

Fiske plc

Corporate Governance Statement

Biographies of directors are set out at the back of this Report and Accounts immediately prior to the Notice of Annual General Meeting. In proposing retiring directors for re-election at the Annual General Meeting, the Board has considered the skills, experience and contribution of each, as part of an ongoing process.

Dear Shareholder,

As chairman of the company I am committed to the principles supporting good corporate governance from executive level and throughout the operations of the business.

Fiske plc is listed on AIM and rule changes in March 2018 required all companies listed on AIM would need to comply with a recognised corporate governance code.

The Board adopted the Quoted Companies Alliance Corporate Governance Code (QCA) for Small and Mid-Size Companies. The Board believes that the QCA Code is both proportionate and appropriate in view of our size, strategy and resources.

The QCA Code is constructed on of 10 broad and accessible principles together with a set of minimum disclosures that are considered to be appropriate for both companies that are at an early stage of development and organisations that are more established.

Our Corporate Governance Statement, which aims to assist shareholders in understanding our approach to corporate governance, can be found on our website.

The Board

The board is collectively responsible for the management of the company and its success by directing and supervising its activities. It is also responsible for setting the company's culture and promoting our core values of dealing with all stakeholders with integrity, acting professionally and treating all fairly and with respect. There is a clear division of responsibilities between Board members and each director has discretion to obtain outside legal or other independent professional advice in the furtherance of their duties, if necessary, at the company's expense.

Board Composition

The Board currently comprises four executive and two non-executive directors.

All directors submit themselves for re-election at least every three years, although the independent Non -Executive director who has served on the board for over nine years submits himself for re-election each year.

The Remuneration and Nomination committee (a standing committee of the Board) is responsible for reviewing the composition of the board and, when appropriate, follow a transparent process when identifying potential candidates for appointment to the board. Such candidates will need to be duly knowledgeable with the appropriate skills; can work together with existing members and have an independent voice at board meetings by taking decisions objectively in the interests of the company. The people chosen will have the necessary experience and practical ability required to develop and deliver the strategy and business model of the company.

On the 1st October 2018, Tony Pattison was appointed an Executive Director of Fiske plc. He is an Executive Director of Fieldings Investment Management Limited, a company acquired by Fiske plc in 2017.

Board Effectiveness

I believe that the board has an effective and balanced structure. The existing members have the appropriate skill and a wealth of experience in the financial services sector which enable them to challenge, motivate and enhance our business to the benefit of all stakeholders; shareholders, clients, employees and suppliers alike. Although we are a small company our contribution to the community is by providing employment to over 40 individuals who in turn pay tax which contributes to the community.

The four executive directors are full time employees. As regards the two non-executive directors I am satisfied that they continue to devote sufficient time to their roles with the company.

Shareholder engagement

As Chairman I am aware that understanding our shareholders' and other stakeholders' interests is crucial in building trust and explaining what has transpired during the past year. I have had dialogue with some of the significant shareholders during the past year to discuss company matters and their comments about Fiske plc. The dialogue with other shareholders would take place at the Annual General Meeting where we encourage questions from our shareholders.

Many investors believe that the results of shareholder votes should be disclosed by all companies. Accordingly, following the Annual General Meeting of Fiske plc (2019) and subsequent meetings we will publish the results of shareholder votes on our website.

Finally, Corporate Governance is dynamic and as the board develops the strategy of the company or the business model is changed the governance by the company will evolve to meet the changing circumstances.

