria Darby-Walker  
Bob Head

The aims and objectives of the Nominations Committee is to:

- ensure there is a formal, rigorous and transparent procedure for the appointment of new Directors to the Board and new members of the senior management team;
- provide oversight of Board composition, membership and Board and senior/executive appointments;
- lead the process for appointments, ensure plans are in place for orderly succession to both the Board and senior management positions, and oversee the development of a diverse pipeline for succession;
- provide independent oversight of the Group's compliance with the Senior Managers and Certification Regime;
- determine whether employees who are subject to disciplinary procedures have breached the Conduct Rules applicable to their role and whether dismissal is an appropriate outcome.

### **Matters reserved for Board approval**

The Board is collectively responsible for the long-term success of the Group and for setting and executing the business strategy. In addition, it will oversee the financial reporting and controls, agree resolutions to be put forward to shareholders at a general meeting, appoint members of the Board and their committees, agree changes to structure & capital and approve the remuneration of Directors and Senior Executives.

Full details of the members within each committee are available in the Annual Report.

## Principle 10

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

The Group communicates through a variety of regular digital and traditional communications. These include face-to-face and virtual meetings, the Annual Report and Accounts, interim results, investor news, announcements and information provided on the Group website.

#### Investors

Through our investor relations programme which includes regular updates, meetings, roadshows and our Annual General Meeting we ensure that shareholders views are brought into the Boardroom and considered in our decision making. March 2021 saw us host our first retail investor webinar. Further information can be found via [Personal Group | Creating A Brighter Future For The UK Workforce – Personal Group](#).

#### Employees

We have an open, collaborative, and inclusive management structure and engage regularly with our employees. We do this through an appraisal process, structured career conversations, employee surveys, our Hapi benefits platform and company presentations, as well as away days. We remunerate with market-based pay, rewards and benefits, and our employee engagement scores reflect our committed and passionate team.

#### Clients

We engage and build our relationships with our customers and clients in several ways, from face-to-face interactions, and more recently implemented virtual visits, to holding industry and other business forums and producing white papers on topics that are relevant for their business. We also recognise the importance of system security for our customers and their employees and hence our business is ISO 27001 accredited across the whole Group and ISO 9001 covering the Employee Benefits Platform operated by the Group.

#### END

This statement will be reviewed on an annual basis in line with the compilation of the Annual Report and Accounts.