Premier Miton
INVESTORS

ACTIVE
INVESTMENT MANAGEMENT

Annual Report
and Financial Statements
2023

OUR PURPOSE

To actively and responsibly manage our clients' investments for a better financial future.

Premier Miton recognises that we are part of a larger investment community and a broader society. We believe in acting responsibly and leading by example by championing high standards of investment and behaviour.

What's inside

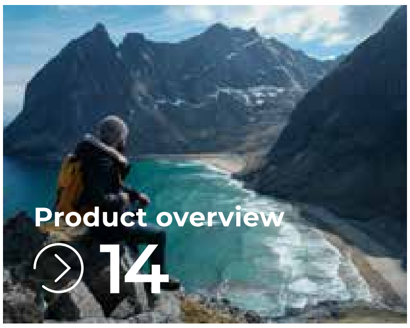
Strategic Report

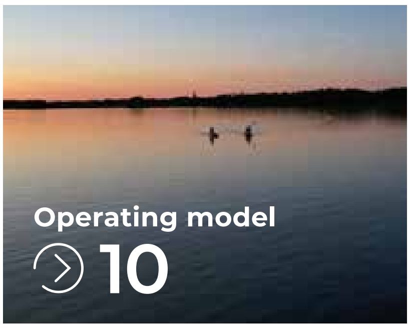
Governance

Financial Statements

Shareholder information

For up-to-date investor relations, visit our website **www.premiermiton.com**





2023 highlights

Product performance

73%

of funds and investment trusts are first or second quartile at 30 September 2023 since launch/tenure[1]

Products managed

47

as at 30 September 2023

Assets under Management ('AuM')

£9.8bn

closing AuM versus £10.6bn at 30 September 2022[2]

Net outflows of

£(1,147)m

across the product range for the year (2022: £1,076m outflows)

Profit before tax

£5.9m

(2022: £14.9m)

Adjusted profit before tax[2], amortisation, share-based payments, merger related costs and exceptional items

£15.7m

(2022: £24.3m)

1 See footnote 5 on page 17.
2 This is an Alternative Performance Measure ('APM'). See page 27 for further detail.

COMPANY OVERVIEW

Premier Miton provides a broad suite of products covering a range of asset classes that are designed to deliver suitable outcomes to meet the needs of today's investors.

Who we are

We are a UK based asset management group, with a strong heritage dating back to the 1980s.

Responsible business

For more information
Page 30

Strategic objectives

For more information
Page 18

Our values

Independent

Our bright minds don't think alike. Our investment teams pursue an enlightened, collaborative approach but, importantly, are not constrained by a 'house view'. All of us think independently and challenge the status quo.

Dedicated

We put clients' interests at the heart of everything we do. We never forget we are managing other people's money and are dedicated to helping clients achieve their investment objectives.

Collegiate

We work collaboratively for the benefit of our clients, within teams and across teams. Each and every one of us assists in building a sense of inclusion and belonging, ensuring a respectful working environment.

Passionate

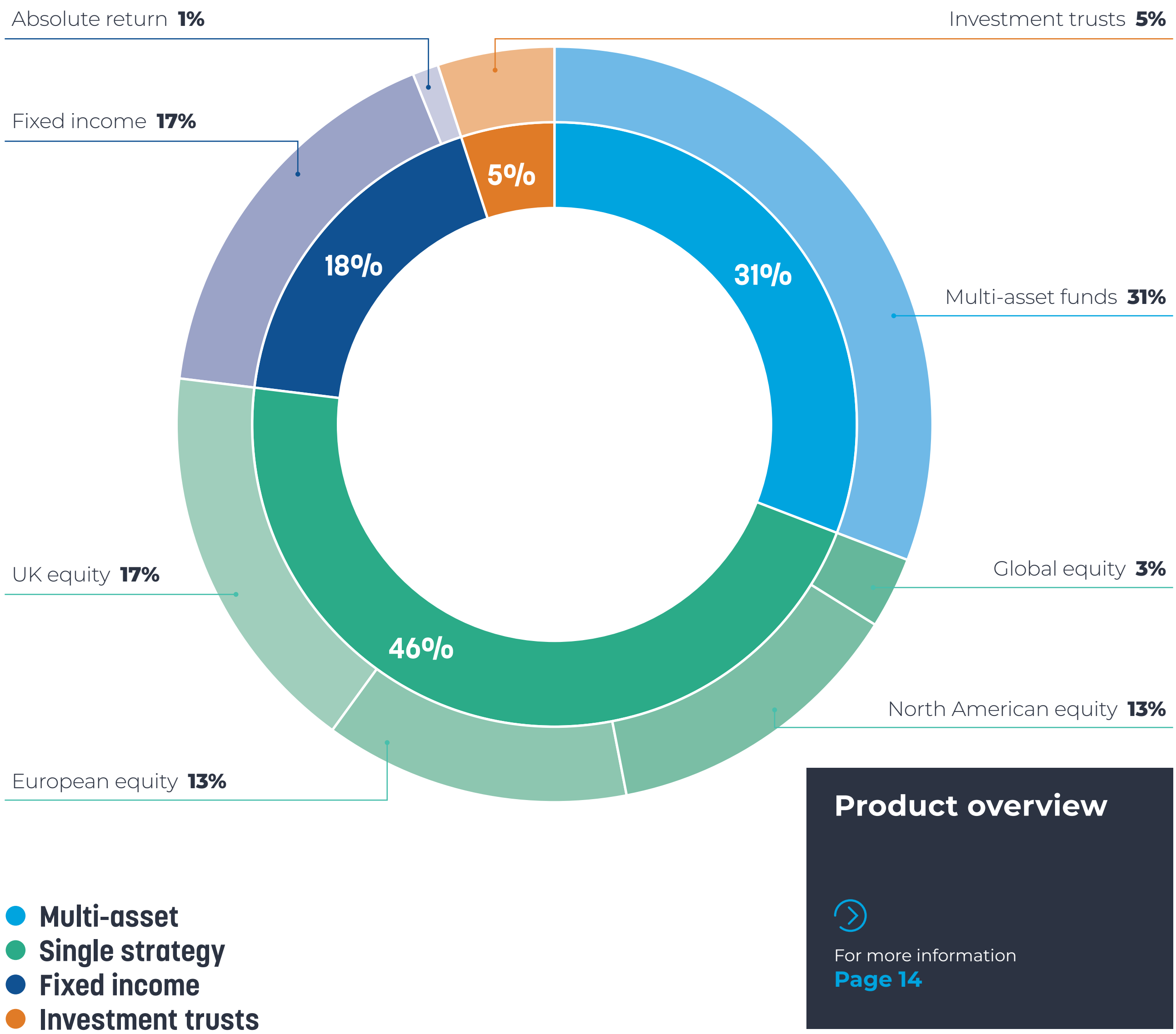
We are passionate about active investing and meeting the needs of clients. To do that, our fund managers have a genuinely active, high-conviction investment approach. All of us are passionate in the way we work together – striving to achieve excellence.