Clive Fiske Harrison
Executive Chairman
August 2019

QCA Code - 10 Principles

<p>Principle 1 Establish a strategy and business model which promote long term value for shareholders</p>	<p>The Board meets on a regular basis (some eight meetings a year) when it sets out our strategy and business model which are taken into consideration when making decisions on behalf of the company.</p> <p>Delivering high quality service to our clients by the provision of financial intermediation consisting of private client and institutional stockbroking and private client investment management, Fiske aims to provide a steady portfolio performance that creates wealth over time for our shareholders.</p> <p>Our core strategy of providing quality services to clients is dependent on the skill and experience of our Account Executives. Additionally, it is our intention to grow our private client investment management team both organically and by suitable acquisitions. We also are making better use of technology to streamline and improve services which will cope when the client base grows and without increasing the workforce. This should lead to recurring fee income and increased commissions.</p>
<p>Principle 2 Seek to understand and meet shareholder needs and expectations</p>	<p>The Board understands the importance of communication with shareholders. Fiske accepts that shareholders may have legitimate concerns about the company or they look for more information about specific matters but are often uncertain how to approach the company about such issues. We accept that listening and communicating with our shareholders is important as it gives us an understanding of shareholders needs and expectations.</p> <p>Fiske maintains communication with its shareholders through various platforms; the AGM, the Annual Report and Accounts, a one to one meeting and through our website info@fiskeplc.com</p> <p>Institutional Shareholders</p> <p>The significant shareholder list contains two institutions which together hold in excess of 14% of the shares in issue. Both have been met by either the Chairman or the Chief Executive Officer. Other smaller institutional investors are clients of Fiske and communicate with their respective Account Managers.</p> <p>The Board accepts that more dialogue should take place between institutional shareholders and board members.</p> <p>Private Shareholders</p> <p>The principal forum for dialogue with private shareholders is at the AGM. The shareholders receive notice of the AGM which is attended by all directors who are happy to field shareholders questions both during the AGM or, if they wish, after the close of the meeting. For each vote taken the number of proxy votes are announced stating those in favour, or against or withheld. The results of the AGM are published to the market and can also be found on the company website. This year, and subsequent years, we will publish the results of shareholder votes on our website.</p> <p>Whilst there was a high level of voting at the 2018 AGM the attendance level was lower than previous years.</p>
<p>Principle 3 Take into account wider stakeholder and social responsibilities and their implications for long term success</p>	<p>For long term success Fiske will rely on our relations we have with our different groups of stakeholders both internal (staff) and external (shareholders, customers, regulators and others).</p> <p>Our relationship with our shareholders is documented elsewhere. One of the most important group is our employees. In addition to salary, employees receive a range of benefits; and with a relatively flat management structure the Board believes that there are good lines of communication.</p> <p>We are fortunate in that staff turnover is very low.</p> <p>Our clients are central to our business and we are committed to provide them with a first- rate service which is tailored to the client’s personal investment objectives and risk profile.</p> <p>It is in meetings and telephone conversations with their Account Executives that the Company obtains feedback from clients. It is on these occasions when clients often comment on Fiske’s business; its</p>

