

Governance

FRP Advisory Group plc
Corporate Governance Statement 2024

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FRP

Corporate Governance Statement

For the year ended 30 April 2024

As Chair of the FRP Board of Directors, I am responsible for leading the Board to ensure it functions effectively, setting its agenda and monitoring its effectiveness.

The current corporate governance framework was put in place at the time of the Company's IPO on the AIM Market of the London Stock Exchange on 6 March 2020 and is reviewed at regular intervals.

We recognise the benefits that good corporate governance and diverse opinion bring to a business and have worked (and will continue to work) to develop and embed processes, cultures and practices that position us to reap the benefits of robust governance. We also recognise the importance of the Board displaying and embodying the ethics and behaviours we expect from our team at large.

Compliance

We comply with the Quoted Companies Alliance ("QCA") Corporate Governance Code ("Code") in all material respects and are a member of the QCA. During the current financial year, we will be working to implement the updated 2023 QCA Code recommendations.

Set out below are the 10 principles of the QCA Code and where to find further information on how we apply them.

Principle	Information	Page Number
1. Establish a strategy and business model which promotes long-term value for shareholders	See the "Business model and strategy" section in the Strategic Report.	28 (<i>FRP Annual Report 2024</i>)
2. Seek to understand and meet shareholder needs and expectations	See the Section 172 Statement in the Strategic Report.	60 (<i>FRP Annual Report 2024</i>)
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success	See the Section 172 Statement in the Strategic Report.	60 (<i>FRP Annual Report 2024</i>)
4. Embed effective risk management, considering both opportunities and threats, throughout the Group	See the "Principal risks and uncertainties" section in the Strategic Report. See also "Report of the Audit & Risk Committee"	33 (<i>FRP Annual Report 2024</i>) 74 (<i>FRP Annual Report 2024</i>)
5. Maintain the Board as a well-functioning, balanced team led by the Chair	See "The Board".	73 (<i>FRP Annual Report 2024</i>)

Principle	Information	Page Number
<p>6.</p> <p>Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities</p>	<p>See “The Board”.</p> <p>See also the “Nomination Committee” section in “Board Committees”.</p> <p>Also see the Director Biographies.</p>	<p>73 (FRP Annual Report 2024)</p> <p>73 (FRP Annual Report 2024)</p> <p>65 (FRP Annual Report 2024)</p>
<p>7.</p> <p>Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement</p>	<p>See “The Board”.</p>	<p>73 (FRP Annual Report 2024)</p>
<p>8.</p> <p>Promote a corporate culture that is based on ethical values and behaviours</p>	<p>See “Culture”.</p>	<p>73 (FRP Annual Report 2024)</p>
<p>9.</p> <p>Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board</p>	<p>See “The Board”.</p> <p>See also “Board Committees”.</p> <p>See “Internal control”.</p>	<p>73 (FRP Annual Report 2024)</p> <p>73 (FRP Annual Report 2024)</p> <p>74 (FRP Annual Report 2024)</p>
<p>10.</p> <p>Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders</p>	<p>See “The Board”.</p> <p>See also “Board Committees”.</p> <p>See the “Corporate Governance Statement”.</p> <p>See the “Section 172 Statement” in the Strategic Report.</p>	<p>73 (FRP Annual Report 2024)</p> <p>73 (FRP Annual Report 2024)</p> <p>71 (FRP Annual Report 2024)</p> <p>60 (FRP Annual Report 2024)</p>

We consider that the application of the 10 principles of the QCA Code supports the Company’s medium to long term success through establishing and maintaining an effective, balanced and appropriately skilled Board and committees which benefit from diverse and independent viewpoints. These should challenge and support the Executive to set and

deliver the Group’s strategy, within an agreed system of risk tolerance and management and in accordance with the expectations and needs of our shareholders.

We consider that the clarity of purpose in setting out a strategy and business model and risk management processes, creates an

environment whereby the Executives are empowered to deliver the Group’s objectives but remain subject to appropriate oversight and review. To develop and, when necessary, amend strategy, the Group is best served through multiple sources of experience and expertise provided by a diverse Board with a range of experience to lend to the enterprise.

Corporate Governance Statement continued

In turn, the Board expects that in delivering its strategy in line with shareholder expectations, in an ethical way and taking into account the wider stakeholder groups, it will also generate trust between the Group, its shareholders and wider stakeholder group, reinforce its brand, motivate team members (through their own share ownership and options), attract new talent and make the Group's investment proposition more attractive.

The Board

The Board is responsible for setting the vision and strategy for the Group to deliver value to shareholders by effectively implementing its business model. The Board members are collectively responsible for defining corporate governance arrangements to achieve this purpose, under my leadership.

The Board has a schedule of matters formally reserved to it and this is available on the Company's website. The matters reserved include setting strategy, budget approval, approval of major capital expenditure and material contracts and Partner hires and promotions.

A biography of each of the Directors is set out on Pages 65 to 66. The Board has significant experience in professional advisory services environments supplemented by expertise in the public markets, human resources and risk management areas.