Responsible

We steward our clients' assets carefully and responsibly and actively engage with the companies we invest in. We are responsible in the way we manage our business, our people, our environmental impact and our impact on wider society.

Diversified investment expertise

As at 30 September 2023:



Product overview

For more information
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OUR DIFFERENTIATORS

Our investment strategies have high active shares that seek to achieve long-term outperformance.

We aim to differentiate our strategies according to the needs of our clients.

We invest without benchmark constraints in a wider range of companies and instruments.

We are also active in our approach to stewardship of the companies in which we invest.

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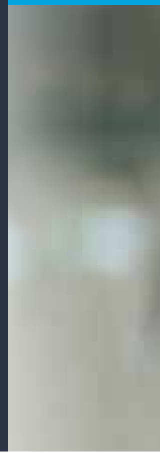
INVESTMENT MANAGEMENT

CHAIRMAN'S STATEMENT



Actively and responsibly managing our clients' investments.

We have a clear purpose in actively managing our assets for the benefit of our clients and take a long-term view of how we do this. We believe in the value of active asset management and are committed to delivering this for the benefit of our clients. Our strategy is designed to support this purpose.

Results

Our financial results for 2023 reflect the ongoing challenges facing investment markets in general and the UK's savings industry in particular. Further details and explanations for this are contained in the reports from our Executive team.

Investment businesses are by their nature cyclical and financial results are driven by markets, performance and flows. While we have a well-diversified range of funds and a strong long-term performance track record, the near-term challenges have been difficult. However, we are confident in the fundamental strengths of our business and the abilities of our teams. Of course we must and indeed are managing our costs to reflect the requirements of the business and to align interests as closely as possible. This is receiving full management attention.

Sector background

These are challenging times for the UK's domestic asset management industry and for market participants. The causes of this are complex and are receiving plenty of industry, media and, increasingly, political attention. At its core are several deep-seated structural issues particular to the UK affecting the creation, intermediation and allocation of long-term savings and capital, alongside several, probably more temporary, market and sector adjustment factors. No company or business involved is immune from the consequences of this and all need to consider carefully what will be the future shape of the UK's savings and capital markets sectors and their positioning within these.

The consequences of further weakening of the UK-centred investment industry would be deeply uncomfortable for our country, and we believe most importantly would reduce the resilience and capacity of the UK to create wealth and to build and sustain the type of society we need. The creation of domestic long-term savings and their allocation into productive domestic investments is an essential feature of a successful modern economy and we are proud to play a part in this. Alongside many other firms, organisations and individuals, we also have sought to influence public policy decisions to address these structural issues in a positive way.

The debate about the value of active and passive asset management is ongoing. We believe that both have a place to play in the investment sector and that genuinely active investing has a core and important role for savers and investors. Our approach is to have a range of genuinely active funds with strategies that have a clear place in the investment landscape. There are times when some funds may underperform and then we seek to ensure that recovery is achievable and that, through management action if needed, we have confidence in a return to positive long term performance.

Strategy

Against this complex background, over the year we have closely considered our own strategy to ensure that it remains achievable, mindful of the need to manage our resources and processes as smartly as possible for the long-term interests of the business as a whole. We are focusing on a range of commercial, tactical and strategic opportunities. We continue to review our product range to ensure it has relevance in our chosen markets. We are also actively looking to access the pools of capital, within and outside the UK, that welcome our investment skills and capabilities, and what arrangements we need to structure to secure these. These strategic priorities and careful management of our existing business may involve organic and inorganic investment.

Our active investment decisions are designed to deliver attractive returns to our investors over the long term.

Robert Colthorpe
Chairman

An example of this is our announcement after the year end of the acquisition of Tellworth, a leading UK-based equities boutique with some £559m of AuM, running long/short and long only strategies for wholesale and institutional clients. The acquisition expands our product offering and brings in a highly regarded investment team delivering good, consistent investment performance and scope for significant asset growth when supported by our distribution team.

Dividend

In our interim report I set out the Board's approach to dividend payments. Our stated policy is to pay a dividend in the range of 50-65% of adjusted profit after tax. We are willing to exceed this if appropriate and within the bounds of prudence. We are highly reluctant to pay an uncovered dividend except in exceptional circumstances, in which both the market and business outlook are obviously both clearer and brighter. While we remain confident about the longer-term prospects for our business, I am sure shareholders will understand that we must act prudently and always in the interests of the business as a whole when making decisions on capital allocation, ensuring that we safeguard our strong financial position.