	<p>charges, comparing Fiske to its peer group companies, how its service to clients and so forth.</p> <p>As a result of such comments the Company can, where relevant, together with other indicators benchmark itself with its peer groups.</p> <p>As a regulated firm with the Financial Conduct Authority we confirm that we give priority to abiding by their rules and regulations and meet all reporting required within the stipulated time.</p>
<p>Principle 4 Embed effective risk management, considering both opportunities and threats, throughout the organisation</p>	<p>The Board has overall responsibility for the company's systems of internal control and risk management and for reviewing the effectiveness of those systems. It is also recognised that the controls in place must be and are appropriate for the size, complexity and risk profile of Fiske.</p> <p>Whilst elimination of risk is unobtainable the board is satisfied that we can manage the risks and so execute and deliver our stated strategy.</p> <p>The Board has in place an internal risk management procedure identifying the major business risks facing the company and has policies and procedures to manage the risks. The Board has addressed the risks from both internal and external sources, including reputational, ineffective internal controls, failure to comply with the regulatory requirements, market risk, failure of clients to honour their debts, business disruption.</p> <p>Each risk is graded as to the probability of it occurring; the impact a risk might be to the company; and an overall risk assessment allocated to each risk. Controls to mitigate risk have been identified and the result is a retained risk which is scored low, medium or high. The risk matrix is reviewed at least on an annual basis.</p> <p>In addition to financial controls, the Board recognises that non- financial controls (e.g. Health and Safety, privacy, anti-bribery and corruption) be in place.</p> <p>Grant Thornton UK LLP, our nominated adviser advice Fiske on its AIM regulation requirements and thereby ensuring the we uphold good corporate governance principles.</p>
<p>Principle 5 Maintain the board as a well-functioning, balanced team led by the chair</p>	<p>The Board consists of four Executive and two Non-Executive Directors. Well-functioning boards are made up of individuals, who under the encouragement by the Chairman, work well together and operate in an environment whereby each can express their views and, where appropriate, challenge strategic or operational matters as well as the views of any other member.</p> <p>Board members have a collective responsibility and legal obligation to promote the interests of the company and are collectively responsible for defining corporate governance arrangements.</p> <p>Each board member must have a detailed knowledge of the company to enable it to discharge its duties and responsibilities. As a result the members will be in a better position to communicate our values, our culture and our services.</p> <p>Aware that our Non-Executive directors have a shareholding in Fiske plc, the Board is satisfied that, however long they have been with the company, they maintain their independent judgement to the workings and decision making at the board.</p> <p>We believe they have independence of character and will not be swayed by the views of other members even if they are outnumbered. The Chairman has meetings with directors to ensure that each one is aware of their role and is performing as required.</p> <p>Attendance at Board meetings is stated on page 10 of our Report and Accounts and we must emphasize the vital contribution of the Non-Executives Directors who are independent and make their decisions on current available information.</p> <p>The Board is satisfied and grateful for the commitment and the hours they contribute to the smooth workings of the Board. The Executive are full time engaged in Fiske business.</p>

<p>Principle 6 Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities</p>	<p>The Directors</p> <table border="1" data-bbox="300 250 1377 1330"> <tr> <td data-bbox="300 250 483 1330"> <p>C F Harrison Chair</p> <p>Experience Began his career in 1961. Founder of the company in 1973 and was CEO from that time until 2015 when he became Chairman.</p> <p>Committees Chair of Remuneration & Nominations, member of Risk and Audit</p> <p>Skills Financial markets, client relationships, Stock picker. finance,</p> </td> <td data-bbox="491 250 675 1330"> <p>J P Q Harrison Chief Executive</p> <p>Experience Joined Fiske in 1996. Company Secretary from 2001 to 2005. Appointed Executive Director in 2007 and CEO in 2015</p> <p>Committees Member of Risk committee</p> <p>Skills Client relationships, innovation and entrepreneurship,</p> </td> <td data-bbox="683 250 866 1330"> <p>G Luchini Compliance</p> <p>Experience Began his career in 1969 with the Royal Exchange Trustee Dept Compliance Director at Societe General Merchant Bank plc. Compliance Officer at Royal Bank of Canada Private Clients. Joined Fiske in 1997. Director in 1998</p> <p>Committees None</p> <p>Skills Extensive regulatory knowledge, investor relations</p> </td> <td data-bbox="874 250 1058 1330"> <p>M H W Perrin Non Exec</p> <p>Experience Joined Fiske as a Non-Executive Director in 2003. Currently a Director at The Investment Company plc. Has many years experience in industry and in the financial sector.</p> <p>Committees Chair of Risk and Audit committees and member of Remuneration & Nomination committee</p> <p>Skills Financial skills, extensive industry knowledge and international experience</p> </td> <td data-bbox="1066 250 1249 1330"> <p>A R Fiske-Harrison Non Exec</p> <p>Experience Joined Fiske as a Non-Executive Director in 2014. Employed as trainee broker at Fiske. Currently a director on two investment companies. A Board member of a company involved in film and theatre production.</p> <p>Committees Member of Audit and Remuneration & Nomination committee</p> <p>Skills Marketing, Communications, innovation</p> </td> <td data-bbox="1257 250 1377 1330"> <p>T Pattison Executive</p> <p>Experience His City career spans five decades holding senior director level in the management of investment companies including Capital Gearing Trust plc (Chairman)and Fielding Investment Management Limited. He was appointed a director of Fiske plc on 1st October 2018.</p> <p>Committees None</p> <p>Skills Client relationships. Industry knowledge, management of private client, charity and institutional portfolios.</p> </td> </tr> </table> <p>The Board is satisfied that between the 6 directors it has the required balance of personal qualities, skills, knowledge and experience relating to the financial sector. As a result of these capabilities it allows the Board to perform as a successful and effective team to deliver the company strategy for the benefit of shareholders over the medium to long term.</p> <p>Directors are required to complete at least 35 hours per annum as part of their Continuing Professional Development. The training will aid to keep, inter alia, their skillset up to date. Such training can be structured or unstructured.</p>	<p>C F Harrison Chair</p> <p>Experience Began his career in 1961. 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<p>Principle 7 Evaluate board performance based on clear and relevant objectives, seeking continuous improvement</p>	<p>Evaluating the performance of Board members is an ongoing operation. Whilst Fiske has conducted an in-house assessment of the board performance the Board accepts that, let us say at least once every three years, it needs to employ an external source to evaluate each director.</p> <p>The chairman engages with the board before after and during the meetings. He and the Company Secretary set the agenda and ensure that all board papers, management minutes and other relevant documents are prepared and issued to board members ahead of each meeting. The Chairman runs the Board meetings as he sees fit and members views are duly recorded in the Board minutes.</p> <p>Although succession plans have been discussed it was agreed that when the time came to search for a candidate the Board would seek the best candidate who has the requisite skills and abilities to take the company forward. Currently, there are no immediate plans to begin such a search.</p>						

