



Section 172(1) Statement

Section 172(1) Statement (“Statement”) for Aston Lark Limited (“the Company”) as required by the Companies (Miscellaneous Reporting) Regulations 2018. The Company has published its Statement within its Annual Report for the financial year ended 31 December 2021 which is available from Companies House.

Our Structure, Business Model and Supply Chains

The directors have a duty to 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, having regard to the stakeholders and matters set out in Section 172(1) of the Companies Act 2006.

Aston Lark is a leading UK Chartered insurance broker providing Commercial, Specialist Schemes and Private Client solutions to its diversified client base. The company aims to become the UK’s most trusted Chartered Insurance Broker and seeks to place care at the heart of its activities whether that is reputation, acting in its clients’ best interests, looking after its employees, developing relationships with its suppliers, supporting communities, or generating value for its ultimate parent company shareholders.

Governance and Board

The Board consists of experienced and qualified management, with many years in the insurance broking industry. This enables the Board to pursue appropriate strategies to deliver its objectives of promoting the Company’s long-term success and creating benefits for its stakeholders.

The Company is regulated by the FCA and must adhere by the FCA’s principles of business which provide high level standards, including the management and control to organise and control its affairs, responsibly and effectively with adequate risk management systems.

The Company operates an organisational structure with clear allocation and appropriate segregation of responsibilities amongst the Board members which is documented in a responsibilities map and statements of responsibilities in line with the requirements of the FCA’s Senior Managers and Certification Regime.

At the top Group level, certain company Directors are members of the Group Executive Team who sit on the Main Board, alongside the Non-Executive and Investor Directors, creating a balance to ensure appropriate performance of duties and governance for decision making across the Group entities as a whole, that includes the interests of stakeholders and the long-term consequences.

The Group operates a Risk, Audit and Finance Committee ('RAF') and a Remuneration Committee that are run as a subset of the Main Board and chaired by a Non-Executive Director of the ultimate parent company.

The Directors are also represented on a Management Board that deals with the Company's significant operational matters, meeting monthly to discuss ongoing day to day matters, ranging from financial performance, trading, risk and compliance, marketing, IT, and employee considerations.

The Company also operates various Committees where certain Directors are represented according to their areas of responsibility. These include a Risk, Compliance and Conduct Committee and a Health and Safety Committee amongst others who meet at least quarterly and report into the Management Board.

The Main Board, Management Board and the Company's senior management team meet regularly to discuss strategic, financial, budgetary, liquidity and operational matters. Peter Blanc, as Chief Executive Officer ('CEO') is responsible for delivering the plans, strategy and investment decisions agreed by the Board, with authority delegated to directors. The Company's culture is one of openness with a clear Governance structure for decision making. Decisions are documented in Board minutes that are subject to being made through Board papers and presentations from the Director with responsibility for the relevant area of the Company. The papers are reviewed and discussed at the appropriate Board and Committee meetings.

The Board, supported by RAF has created a robust, open risk culture where risks are identified, mitigated, and monitored against a risk appetite according to probability and likelihood. The Board places emphasis on the appropriate conduct policies in place across the company and ensuring that these are applied, including Money Laundering, Sanctions Checks, Anti-Bribery, Modern Slavery, Whistleblowing and Corporate Social Responsibility.

Long-term decision making

In 2021, following a successful period of ownership and growth, the Board in conjunction with the Group's majority shareholder at that time, Goldman Sachs Merchant Banking Division, reviewed the Company's and Group's long-term strategy and undertook a process to seek a new investor for the Group. On 21 April 2022, following regulatory approval, Howden Group acquired a 100% stake in the Aston Lark business.

The business as a result is well positioned to progress over the coming years with a continued focus on its growth plans, via organic means and considering further selective strategic acquisitions, as well as capitalising on the vast opportunities and benefits of combining with A-Plan and Howden UK, two highly complementary businesses within Howden Group.

A 5-year business plan was developed during the process that formed the basis for the future strategic direction of the Group, including its financing requirements to enable it to pursue its

strategy. The Board has consistently monitored its financial performance against the plan as revised for budgets and forecasts, for changes such as the Group's accelerated acquisition activity.

The Board meets regularly to discuss matters and continuously keeps the strategy under review as well as arranging dedicated strategic sessions focussing on the Company's trading divisions.

Relationships with Clients

The Board places significant emphasis on its clients with client care and best interests at the heart of the Aston Lark brand and culture. The company has a diverse client base with many long-term relationships, reflecting the client centric approach of an advice led offering provided via high service levels and complemented by in-house claims teams, with an overarching focus on client care.

The robust governance framework in place ensures that there is strong oversight of client outcomes to support the company's objectives, through regular, meaningful, and timely management information provided to the Boards and Committees, including Treating Customers Fairly, to ensure compliant and measurable client information is monitored.

Client satisfaction is measured by feedback forms on service and surveys to ensure the company is providing clients with high levels of service and making improvements where needed.

Relationships with Employees

Lark places great emphasis on its largest asset, its staff, who are a credit to the way they represent the Company. The Company prides itself on the service provided by, and the high calibre of, its staff as recognised within the industry via the awards the Company has won and been nominated for. This includes winners of the prestigious Insurance Broker of the Year, Commercial Lines Broker of the Year (SME/Mid Corporate) and Investing in the Profession/Training Award at the British Insurance Awards in 2021, and Best Overall Insurance Broker and Best Commercial Insurance Broker finalists in 2020.

