

EdenTree Asset Management Section 172 Statement

This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The Directors recognise that the long-term success of the Company is dependent on having regard to the interests of its stakeholders. Key stakeholders include its shareholder, EdenTree Investment Management Limited (Company No. 02519319) (EIM) employees, customers and clients and other suppliers. Stakeholder engagement is considered as part of the decision making process of the Board. Given the new disclosure requirements, board and committee paper templates were adopted on incorporation in 2019 that included focus on stakeholder interest.

The Board recognises the importance of engaging with stakeholders, understanding their views and interests in order to be successful over the long-term. Dialogue with stakeholders can help the Board to understand significant changes in the landscape, predict future developments and trends, and re-align strategy.

The Shareholder (Ecclesiastical Insurance Group plc)

Ecclesiastical Insurance Group plc (Company No. 01718196) owns the entire issued Ordinary share capital of the Company which is ultimately wholly owned by Allchurches Trust Limited. Protocols for the exchange of information between Allchurches Trust Limited and its subsidiaries (including the Company) are in place and cover performance, operations and financial position.

The Board has an honest and constructive relationship with its shareholder. There is at least one "Common Director" (i.e. a Director who is a member of the Boards of the Company and Ecclesiastical Insurance Group plc) who is expected to attend every Board Meeting. Mark Hews (Group Chief Executive Officer) and Denise Cockrem (Group Chief Financial Officer) are "Common Directors". The Common Directors present a summary of relevant highlights from Ecclesiastical Insurance Group plc Board and Committee meetings to the Directors. There is also engagement between respective Board Chairmen and regular dialogue takes place on Group's expectations of the Company and strategy for the development of business.

This ensures that the views of the Shareholder are communicated to the Board as a whole which enables Ecclesiastical Insurance Group plc to effectively communicate its views and expectations to the Board. In turn, the Common Directors are able to support the directors of Ecclesiastical Insurance Group plc to understand the performance and strategic issues faced by the Company.

Employees

The Company does not have any employees. Individuals who undertake work on behalf of the Company are employed by Ecclesiastical Insurance Office plc. However, the Board recognises that these individuals are the Company's most valuable assets, given their specialist skills and knowledge and propensity to go above and beyond. Members of the management team and subject matter experts are invited to Board and Committee meetings to present on items and input into discussion.

Information on the approach to considering matters relating to individuals undertaking work on behalf of the Company are set out in the Section 172 Statement for EIM. Some decisions and policies affecting are also determined at Group level as set out in Ecclesiastical Insurance Office Plc's Section 172 Statement.

Customers and Clients

Clients are the lifeblood of the Company. The Board considers that clients should be at the heart of everything we do, ensuring any actions or decisions demonstrate our passion for clients and make us first choice for clients both today and in the future. During the year, the Board and the Audit, Risk and Compliance Committee received updates on client issues via the Operations Report. In addition, the Board considered clients' needs and expectations as part of the development of the next chapter for the Company and development of strategic priorities.

Information on the EdenTree approach to clients and customers is provided in the Section 172 Statement for EIM. In addition, some matters are considered at Group level and associated information is set out in the Ecclesiastical Insurance Office Plc's Section 172 Statement.

Suppliers

The importance of the role that suppliers play in ensuring a reliable service is delivered to customers is recognised by Directors. Information on the EdenTree approach to suppliers is provided in the 172 Statement for EIM. In addition, some matters are considered at a Group level and associated information is set out in the Ecclesiastical Insurance Office Plc's Section 172 Statement.

Community and environment

Given the desire to establish a leading position in responsible investment, environmental, social and governance matters has been a key focus for the Board during the year.

Information on the EdenTree approach to community and environment is provided in the Section 172 Statement for EIM. In addition, some decisions and policies affecting the community and environment are determined at Group level. Associated information is set out in Ecclesiastical Insurance Office Plc's Section 172 Statement.

Regulators

The Board recognises the importance of open and honest dialogue with regulators (including the Financial Conduct Authority (FCA)). In addition, the Board (via its Audit, Risk and Compliance Committee) has received regular updates on legal, regulatory and compliance matters. During the year, the Board oversaw the implementation of requirements for the Senior Managers and Certification Regime (SMCR).