	<p>The Board believes that both executives and non-executives work well as one team, even though there may be occasions when unanimous agreement on issues is not always attainable.</p> <p>We have already stated in this report that our communication and engagements with shareholders does take place we are mindful that this programme could be improved. The Board are committed to ensuring that better engagement with clients will be introduced.</p>
<p>Principle 8 Promote a corporate culture that is based on ethical values and behaviours</p>	<p>It is the Board which brings their ethical values to life and provides guidance to the staff on how to tackle ethical dilemmas. It is in everyone's role within the company to make ethic a priority, to expect staff to do the right thing when they make decisions.</p> <p>To this end and to promote a healthy corporate culture the board seeks outside assistance to give ethics training to staff. The training was attended by directors and employees who were provided with exposure to different perspectives and how individual, organisational or social pressures can influence behaviour.</p> <p>Employees are required to complete, as a minimum, three and a half hours ethical training each year. Such training was completed in July 2019.</p> <p>The intention was to communicate to employees that ethical behaviour should be at the forefront of their minds thereby factoring ethics into their decision-making.</p>
<p>Principle 9 Maintain governance structures and processes that are fit for purpose and support good decision-making by the board</p>	<p>The Board currently consists of four executive directors and two non-executive directors whose biographies are detailed below. It is the responsibility of Board members to discharge their duties in the best interests of the company and to accept their collective responsibility for its long term success. The Board, under the leadership of the Chairman, decides the strategic aims of Fiske plc that the necessary financial and human resources are in place to meet the company's objectives and to ensure that obligations to shareholders are met.</p> <p>Board Committees</p> <p>The Board is ultimately responsible for the direction and management of the Company. It discharges those responsibilities through the structures and authorities described hereunder.</p> <p>The attendance of meetings by Board members can be found on page 9 of the Annual Report and Accounts dated 31 May 2019 which can be found on the website under Company News.</p> <p>The Remuneration and Nomination, the Audit and the Risk Management Committees are standing committees of the Board to which certain matters are delegated as set out in their terms of reference.</p> <p>The Audit Committee</p> <p>The Audit Committee, comprising M.H.W. Perrin (Chairman) C.F. Harrison and A. R. Fiske-Harrison, meets at least twice a year. It reviews the Company's external audit arrangements, including the cost-effectiveness of the audit and the independence and objectivity of the auditors. It also reviews the interim and full year financial statements prior to their submission to the Board, the application of the company's accounting policies, any changes to financial reporting requirements and such other related matters as the Board may direct. The external auditors and executive directors may be invited to attend the meetings.</p> <p>The Committee shall be appointed by the Board and shall consist of not less than two members, one of whom shall be a non-executive director.</p> <p>To ensure a quorum is present the Chairman of the Committee, if required, may co-opt any other director as a member for a specific meeting.</p> <p>The Chairman of the Committee shall be appointed by the Board.</p> <p>The Secretary of the Company may be the Secretary of the Committee.</p> <p>The Chief Executive, the Finance Director, the Compliance Director and a partner of the external auditors will attend meetings of the Committee as required.</p>

