

Section 172(1) statement

As a Board, we have a duty to promote the success of Openwork Limited for the benefit of our members. In doing so, however, we must have regard for the interests of our colleagues, for the success of our relationships with suppliers and customers, for the impact of our operations on the community, and for the desirability of maintaining a reputation for high standards of business conduct. These stakeholder considerations are woven throughout all of our discussions and decisions. Like many businesses, on occasion the interests of one of these groups will conflict with those of others. The Board seeks to ensure that conflicts of interest are avoided wherever possible and that, if these do arise, they are appropriately disclosed and managed. The Company would at all times act fairly across its members.

In discharging our Section 172 Companies Act 2006 duty we have considered, as a Board, who our key stakeholders are and how their interests should be regarded in relation to the decisions we make.

We consider our key stakeholders to be:

- (1) The Majority Shareholder of our parent company Openwork Holdings Limited (and their members);
- (2) The Customers of the Advisers;
- (3) Our Regulator, the Financial Conduct Authority;
- (4) Our Community; and
- (5) Our People

The Board also understands that the long-term sustainable success of the Company is dependent on effective engagement with our key stakeholders. We recognise the role that each stakeholder group plays in our success and our responsibilities towards them.

Set out below is a summary of some of the key matters considered by the Board during 2019 and how the Board has had regard to the interests of our stakeholders in those decisions.

- The Board oversaw a programme of work to ensure that Openwork Limited was satisfied that its internal governance framework was in compliance with the requirements of the Senior Managers & Certification Regime ahead of its implementation on 9 December 2019.

KEY STAKEHOLDER: Our Regulator. Ensuring compliance with the regulatory system under which we operate is key to the long-term sustainability of the business.

- Through a well-structured governance and oversight framework, the Board ensures close and open relationships with its suppliers and other advisers. The hiring of a new procurement manager will further enhance our supplier relationships.

KEY STAKEHOLDER: Our Suppliers and other advisers. At all levels across the Company, continuous interaction takes place with our suppliers and advisers to consider respective business conditions, our strategy, key performance indicators and the current and future needs of our customers.

- Consistent with the continuing commitment to ensuring our customers have access to high-quality fund management and in appropriate consultation with Omnis Investments Limited, the Board supported the decision taken by Omnis Investments Limited, to replace the Fund Manager for the Omnis Income & Growth Fund.

KEY STAKEHOLDER: Our Customers. Our Customers are expected to benefit from improved long-term performance of the Omnis Income & Growth Fund following the change in fund manager.

- The Board approved the establishment of a new independent charitable foundation (the Openwork Foundation) which included the entry into a Memorandum of Understanding providing financial support via a donation uplift mechanism (matching 50p in every £1 donation) and pro bono administrative support.

KEY STAKEHOLDER: Our Community. The establishment of the Openwork Foundation is a key element in the Corporate Social Responsibility of the Group. We seek to support our community through charitable grants where we can.

- The Board reviewed the results of a group wide-survey seeking feedback from colleagues concerning the quality of their workplace. The findings have been reviewed and a management action plan has been formulated to respond to the key matters raised.

KEY STAKEHOLDER: Our People. We are keen to listen to our People and have taken action based on their feedback to make Openwork a great place to work.

- The Board approved a new group-wide Remuneration Policy which established harmonised reward packages for colleagues and reflected the latest regulatory position in relation to remuneration.

KEY STAKEHOLDER: Our People. As a consequence of the revised Remuneration Policy all roles within Openwork were benchmarked to ensure that all colleagues are paid within 80-100% of their median salary range.

- The Board approved the acquisition of land at Lydiard Fields Business Park to act as additional carparking for colleagues and the acquisition of the adjacent office building in Swindon to be established as the Openwork Campus.

KEY STAKEHOLDER: Our People. Our Colleagues have a state of the art office building which contains amenities including a subsidised restaurant, gym, coffee shop and innovation suite.

KEY STAKEHOLDER: Our Majority Shareholder. This capital investment will form a significant asset of the Group going forward.