Accordingly, alongside the interim dividend of 3p we have decided to recommend a final dividend of 3p, bringing the total dividend for the year to 6p, equal to approximately 68% of adjusted EPS of 8.8p.

People

Our people are what make our business succeed and I thank all of them for their hard work and efforts last year. Our leadership team has many years of experience at managing businesses in our sector through both good and challenging times and understands the importance of maintaining good communication and a positive culture.

We continue to evolve our reward models across the firm to ensure that we are competitive for talent and that we align stakeholder interests in the business as closely as possible. In particular, and as in prior years, we aim to ensure that for our key employees who drive shareholder value creation, that their compensation framework reflects both the position of the business and keeping a focus on long-term behaviours and securing performance for investors in our funds. All of this needs to be managed in a framework that aligns with and provides suitable and attractive rewards for our shareholders as the owners of our business.

The Board has continued to be highly engaged and supportive and I am grateful to each of the members for their ongoing commitment. During the year David Barron left the Board and I would like to thank him for his valued contribution, both as Chief Executive of Miton Group plc for many years and subsequently as a Non-Executive Director bringing a huge depth of experience and business understanding to our deliberations and decisions.

Outlook

There are many reasons to be concerned about the current condition of the UK's economy and our domestic long-term savings markets, as well as the state of geopolitics and the pace of societal and technological change. Equally, the business of managing savings and capital allocation is an important one for our country and it too is changing. Through all of this, there are and will continue to be attractive opportunities for Premier Miton's business. As a Board, a leadership team and across our business, we are determined to tackle these with vigour, clear sightedness and a commitment to doing as well as we can for our clients. By doing this to the best of our abilities, our shareholders and other stakeholders should also benefit over time. We remain resilient and flexible, optimistic and ambitious, as well as long-term in our approach to running Premier Miton.

Robert Colthorpe
Chairman

4 December 2023

CHIEF EXECUTIVE'S STATEMENT

Focused on delivering strong outcomes for our investors.

It has been a challenging landscape for the industry. The Group's AuM ended the period at £9.8 billion, a fall of 7% on the opening position for the year. With interest rates in the UK at multi-year highs and more geopolitical uncertainty than we have seen for many years, investors have simply stayed away from equity funds.

Performance

The year was characterised by investors taking a more cautious approach to new investments rather than accelerating their withdrawals. We saw a reduction in demand for equity funds, which were down by 37% on financial year 2022, but the level of redemptions from these funds were only down by 9% year on year.

On the positive side, we continued to see growing net sales into our fixed income funds – up by 88% year on year – and into our 'Diversified' multi-asset funds which were up by 19% year on year. We continue to have confidence that our fixed income funds can continue to grow as the sector returns to popularity with investors after many years of being out of favour.

We have a strong investment team who have delivered good investor outcomes during their three years with the firm and fixed income remains a key focus for our distribution team.

The net management fee margin (the retained revenue of the firm after deducting the costs of OCF caps, direct research costs and any enhanced fee arrangements), was 61.7bps compared with 64.6bps last year. The adjusted operating margin decreased from 30.0% to 23.5% reflecting the lower level of AuM and reduced fees earned. The Group generated £15.7 million of adjusted profit before tax for the year and had a closing cash position of £37.9 million.

Investment performance has remained good with 73% of our funds delivering performance ahead of median since manager inception and 62% over the three-year period.

Strategy

The changes we made last year to our distribution team have bedded in well. We now have well-regarded distribution and marketing teams committed to high levels of activity targeting those strategies that are currently in demand from investors, such as fixed income, money market and multi-asset. We are also laying the groundwork for when there is a renewed risk appetite for equities. We continue to maintain high levels of visibility by participating in numerous fund manager roadshows and events servicing existing clients and showcasing the breadth and depth of our investment talent to prospective clients, whilst increasing advertising and press activity.

Given the more difficult market backdrop, there has been an ongoing focus on ensuring costs within the business are fully aligned with revenue expectations. Good progress has been made in this regard with several restructuring changes completed during the year the benefit of which will come through partially in FY23 with full impact in FY24.

One notable feature of the more difficult market conditions is that we are seeing more potential acquisition opportunities. This is a feature of the market that we expect will continue for some time. With our strong operational and distribution platform and robust balance sheet, we are keen to take advantage of opportunities that can add talented investment teams to our portfolio or which allow us to access new markets or product capabilities.

In that context, shortly after the end of the period we were pleased to announce the acquisition of Tellworth Investments LLP ('Tellworth'), a leading UK equities boutique with AuM of £559 million as at 30 September 2023.

Our business provides the environment for our fund managers to deliver superior investment outcomes for the investors in our funds, and we put our trust in them accordingly.

Mike O'Shea
Chief Executive Officer

The acquisition, which remains subject to FCA approval, is in line with our stated inorganic strategy, of buying complementary asset management platforms that bring industry expertise and product diversification as part of a wider commitment to continue to invest in growth opportunities.

The acquisition broadens our offering into liquid alternatives with the addition of long / short strategies and further strengthens our existing UK equity franchise. Tellworth's institutional client base also enhances our developing presence in that market. The core investment team of Tellworth, including co-founders Paul Marriage and John Warren will be joining us after completion, bringing with them long track records of working in UK equities with established industry reputations and strong networks of contacts. The investment team's strong, consistent investment performance across its strategies provides scope for significant asset growth when supported by PMI's well-resourced distribution team.