Purpose of the committee is:

To ensure that management has systems and procedures in place to ensure the integrity of the financial information reported to the shareholders and in the maintenance of a sound system of internal control.

To provide, by way of regular meetings, a line of communication between the Board and the external auditors.

To review the external auditor's report on their audit of full year financial statements and on their review of interim statements and management's response and to consider other topics as defined by the board.

Risk Committee

The Chair and the committee members shall be appointed by the Board and shall consist of not less than three members.

The Risk Committee, comprising M.H.W. Perrin (Chairman), C.F. Harrison and J.P.Q. Harrison, meets at least twice a year. Its principal function is to identify and evaluate the key risk areas of the business and ensure those risks can be managed at a level acceptable to the Board and to review at least annually the company's ICAAP and Pillar 3 documentation.

The committee terms of reference is

to identify and evaluate the key risk areas to the business.

to identify those individuals who are accountable for managing specific risks.

to assess the incidence and impact of various risks.

to design and implement controls by which those risks can be managed and maintained at a level acceptable to the Board.

to monitor and review results.

The Committee is authorised by the Board to pursue or investigate any activity within its terms of reference. It is authorised to seek any relevant information it requires from any employee and all employees shall be directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other professional advice. Advisers with relevant experience and expertise may attend meetings of the Committee if the Chairman of the Committee considers it necessary.

The Chairman shall report to the Board following each meeting of the Committee and to each Board Meeting on any material matters that have arisen of which the directors should be made aware.

Remuneration and Nomination Committee

The current members of this committee have been appointed by the Board and consist of C. F. Harrison (Chair), M.W.H. Perrin and A.R. Harrison.

Meetings shall be held no less than once each year to include an annual meeting to deal with remuneration strategy and the annual salary review, supplemented by ad hoc meetings for any remuneration or employment matters which may arise from time to time.

The purpose is to ensure that the Group's executive directors, Associates and senior executives are fairly rewarded for their individual contributions to the Group's overall performance. (The remuneration of non-executive directors is a matter for the board)

In addition the Committee is responsible for identifying and nominating for the approval by the Board of candidates to fill Board vacancies. It will prepare for the Board a description of the roll and capabilities required for any particular appointment. It will review on a regular basis the structure and

composition of the current Board and, if necessary, make recommendations to the Board with regard to any changes. It will also assess whether non-executive directors are spending enough time to fulfil their duties. The Committee should draw up a formal letter of appointment setting out what is expected of the non-executives in terms of time, commitment and committee service.

The Chair

In general terms, the Chair manages the Board to ensure that the Company has appropriate objectives; that there is a Chief Executive with a team of executive directors and supporting staff; that there are procedures in place to inform the Board of the performance against objectives and to ensure that the company is operating in accordance with a high standard of corporate governance. In addition, the Chair will provide advice, counsel and guidance to the Chief Executive.

The Chairman will seek to ensure that the Executive and Non-Executive Directors receive timely, relevant information in a form and of a quality such that they are properly briefed on the issues arising at Board Meetings so that they can make an effective and informed contribution as Board members.

The Chair is a member of the Risk, Remuneration and Nomination and Audit committees.