The Directors keep their skills up to date through various channels. As practising regulated professionals, the Executive team update their professional knowledge through professional journals and in-house and external training materials and seminars. The Non-Executive Directors work with other businesses and bring their learning from those roles to the business and all subscribe to newsletters, bulletins and journals relevant to their areas of interest. The Company is also a member of

the QCA which gives the Directors access to a range of materials and training opportunities relevant to the Company's quoted status, corporate governance issues and investor relations. The Company Secretary also provides regular updates to the Board on developments in the corporate governance and compliance space.

All the current non-executive directors, David Chubb, Kathryn Fleming, Louise Jackson and myself are considered by the Board to be Independent Non-Executive Directors. In addition, during the year under review, Nigel Guy (who retired on 2 January 2024) Claire Balmforth (who retired on 30 April 2024) was also considered independent. Details of all the Directors' shareholdings and options are set out in the Director's Report and Remuneration Committee Report respectively.

The Chief Executive Officer, Chief Operating Officer and Chief Financial Officer all work in the business full time with Geoff Rowley and Jeremy French's roles also encompassing client-facing work as practising Insolvency Practitioners. The Non-Executive Directors (including the Chair) are expected to devote as much time as necessary to the business for the proper performance of their duties and at least one to two days per month.

During the year, an internal evaluation of the effectiveness of the Board and its Committees concluded that the they continue to operate effectively. Anonymous questionnaires are used to promote disclosures with the results being collated and returned to the Board for consideration, discussion and action where appropriate. The areas addressed by the evaluation were skills and structure, operating and meeting effectiveness, quality of information, culture, monitoring performance and ongoing development. The feedback

received provided a useful insight into areas that the Board was doing well, together with areas where the work of the Board could be developed. This included a renewed focus on strategic issues, discussions of corporate purpose ahead of the new QCA code requirements, and closer interaction with the executive team. The Board proposes to review the feedback again later in the year to assess its progress

The areas covered are the Board structure, operating and meeting effectiveness, quality of information and culture. A similar process is followed for the Audit and Risk and Remuneration Committees. The outcomes have been shared with the Board and Committees, and the performance improvements are discussed throughout the year on an ad hoc basis.

The Board intends to undertake a further effectiveness evaluation during the current financial year. The Nominations Committee is tasked with keeping the Board composition under review.

Culture

The Group's culture is supportive, inspiring, empowering and collaborative. This positive workplace culture acts to both attract and retain talent within the Group. The leadership team continues to promote the four core values of being straightforward, confident, pragmatic and real. The Board monitors and acts to promote a healthy corporate culture.

Board Committees

The Board has three key committees. Terms of reference for each of the Audit and Risk Committee ("ARC"), Remuneration Committee and Nomination Committee ("Principal Committees") are available on the Company's website. A report from the Chair of each of the Principal Committees detailing their activities follows this report.

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Audit and Risk Committee

The ARC has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. It received and reviewed reports from the Company's management relating to the Interim and Annual Accounts and the accounting and internal control systems in use throughout the Group. The ARC also receive reports from the independent auditors on the annual audit. The ARC meets at least three times a year at appropriate times in the reporting and audit cycle.

Remuneration Committee

The Remuneration Committee reviewed the performance of the Executive Directors and the Chair and made recommendations to the Board on matters relating to their remuneration and terms of service. The Remuneration Committee meets at least twice a year.

Nomination Committee

The Nomination Committee has an ongoing responsibility for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board and giving full consideration to succession planning. The Nomination Committee meets every year at appropriate times in the reporting cycle.

Members of the Principal Committees are:

Committee	Audit and Risk	Remuneration	Nomination
Chair	David Chubb	Louise Jackson	Penny Judd
Other Members	Louise Jackson Penny Judd Kathryn Fleming	David Chubb Kathryn Fleming Penny Judd	Louise Jackson David Chubb Kathryn Fleming

Until his retirement on 2 January 2024, Nigel Guy chaired the Nomination Committee.

Until her retirement on 30 April 2024, Claire Balmforth chaired the Remuneration Committee and was a member of the Audit and Risk and Nomination Committees.

Board and Committee attendance

During the financial year, there were 9 scheduled Board meetings, with attendance records as follows.

Attendee	Audit and Risk - attended	Remuneration - attended	Nomination - attended	Board - attended
Nigel Guy (Retired 2 Jan 2024)	–	–	0/1	7/7
Penny Judd (Appointed 2 Jan 2024)	1/1	2/2	1/1	2/2
Geoff Rowley	–	–	–	9/9
Jeremy French	–	–	–	9/9
David Chubb	4/4	6/6	2/2	8/9
Kathryn Fleming	4/4	6/6	2/2	7/9
Gavin Jones	–	–	–	9/9
Claire Balmforth (Retired 30 Apr 2024)	4/4	6/6	2/2	9/9

The work undertaken by each of the Committees and any external advice sought is set out in the reports of the Committee Chairs.

Internal control

David Chubb acts as the Board's Senior Independent Director. The role of the Senior Independent Director is to act as a sounding board and intermediary for

the Chair or other Board members as necessary and provide an alternative route of access for shareholders and other Directors who have a concern that cannot be raised through the normal channels.

The Board is advised and supported by the Company Secretary, ONE Advisory Limited, which provides professional

company secretarial and market abuse regulation compliance services. The services of the Company Secretary are available to all Directors.

Penny Judd
Chair
23 July 2024

FRP Advisory Group plc

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