Outlook

I mentioned in my full year report to shareholders last year that the world had changed and that the forces of globalisation that helped drive down inflation and interest rates during the first two decades of the century had dissipated. I continue to believe that this will result in lower growth and that investors will ultimately have to work much harder to both keep pace with inflation and achieve their financial objectives.

Governments around the world have incurred significant amounts of debt since the financial crisis in 2008/9 and this burden has increased markedly since the COVID-19 pandemic. Excessive debt can act as a drag on economic growth as interest costs crowd out productive investment. It is also tempting for governments to allow inflation to remain above long-term trends to deflate the value of the debt. Ultimately, therefore, holding cash on deposit is not a sustainable investment strategy in this inflationary environment. Equities, however, have a long history of providing returns in line with, or ahead of, inflation and in due course, we are confident that investors will return to buying equity funds.

As I mention above, we are in a market environment that will create opportunities for inorganic growth and we are keen to use our platform to take advantage of this. Tellworth is one such example but there are several further opportunities under review that could bring new teams, additional AuM or new products allowing us to access new markets. Whilst there is no certainty around these opportunities, we will continue to appraise them diligently and pursue them where it is appropriate to do so.

As a business, we have a well-diversified range of genuinely active funds managed by a respected and experienced fund management team with a proven track record of delivering strong investor outcomes.

From the feedback we receive through our staff surveys as well as feedback from advisers and clients, Premier Miton has a strong culture that puts clients first and within which people are respected, and work well together. Our collaborative and collegiate environment makes Premier Miton a good home for talented investment professionals and dedicated support teams. We have the operational infrastructure in place to manage significantly more assets than we do currently. If we are successful in attracting these assets as market condition improve, the operational gearing inherent in our business will work for the benefit of shareholders. In the meantime, we will keep our costs aligned with our revenues and will concentrate on our primary goal of delivering superior investment returns for the clients who have entrusted us with their savings.

Mike O'Shea
Chief Executive Officer
4 December 2023

Gross fund flows[1]

£2.9bn

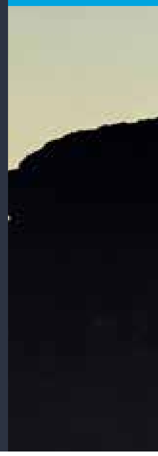
2022: £3.1 billion

Net fund flows[1]

£(1.1)bn

2022: £(1.1) billion outflows

1 See glossary on page 143.

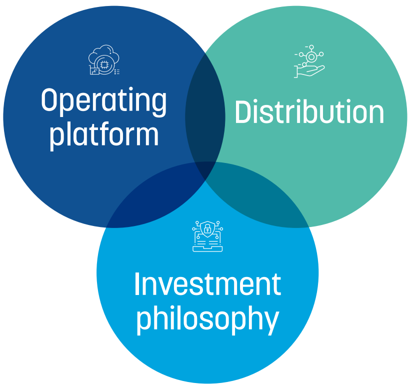


OPERATING MODEL AND INFRASTRUCTURE

Our operating model creates value for our stakeholders.

What makes us different

Our success is defined by our clients' success. We help them meet their investment objectives and preferences through well managed and relevant investment products backed by excellent client service.



Our priority is and always will be our clients and as a result, our product is performance. This might be delivering a sustainable long-term income, long-term growth, wealth preservation, managing risk or indeed beating a specific market benchmark.

Against a backdrop of constant change and development, we recognise that investment markets and our clients' requirements will continue to evolve. We offer investment solutions for today and we continue to adapt in order to ensure we offer investment products for tomorrow that meet our clients' changing needs.

Investment philosophy

- We believe active investment management is the best way of delivering attractive long-term risk-adjusted returns and investing responsibly, by carefully picking the companies we invest in on behalf of our clients.
- Our fund managers have a genuinely active, high conviction investment approach that allows them to think independently and focus on what they believe are the most compelling investment opportunities, rather than being constrained by a particular index benchmark or company-wide investment view.
- Through genuinely active management we aim to deliver added value to our clients, not only in terms of strong performance, but also in terms of our approach to diversification and risk management.