The Chief Executive

The Chief Executive manages the Company by developing objectives, strategy and standards of performance; securing and leading a management team of the right calibre and directing that team to deliver the required performance. In general terms, his responsibilities will encompass:

- (a) The overall direction and management of the Company.
- (b) The development of objectives, strategy and performance standards which will be reviewed periodically and agreed by the Chair and the Board.
- (c) Securing and leading a management team of the right calibre to achieve the agreed strategies and objectives and, in particular, ensuring that there is a monitoring system in place to maintain performance standards and compliance with the highest standards of integrity and corporate governance.
- (d) Building and maintaining the Company's standing with shareholders, financial institutions and clients.
- (e) Ensuring that the systems, organisation and management structure and culture existing in the Company encourage excellence and accountability at all levels.

The Chief Executive will brief the Chair regularly on all significant matters and review with the Chair the overall organisation structure of the Company. On an annual basis, the Chief Executive will demonstrate to the Remuneration and Nomination Committee and/or the Board that the Company has soundly based plans for the development of personnel resources within the Company and that management development programmes are in place to ensure successful future management.

The Chief Executive will consult with the Chair on senior appointments and terminations, together with the terms thereof; on any proposed variations to be made in conditions of employment and on proposed grants of share options under the Company's share option schemes. Where appropriate, the Remuneration and Nomination Committee will be consulted also.

The Chief Executive will consult with the Chair on the remuneration packages for the Main Board executive directors and other Company senior management, together with proposed share options for submission to the Remuneration and Nomination Committee.

Other Executive Directors

The Executive Directors will report to the Chief Executive, but in governance and compliance matters Compliance Director reports direct to the Board.

Availability of Professional Advice

The Directors and Company Secretary are free to consult the company's legal, financial or other professional advisors on any matter relating to the company's affairs or where independent advice is required. The company will bear the cost of the consultations

Schedule of matters reserved for Board Approval

Review, approval and monitoring of an annual business plan for the Company prepared by management setting out operational and strategic objectives.

Review and approval of:

- Annual Budgets.
- Sale of assets in accordance with limits specified by the Board from time to time.
- Capital expenditure or investments in accordance with limits specified by the Board from time to time.
- Substantial leasing or other financial commitments.
- Significant changes in accounting policies and practice.
- General treasury and FOREX policy and practice and any material changes.
- Insurance arrangements (including, inter alia, Directors and Officers Liability Insurance) and other risk management policies.
- Changes in major banking relationships.
- Internal control procedures and the effectiveness

Board Authorities

- Material litigation and approval of settlement terms.
- Terms of material contracts and all contracts with related parties.
- Terms and conditions of new loan and other borrowing facilities.

Organisational Matters

Terms of appointment of the Chair and Non Executives
Appointment to and removal from the Board of Directors.
Appointment and removal of Company Secretary
Contracts in which the Directors have an interest.
Changes relating to the Company's capital structure.
Terms of reference and membership of Board Committees

Changes to the Memorandum and Articles of Association

Review and approve:

Interim and final results and public statements
Dividend recommendations
Directors' Report to shareholders
Response to bid approaches
All circulars and prospectuses issued to shareholders
Health and Safety, business continuity and similar policies
Remuneration of auditors and a change of auditors.

<p>Principle 10 Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders</p>	<p>The principal means of communication with our shareholders is at the Annual General Meeting. We also communicate through the annual and interim Report and Accounts and through information on the website.</p> <p>At the end of any general meeting the results of the meeting are released through the regulatory news service (RNS). Fiske also publishes required announcements using the same channel.</p> <p>Our website is publicly available; thus our outbound communications can be accessed by all our stakeholders.</p> <p>In the past year the Chair and Chief Executive have met or spoken to some of our major shareholders; those who have over 3% of the issued share capital.</p> <p>As stated earlier the Chairman should invite significant shareholders to meet either at Fiske offices or a mutual agreed venue for an open, frank and honest discussion about the company. We don't have the good fortune to employ a dedicated Investor Relations person, rather we expect members of the board, where relevant, to fill this role.</p> <p>Whilst we have not conducted a regular employee survey we believe that due to our size and the fact that we operate in one open plan office we can openly discuss company issues with employees. We positively encourage employees to speak freely about their concern, offer suggestions about our procedures and policies, how to improve our systems etc. We have mechanisms in place for employees, who have grievances or those who 'whistle blow'; knowing that such discussions will be held in the strictest confidence.</p>
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**Fiske plc, Corporate
Governance Risk Committee
report
year ended 31 May 2019**