On an individual basis, Peter Blanc was named in the Insurance Business Global 100 for 2021 as one of the outstanding industry professionals who are making a positive difference and helping drive change across the sector. Peter was also awarded Insurance Personality of the Year at the British Insurance Awards in 2021.

The Company embraces diversity with the aim to attract and retain talented staff with a wide range of skills and experiences to deliver long term success. The Company operates an open and engaging culture and recognises the value that diversity brings, including but not limited to differences of race, gender, age, nationality, and social, professional, and personal backgrounds. The Company is unreservedly opposed to any form of discrimination being practised against its employees or potential employees on the grounds of their race, sex,

marital status, age, physical or mental disability, religious belief, or sexual orientation.

The Company is committed to providing equal opportunities for all of its employees and potential employees with career development based on the ability to perform each role. The Company places great emphasis on the training and career development needs of its employees and empowers staff to shape their career path and reach their full potential that is reflected in the number of staff holding relevant Chartered Insurance Institute and other professional qualifications to support its Chartered Insurance Broker status.

The Learning and Development team within Human Resources provide support through on-line training and development modules, running aspiring leadership development programmes, training courses and ensure that each new employee has a corporate induction session including a presentation from a member of the Executive team. The Board at each meeting receives management information and statistics on employee matters and engagement with staff is via regular consultation, communication on the company's financial performance and staff engagement surveys with high participation levels and resultant action plans to reinforce the working environment operated in.

Specific Committees are in place to focus on staff related matters, including a Remuneration Committee that is independent of the Board and considers staff remuneration at all levels and gender pay gap with the objective to consistently work towards a more balanced approach that focusses on individual capability. Measures introduced include the aligning of job titles to review pay brackets across titles and locations and bonuses based on employee performance reviews for consistency.

Other Committees include; a Mental Health and Wellbeing Committee for communicating and overseeing those initiatives, a Charity Committee (see below), Pride in Aston Lark to ensure that LGBT+ staff feel supported and engaged and a Health and Safety Committee. In addition, a dedicated and confidential staff helpline is provided for any staff member to talk about their personal or business concerns or complaints.

Aston Lark is especially proud that a significant number of the Company's employees are shareholders in the Group, allowing them to participate in the Group's success and align to its longer term aims.

Relationships with Shareholders, Regulators and Other Stakeholder

The Group's shareholders are an important stakeholder in the interests of the Company. The Board places significant value on regular engagement with the Investors nominated directors via active participation at Board and Committee meetings where clear, timely financial and other information is provided, weekly and ad-hoc conference calls, strategic meetings, and regular one on one contact.

The Group shareholder base is wide amongst the Company's staff and an Annual Shareholder Conference takes place to provide and present updates on the Group's financial performance,

strategic and topical matters, and Q&A sessions.

The FCA, as regulator, is an important stakeholder. The Company has a strong compliance culture and aims to have an open, transparent, and constructive dialogue with the FCA in any communications it has, alongside provision of timely reporting information as required by the FCA for firms under its rules.

The Board aims to have an open and transparent relationship with HMRC and be a responsible taxpayer. Tax position and activities are regularly reported to the Board.

Suppliers are also stakeholders in the Company and the Board manages, develops, and maintains relationships with its key suppliers working closely at senior management level to foster strong and long-term business relationships. This includes regular review meetings to monitor performance and service levels, the use of economies of scale, membership of Industry bodies and attending Industry events and ensuring suppliers are paid within credit terms.

The Company has developed fair and robust policies including anti-slavery, equality and diversity, and are committed to working with its suppliers who share the same values in providing safe and fair working environments.

The Community and Environment

Aston Lark recognises the importance of serving the communities in which staff live and work and its responsibility to support community projects. Staff volunteer and participate in local community projects, support businesses, and look for opportunities to share their expertise and skills with others.

The Company has a charity committee to select chosen charities each year, currently the Alzheimer's Society and Alzheimer's Research UK. Each office also has a charity champion to support local and national charities of choice such as Macmillan nurses, The Not Forgotten Association and Hospices. The Company operates a policy to match fund staff fundraising events up to certain levels depending upon the nature of the event.

During the Covid-19 restrictions, the Company held a weekly quiz, undertook the London 2.6 Challenge, and launched a You're on Mute campaign amongst other charity events.

The Company is also proud to partner with Smart Works, a charity that supports unemployed women in preparation for their upcoming job interviews with a dressing and coaching service.

The Board is committed to its responsibility to achieve good environmental practice. Key areas of focus include reducing print and paper, managing energy consumption and waste, and increasing the use of technology to hold video and call conferencing to reduce travel. The Company undertakes participation in the Energy Saving Opportunity Scheme (ESOS), a mandatory assessment to measure total energy consumption, and carry out energy audits to identify cost effective energy savings opportunities. The Company operates within office and home environments and takes steps to implement appropriate measures across the areas that

are within its direct control and seeks to influence other parties over whom it has indirect control over, such as Property Landlords.

This report was approved by the Board and signed on its behalf.

S P Rootham

Director

30 September 2022