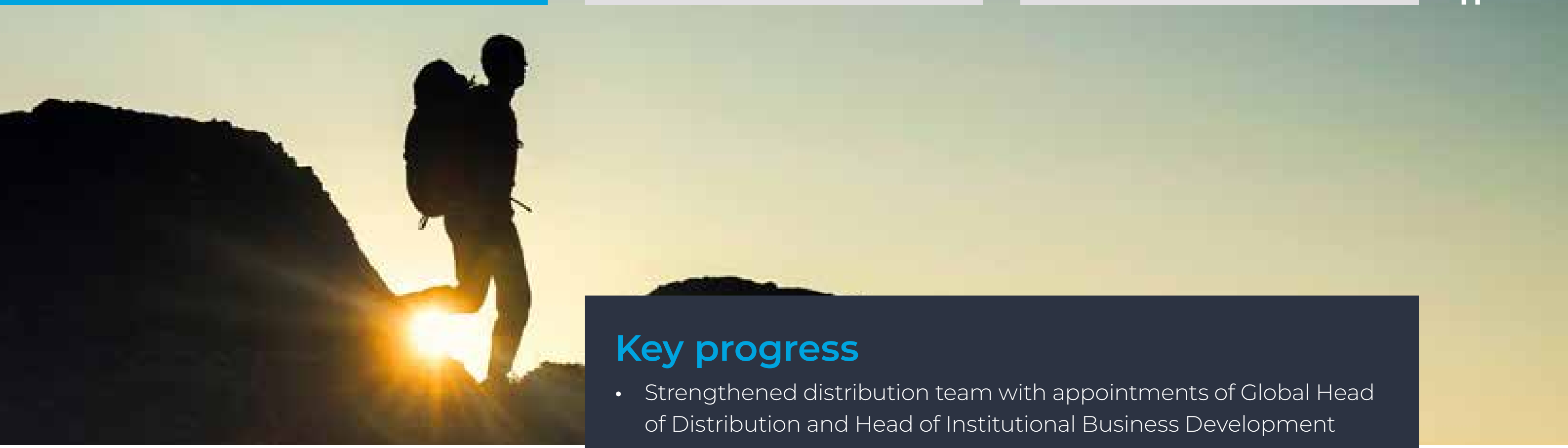
Operating model

- We operate a single, scalable operating model.
- The operating model has been intentionally designed under one ACD for efficiency and scalability as we add new products and expand our distribution capabilities.
- Bloomberg AIM is used as the single portfolio order management system.
- The Group has carefully calibrated remuneration structures that retain and reward its employees and align with shareholder interests.
- The Group maintains a strong and resilient balance sheet which provides longer-term stability and optionality with growth opportunities.
- We undertake regular testing of our cyber security arrangements, including monthly external vulnerability scanning and penetration testing. An extensive internal network penetration test was conducted during 2023, which has been incorporated into our annual testing regime. Regular phishing campaigns for all staff are carried out, alongside mandatory cyber security training.

See our values in action
Page 2

Underpinned by our values

Independent **Dedicated**



Key progress

- Strengthened distribution team with appointments of Global Head of Distribution and Head of Institutional Business Development
- Launch of institutional platform
- New emerging markets team appointed
- UK Value Opportunities fund manager succession appointed
- Continued integration of ESG factors within our investment framework
- Increased production capabilities to deliver across a greater breadth of media channels including videos, podcast and webinars

Distribution

- Our 23-strong sales team is structured to provide comprehensive coverage throughout the UK.
- The team engages with clients and distribution partners with the help of fund managers in order to maintain the highest levels of service.
- The team has been restructured and now reports to a newly appointed Global Head of Distribution to maximise our client-centric approach to ensure coverage of all types of intermediaries in the UK ranging from advisers, to discretionary wealth managers and institutional clients, promoting our broad range of equity, fixed income and multi-asset investment capabilities.
- The average relevant industry experience of the field-based team is 23 years.
- Salesforce is used as the distribution and client relationship management solution and will be enhanced as a technology tool and data source going forward.

Shareholder value

Our employees
We empower our employees to have the freedom to think independently. We believe this approach not only produces better investment outcomes for our clients but also the best possible environment for the well-being and personal development of our employees.

Our clients
A successful investment strategy can help clients to secure their futures and realise their ambitions. We want to play an important role in making this happen.

Our communities
We believe in acting responsibly, not only in terms of how we invest but also how we manage our business more broadly, for example our own environmental performance and the well-being of our colleagues.

Our shareholders
We are passionate about delivering returns over the long term through genuinely active management and building a business that rewards our shareholders.

For more information on our shareholder value
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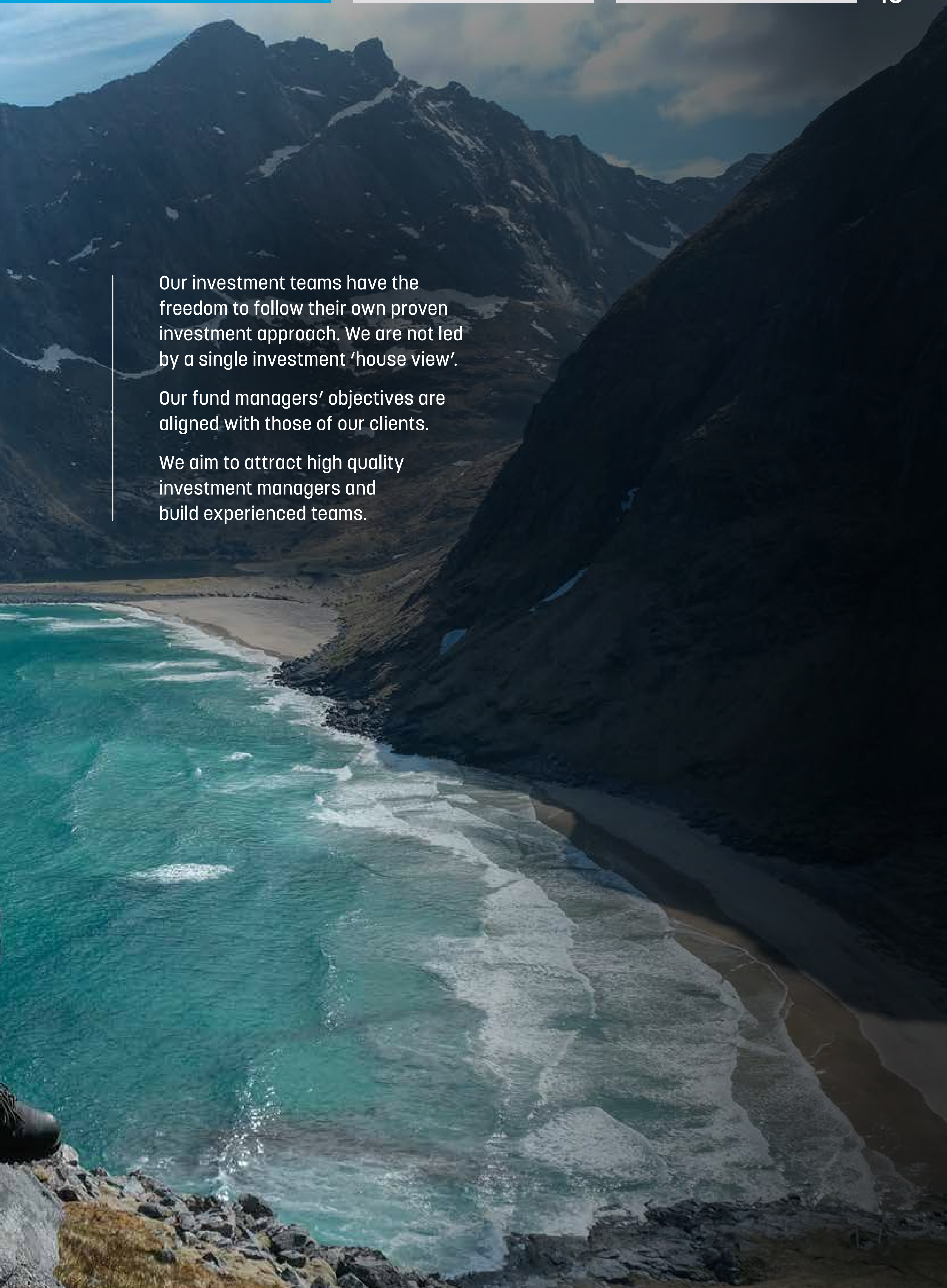
Collegiate **Passionate** **Responsible**