Composition and constitution

The Risk Committee is appointed by the Board and consists of not less than two members, two of whom are to be non-executive directors. The members of the audit committee are:

M H W Perrin (Chairman),
C F Harrison, and
J P Q Harrison, CEO

The Committee formally meets at least twice a year. In practice, most of its work is executed by its members on a continuous basis in conjunction with senior operational management.

The purpose of the committee is to

- (i) review the full spectrum of risks and the impacts on business planning and capital requirements,
- (ii) promote risk management within the company, helping to integrate risk management within the company infrastructure and day-to-day business processes, and
- (iii) provide appropriate risk information to the Board.

The Committee is authorised by the Board to

- (i) pursue or investigate any activity within its terms of reference,
- (ii) to seek any information it requires from any employee and all employees shall be directed to co-operate with any request made by the Committee,
- (iii) to obtain outside legal or other independent professional advice, and
- (iv) to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Areas of Focus

The work of the committee is

- (i) to identify and evaluate the key risk areas to the business,
- (ii) to identify those individuals who are accountable for managing specific risks,
- (iii) to assess the incidence and impact of various risks,
- (iv) to design and implement controls by which those risks can be managed and maintained at a level acceptable to the Board and
- (v) to monitor and review results.

During the year there has been particular focus on CASS, CASS resolution, and internal systems. The committee has also interacted with the work of the audit committee in relation to the instigation of an internal audit function during the year.

The committee interacts with the work of the audit committee to maximise comprehensive coverage of internal controls, and interacts with management activities to address client assets and CASS recovery, the application of company policies and regulatory reporting.

Signed on behalf of the Risk Committee

Martin Perrin
Chairman, Risk Committee

Fiske plc, Corporate Governance
Audit Committee report year ended
31 May 2019

Composition and constitution

The Audit Committee is appointed by the Board and consists of not less than two members, two of whom are to be non-executive directors. The Chief Executive, the Senior Financial Officer, the Compliance Director and a partner of the external auditors will attend meetings of the Committee as required. The members of the audit committee are:

M H W Perrin (Chairman),
C F Harrison, and
A R Fiske-Harrison

The Committee formally meets at least twice a year. In practice, much of its work is executed by its members on an as needed basis.

The purpose of the committee is to

- (i) ensure that management has systems and procedures in place to ensure the integrity of the financial information reported to the shareholders and in the maintenance of a sound system of internal control; and
- (ii) to provide, by way of regular meetings, a line of communication between the Board and the external auditors.

The Committee is authorised by the Board to

- (i) investigate any activity within its terms of reference,
- (ii) to seek any information it requires from any employee and all employees shall be directed to co-operate with any request made by the Committee,
- (iii) to obtain outside legal or other independent professional advice, and
- (iv) to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Areas of Focus

The work of the committee is

- (i) to consider the appointment of the external auditor, Deloitte LLP, the audit fee and any questions of resignation or dismissal,
- (ii) to review the non-audit services supplied to the Company by the external auditor,
- (iii) to consider with the external auditor the nature and scope of the audit,
- (iv) to consider internal audit functions and priorities,
- (v) to review the interim and full year financial statements and related announcements/press releases before submission to the Board focusing particularly on:
 - a) application of the Company's accounting policies,
 - b) any changes in accounting policies and practices,
 - c) the going concern assumption,
 - d) compliance with the Stock Exchange, legal and other regulatory requirements, and
 - e) the statement on internal control.
- (vi) to discuss any problems and observations and recommendations arising from the interim review and final audit and the Report of the Auditors to the Audit Committee, including their Significant Risks dashboard, any weaknesses identified or recommendations made in respect of the Company's accounting systems or internal controls and any matters the auditor may wish to discuss (in the absence of management where necessary),
- (vii) to review the external auditor's report on their audit of full year financial statements and on their review of interim statements and management's response.
- (viii) to consider any other topics, as defined by the Board.

