

Introduction

Section 172(1) of the Companies Act 2006 requires the Company to articulate how the Directors, acting in good faith, aim to promote the success of the Company for the benefit of its members as a whole. Majedie has sought to build closely aligned and trusted relationships with its investors, to act responsibly when taking investment decisions, to be known as a good employer, to engage justly with suppliers and to take account of its wider responsibilities for the community and environment. Whilst the requirement to publish a Section 172 Statement has only taken effect in recent years, the Board believes that maintaining a reputation for high standards in these areas should naturally be embedded in the culture and business practices of any reputable investment management business, and that seeking a sensible balance between the interests of all members is more likely to promote the sustainable long term success of the business as whole than over prioritisation of the interests of any one party.

Over the years the Directors have and will continue to make decisions that have competing implications for different member groups over the short term, but that they believe serve the interests of members as a whole over the longer term. Such decisions may be to the short term detriment of shareholders and/or employees through reduced revenues or increased costs, albeit the consolidation of longstanding, trusted relationships with clients and service providers and a continued reputation for adopting the highest standards of business conduct and societal responsibility are expected to increase the potential longevity of earnings generation. Specific examples, in addition to the financial cost of the initiatives described below, include the practice since launch of limiting the overall capacity of each investment strategy, subsidising fund operating costs and the voluntary implementation of fee reductions from time to time; all to the immediate benefit of investors.

The following sections summarise our engagement with key stakeholders.

Investors

Majedie was founded in 2002 with a clear aim which is echoed in our company purpose today: simply to make money for our clients, responsibly. Our clients are the investors in Majedie funds and the entities for whom we manage segregated investment mandates. All investment strategies have clearly defined objectives, and our reporting thereon is transparent and regular through our public website, dedicated client web portals and other data venues relevant to each particular investor. The Majedie client service team maintains direct relationships with investors and their advisors through meetings, video and audio calls, presentations at industry events and our own investor conferences. We pride ourselves on the quality and the longevity of our relationships across the breadth of our client base. Trust will always be the cornerstone of these relationships. We seek to validate the trust our clients have placed in us by, without exception, always behaving fairly, honestly and transparently.

Shareholders and employees

A significant majority of the Company is owned by our Directors, employees and former employees, either directly or through share options granted over shares held by the Employee Benefit Trust. This firmwide equity ownership means our cultural starting point is genuine team work. Equity ownership means that everyone has the right to question, scrutinise and debate, leading to an intellectually honest environment with no room for ego or hubris: the opposite of a star fund manager culture. Majedie Investments PLC, a UK listed investment trust, invested in the Company on its formation in 2002. It remains a significant minority shareholder and is a client through a segregated investment mandate and their investment in a number of Majedie funds. A Director of Majedie Investments PLC serves as a non-executive director on the Board of Majedie, contributing directly to strategic decisions. All shareholders are party to a shareholders' agreement which sets out inter alia the mechanism for the apportionment of the economic interests of the firm between shareholders and employees by way of established remuneration arrangements, and ensuring standard protections for minority shareholders. No single shareholder or group of shareholders has any significant privileges; all ordinary shares carry an equal entitlement to dividends, capital and voting rights.

Our corporate structure facilitates two-way engagement throughout the firm; between the Board and line managers through Board sub-committees and between line managers and their reports through team meetings, whilst the Directors engage directly with the former employee shareholders. A firmwide town hall event is hosted annually after audit completion in which senior management report on the firm's results, prospects and corporate developments. More informally, as a small firm based in a single open-plan office, there is ordinarily natural interaction between colleagues of all departments and levels of seniority. We seek to treat our employees well, offering family friendly policies, training and development opportunities, backing employee charitable initiatives and providing support for physical and mental wellbeing. Employees are able and

encouraged to provide feedback on any colleague including senior management through the annual 360 appraisal process. Additional initiatives have been introduced to enhance employee engagement during prolonged COVID-19 remote working periods including regular firmwide emails, proactive encouragement of phone and video calls, staff wellbeing and effectiveness surveys, departmental social engagements, the launch of a “buddy” support scheme and the introduction of “Majedie kitchen” virtual group conversations.

External service partners

The effective provision of services to us by our key suppliers is integral in enabling us to deliver our services to our clients. The day-to-day responsibility of managing relationships sits with each business area; for example, the dealing team engages with brokers, the information team engages with network and communication providers and the operations team engages with fund governance and administration providers, fund platforms and other areas of our operational investment infrastructure. Line managers communicate the effectiveness or otherwise of external service partners to the Board, either directly or via an appropriate Board sub-committee. We seek to conduct ourselves justly and to maintain a reputation as a trusted and reliable partner. One example is our commitment under the Prompt Payment Code to provide clear payment guidance to our suppliers, to pay in a timely manner and to encourage good payment practices throughout our supply chain.

Regulators

The Company is authorised and regulated by the Financial Conduct Authority (“FCA”). We are aware of and abide by the rules that govern our operations, most prevalently those applicable in the UK but also those of overseas regulators or state authorities as relevant to our activities. We engage directly with the FCA through routine mandatory reporting, on an ad hoc basis in response to broader FCA consultations or on request, and indirectly participating through our trade body, the Investment Association.

Society and environment

As an asset manager, we have two main scopes of activity: our investment in companies located around the world and our own business operations. In our investment activity, we aim to uphold the values of human rights, encourage positive labour practices, promote sustainable environmental impacts, and support corporate behaviour that ensures the wellbeing of each business and its wider stakeholders. Our ESG aims, integration processes, engagement outcomes and proxy voting records are set out in detail within the Responsible Capitalism section of our website. Just as we expect our investee companies to think critically about their financial and ESG risks and opportunities, so we do this with our own business too: by turning the lens on ourselves, we aim to operate in a way that is sustainable and supports our local community and wider society. We do this in a number of ways, including by encouraging suppliers to pay the living wage, through our commitment to the Prompt Payment Code and Modern Slavery Act and by ensuring that our business is carbon neutral. We seek to play our part in efforts to provide opportunities to groups that may be under-represented in our sector or face greater hurdles for promotion. These include our sponsorship of industry-wide projects such as Investment 20/20 and the Diversity Project, and more specifically our own initiative ‘Lowering Barriers to Raise the Bar’, the current focus of which is to improve female participation in the asset management industry through our nationwide ‘Next Generation Investor’ scheme, targeted at undergraduate women.

We support scores of charities through our long-term policy of matching personal employee donations made under the Charities Aid Foundation (CAF) Give As You Earn scheme, being recognised by CAF as a multiple Diamond Award winner and named Most Successful Sustained Scheme (Small Employer) at the 2018 National Payroll Giving Awards. Majedie has supported dozens of other charities directly, and specifically in 2020 was one of the first major corporate donors to the National Emergencies Trust Coronavirus Appeal, with voluntary salary sacrifice by the executive directors also funding a significant donation to the NHS Charities Together. Through our corporate partnership with the Lord Mayor’s Appeal, we have contributed to fundraising efforts for Place2Be, OnSide Youth Zones, Samaritans and The Duke of Edinburgh’s Award; charities focused on mental health, child deprivation, emotional well-being and life skills in our communities.

Majedie is a single entity limited company domiciled in the UK and all executive directors and staff are UK tax residents employed directly by the firm: we recognise our duty to support the wider society in which we all live and work.