OUR DIFFERENTIATORS

PROVEN

INVESTMENT STRATEGY



Our investment teams have the freedom to follow their own proven investment approach. We are not led by a single investment 'house view'.

Our fund managers' objectives are aligned with those of our clients.

We aim to attract high quality investment managers and build experienced teams.

PRODUCT OVERVIEW

Relevant products for current and future investors.

Premier Miton's experienced investment teams offer clients a broad range of investment capabilities, covering all the major asset classes including equities, fixed income, multi-asset and absolute return.

With a stable of 41 mutual funds, a model portfolio service, four investment trusts and two segregated mandates, we offer investors exposure to UK equities, US equities, European equities, Global equities, Emerging Market equities, fixed income, money market, multi-asset via different risk/return profiles, and absolute return funds. Our product offerings cover 82% of the weighted assets invested across the UK IA sectors.

Our purpose is to actively and responsibly manage our clients' investments for a better financial future. To achieve this we provide investors with the building block investment strategies they need for their portfolios, as well as offering them portfolio solutions through our multi-asset strategies and model portfolio services.

This means that our investment and distribution and marketing teams can have relevant conversations with current and potential investors across the retail, intermediary and institutional client spectrum.

Asset managers like Premier Miton play a vital role in helping investors provide for their long-term needs and aspirations.

PRODUCT HIGHLIGHTS

Total Equity funds under management

£4.6bn

Total Multi-asset funds under management

£3.1bn

Total Fixed income funds under management

£1.7bn

Total Investment Trusts funds under management

£0.4bn

Our investment team

Chief Investment Officer

Neil Birrell – CIO & Fund Manager

Responsible Investing

Helene Winch – Head of Responsible Investing
Ben Briceno – Responsible Investing Analyst

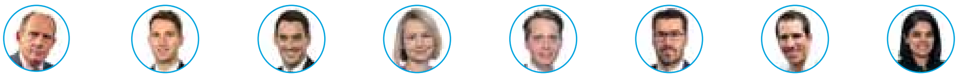
Emerging Market Equities

Fiona Manning – Fund Manager
Will Scholes – Fund Manager

Global Equities

Thomas Globe – Fund Manager
Duncan Goodwin – Fund Manager
Imogen Harris – Fund Manager
Alan Rowsell – Fund Manager
James Smith – Fund Manager
Luke Smith – Assistant Fund Manager
Jim Wright – Fund Manager

UK Equities

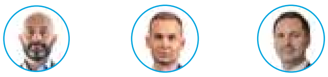


Gervais Williams – Head of Equities
Benji Dawes – Fund Manager
Jon Hudson – Fund Manager
Emma Mogford – Fund Manager
Matthew Tillett – Fund Manager
Martin Turner – Fund Manager
Mike Shrives – Assistant Fund Manager
Mahgul Ansari – Assistant Fund Manager

Derivatives

Geoff Kirk – Fund Manager

European Equities



Carlos Moreno – Head of European Equities
Thomas Brown – Fund Manager
Russell Champion – Fund Manager

US Equities

Nick Ford – Fund Manager
Hugh Grieves – Fund Manager

Property Companies

Kirsty Riddle – Fund Manager
Alex Ross – Fund Manager

Fixed Income

Lloyd Harris – Head of Fixed Income
Rob James – Fund Manager
Simon Prior – Fund Manager
Hoy Wan – Fund Manager
Cameron Geering – Credit Analyst
Kishan Paun – Credit Analyst
Abhayjeet Sing Bal – Credit Analyst

Multi-manager

David Hambidge – Investment Director Multi Manager Funds
Wayne Nutland – Fund Manager
Ian Rees – Fund Manager
Mark Rimmer – Fund Manager
David Thornton – Fund Manager
Nick Kelsall – Fund Manager