There were no interactions between the Company and the FRC during the period.

In reviewing the preparation of the Report and Accounts, the critical accounting judgments and key uncertainties were evaluated and further information is set out in note 2 to the accounts.

During the year there has been particular focus on internal controls and planning the impact of changing accounting standards. In addition the committee has instigated an internal audit function, opting to outsource this to a specialist firm appointed following a review and selection process.

The firm's auditors, Deloitte LLP, or its predecessor firms including Touche Ross, have been its auditors since Fiske & Co, a partnership, was incorporated in 1988. It is now felt appropriate that the auditors be changed. Following a review and selection process, a resolution to appoint BDO LLP is being put to the shareholders at the forthcoming General Meeting.

Whistleblowing

The chairman of the Audit Committee is the Whistleblowing Champion for the Firm. It is formal policy that any member of staff may contact the Whistleblowing Champion privately.

Signed on behalf of the Audit Committee

Martin Perrin

Chairman, Audit Committee

Remuneration and Nomination Committee
Year end
31 May 2019

Composition

Members: C. F. Harrison (Chairman)

M.W.H. Perrin

A. Fiske-Harrison

The committee shall be appointed by the Board and shall consist of not less than three members, two of whom shall be non-executive directors.

Meetings shall be held no less than once each year to include an annual meeting to deal with remuneration strategy and the annual salary review, supplemented by ad hoc meetings for any remuneration or employment matters which may arise from time to time.

Remuneration

- (i) The purpose of the committee is to ensure that the Group's executive directors, Associates and senior executives are fairly rewarded for their individual contributions to the Group's overall performance.
- (ii) to demonstrate to all the stakeholders in the business that the remuneration of the executive directors and senior executives of the Group is set by a Remuneration Committee of board members, who are independent and have no personal interest in the outcome of their decisions and who will give due regard to the interests of the Group. (The Chief Executive will take no part in the determination of his own remuneration).

NB The term "remuneration" includes all benefits, whether in cash or in kind, fixed for a term or performance-related, immediate or deferred.

The committee's terms of reference are:

- (a) to consider and approve the Chief Executive's recommendations regarding the remuneration package (including pension rights) of the senior executives where the notice period exceeds 3 months.
- (b) the establishment of and changes in employee and executive share option schemes and other employee benefit schemes.
- (c) to approve all share option allocations to executive directors and Associates and to be consulted in regard to proposals for the grant of share options to all other employees.
- (d) to approve any changes to other terms and conditions for executive directors including pensions and contractual notice arrangements.
- (e) to approve any ex-gratia payments to retiring executive directors and to approve proposed termination payments and other associated benefits.

Nomination

The Committee will also monitor and review the membership and composition of the Board and senior executives; will consider appointments to and promotions within the Board; plans for succession and to make recommendations to the Board on Board appointments, promotion and succession generally.

The Committee is authorised by the Board to pursue or investigate any activity within its Terms of Reference. It is authorised to seek any information it requires from any employee and all employees shall be directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other professional advice. Advisers with relevant experience and expertise may attend meetings of the Committee if the Chairman of the Committee considers this necessary.

The Committee may make comparisons between the remuneration currently earned by the Company's executive directors and those paid to directors of other similar companies in comparable business sectors. External comparisons may be based on information from sources such as public surveys and independent consultants who specialise in remuneration.

The committee, where relevant, interacts with the work of the risk and audit committees and also with management.

Signed on behalf of the Remuneration and Nomination Committee.

Clive Fiske Harrison

Chairman, Remuneration and Nomination Committee.