Macro Thematic

David Jane – Fund Manager
Anthony Rayner – Fund Manager

Absolute Return

Daniel Hughes – Fund Manager
Robin Willis – Fund Manager

PRODUCT OVERVIEW continued

Equity funds
£4.6bn

	AuM 31 Mar 2022 £m	AuM 30 Sept 2022 £m	AuM 31 Mar 2023 £m	AuM 30 Sept 2023 £m	Fund manager(s)	Year of launch/ tenure	Quartile[5]
Premier Miton UK Multi Cap Income Fund	990	765	695	**508**	G Williams/M Turner	2011	1
Premier Miton UK Smaller Companies Fund	110	70	66	**61**	G Williams/M Turner	2012	2
Premier Miton US Opportunities Fund	1,336	1,381	1,462	**1,249**	N Ford/H Grieves	2013	2
Premier Miton US Smaller Companies Fund	234	168	117	**34**	N Ford/H Grieves	2018	4
Premier Miton UK Value Opportunities Fund	596	357	399	**325**	M Tillett	2022	2
Premier Miton European Opportunities Fund	2,484	1,569	1,583	**1,233**	C Moreno/T Brown	2015	1
Premier Miton Global Infrastructure Income Fund	118	124	105	**93**	J Wright	2017	4
Premier Miton Worldwide Opportunities Fund	47	43	43	**43**	N Greenwood	2003	2
Premier Miton Income Fund[2]	187	171			E Mogford	2020	n/a
Premier Miton Monthly Income Fund	259	231	431	**403**	E Mogford	2020	3
Premier Miton Optimum Income Fund	67	57	62	**63**	E Mogford/G Kirk	2020	2
Premier Miton Responsible UK Equity Fund	213	172	166	**156**	J Hudson/B Dawes	2019	2
Premier Miton UK Growth Fund	261	192	197	**178**	J Hudson/B Dawes	2017	1
Premier Miton Pan European Property Share Fund	174	100	93	**71**	A Ross	2005	n/a
Premier Miton Global Sustainable Growth Fund	116	100	99	**91**	D Goodwin	2020	3
Premier Miton Global Sustainable Optimum Income Fund	25	23	23	**21**	D Goodwin/G Kirk	2020	4
Premier Miton Global Smaller Companies Fund	49	45	33	**23**	A Rowsell/I Harris	2021	4
Premier Miton European Sustainable Leaders Fund	88	55	54	**6**	C Moreno/T Brown	2021	4
Premier Miton European Equity Income Fund[4]	23	8	9		W James	2021	n/a
Premier Miton Emerging Markets Sustainable Fund				**5**	F Manning/ W Scholes	2023	2
	7,377	5,631	5,637	**4,563**			

Fixed income funds
£1.2bn

	AuM 31 Mar 2022 £m	AuM 30 Sept 2022 £m	AuM 31 Mar 2023 £m	AuM 30 Sept 2023 £m	Fund manager(s)	Year of launch/ tenure	Quartile[5]
Premier Miton Corporate Bond Monthly Income Fund	157	172	272	**283**	L Harris/S Prior	2020	1
Premier Miton UK Money Market Fund[1]	210	188	262	**225**	L Harris/H Wan	2019	1
Premier Miton Financials Capital Securities Fund	76	74	115	**109**	L Harris/R James	2020	n/a
Premier Miton Strategic Monthly Income Bond Fund	177	190	369	**445**	L Harris/S Prior	2020	1
Premier Miton Defensive Growth Fund	88	126	110	**99**	R Willis/D Hughes	2019	n/a
	708	750	1,128	**1,160**			

Investment trusts
£0.4bn

	AuM 31 Mar 2022 £m	AuM 30 Sept 2022 £m	AuM 31 Mar 2023 £m	AuM 30 Sept 2023 £m	Fund manager(s)	Year of launch/ tenure	Quartile[6]
The Diverse Income Trust plc	396	326	328	**275**	G Williams/M Turner	2011	1
MIGO Opportunities Trust plc	95	82	79	**78**	N Greenwood	2003	1
Miton UK MicroCap Trust plc	97	62	59	**55**	G Williams/M Turner	2015	3
Premier Miton Global Renewables Trust plc	53	49	47	**39**	J Smith	2012	2
	641	519	513	**448**			

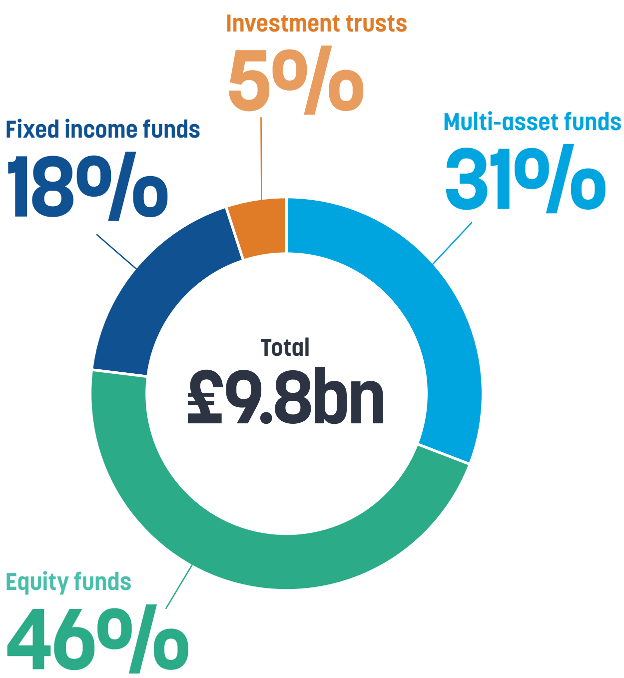
Segregated mandates
£0.6bn

	AuM 31 Mar 2022 £m	AuM 30 Sept 2022 £m	AuM 31 Mar 2023 £m	AuM 30 Sept 2023 £m
Quilter Investors Corporate Bond Fund	254	254	283	**368**
Quilter Investors Diversified Bond Fund	145	148	160	**214**
	399	402	443	**582**

Multi-asset funds
£3.1bn

	AuM 31 Mar 2022 £m	AuM 30 Sept 2022 £m	AuM 31 Mar 2023 £m	AuM 30 Sept 2023 £m	Fund manager(s)	Year of launch/ tenure	Quartile[5]
Macro thematic							
Premier Miton Cautious Multi-Asset Fund	367	336	320	**288**	Macro thematic team	2014	1
Premier Miton Defensive Multi-Asset Fund	163	139	134	**109**	Macro thematic team	2014	1
Premier Miton Cautious Monthly Income Fund[1]	126	126	130	**132**	Macro thematic team	2011	1
Premier Miton Multi-Asset Growth & Income Fund	517	393	338	**289**	Macro thematic team	2021	3
Diversified							
Premier Miton Diversified Balanced Growth Fund	52	60	98	**116**	Diversified team	2019	2
Premier Miton Diversified Cautious Growth Fund	45	50	71	**81**	Diversified team	2019	1
Premier Miton Diversified Dynamic Growth Fund	47	45	58	**66**	Diversified team	2019	1
Premier Miton Diversified Growth Fund	374	372	423	**427**	Diversified team	2013	1
Premier Miton Diversified Income Fund	48	67	95	**102**	Diversified team	2017	1
Premier Miton Diversified Sustainable Growth Fund	8	15	29	**37**	Diversified team	2021	3
Multi-manager							
Premier Miton Multi-Asset Absolute Return Fund	139	126	116	**100**	Multi-manager team	2009	n/a
Premier Miton Multi-Asset Monthly Income Fund	496	413	391	**351**	Multi-manager team	2009	1
Premier Miton Multi-Asset Distribution Fund	924	758	717	**640**	Multi-manager team	1999	2
Premier Miton Multi-Asset Global Growth Fund	120	105	102	**94**	Multi-manager team	2012	1
Premier Miton Liberation No. IV Fund	94	82	80	**73**	Multi-manager team	2012	1
Premier Miton Liberation No. V Fund	111	98	97	**92**	Multi-manager team	2012	1
Premier Miton Liberation No. VI Fund	61	53	51	**49**	Multi-manager team	2012	2
Premier Miton Liberation No. VII Fund	28	24	23	**21**	Multi-manager team	2012	3
Premier Miton Managed Index Balanced Fund[3]	1						
Premier Portfolio Management Service	1	1	1	**3**	PPMS Investment Committee		
	3,722	3,263	3,274	**3,068**			

Total AuM	12,847	10,565	10,995	**9,821**



AuM is presented after the removal of AuM invested in other funds managed by the Group.

1 Denotes a unit trust.

2 Premier Miton Income Fund merged into the Premier Miton Monthly Income Fund on 14 October 2023.

3 Premier Miton Managed Index Balanced Fund was closed on 9 June 2022.

4 Premier Miton European Equity Income Fund was closed on 29 June 2023.

5 The quartile performance rankings are based on Investment Association sector classifications where applicable, with data sourced from FE Analytics FinXL using the main representative post-RDR share class, based on a total return, UK Sterling, mid-to-mid basis for OEIC funds and bid-to-bid for unit trusts (Premier Miton Cautious Monthly Income Fund and Premier UK Money Market Fund). All data is as at 30 September 2023 and the performance period relates to when the fund launched or the assumed tenure of the fund manager(s).

6 Performance for investment trusts is calculated on Net Asset Value ('NAV'), ranked against the relevant Association of Investment Companies ('AIC') sector for each trust, apart from Premier Miton Global Renewables Trust plc which is ranked according to its relevant Morningstar category, sourced from Morningstar Direct. Performance for MIGO Opportunities Trust plc is quoted over ten years.

OUR STRATEGIC OBJECTIVES

Product and performance

Deliver a range of actively managed investment strategies with clear objectives across all the major asset classes, designed to meet our investors' needs.

Grow and diversify the Group's AuM.

Distribution and customer service

Restructure distribution and marketing teams.

Build our brand and market share across distribution channels.

Provide engaging and relevant market commentary and thought leadership.

Provide the highest level of customer service and embed Consumer Duty throughout the business.

Progress in 2023

Product and performance

- Focus on delivering strong performance over the long term
- Ensured orderly succession, replacing the retiring fund manager for the UK Value Opportunities Fund
- Launched an Emerging Markets Sustainable Equity fund
- Kept our range fit for purpose and relevant by merging the UK Income fund into the UK Monthly Income fund, and closing our European Equity Income fund
- Expanded our range of dedicated Responsible and Sustainable investing products to seven (up from six in 2022)
- Continued to embed ESG considerations within our investment process

Distribution and customer service

- Streamlined the marketing and distribution teams reporting line to the new Global Head of Distribution
- Restructured wholesale distribution to cover whole of market, promoting our full product range
- Developed the institutional offering, supported by presence at industry events and in specialist publications
- Appointed a distributor to promote our investment capabilities to pension funds in Peru and Chile
- Focused on brand awareness and promoting the product range across all distribution channels
- Published relevant and timely investment insights from our investment teams across multiple media formats
- Embedded Consumer Duty across the business

Future focus

Product and performance

- Nurture a culture that empowers our people to deliver value for our clients
- Continue to deliver attractive investment outcomes for our clients' changing requirements
- Further diversify our range of Responsible and Sustainable funds and support relevant responsible investing related initiatives
- Diversify our range of actively managed funds by launching successful new products
- Continue to grow our early-stage investment products to achieve scale

Distribution and customer service

- Grow our assets under management across the UK wholesale market
- Raise the brand profile by participating in industry events and through advertising and media visibility of our fund management teams
- Offer solutions for retirement income and model portfolio services
- Explore international distribution capabilities and product range
- Develop our institutional brand and presence
- Harness data and technology to enhance our client service proposition
- Publish relevant and engaging investment insights and thought leadership pieces in a variety of media formats

KPIs

Investment performance

73%

of funds 1st or 2nd quartile at the year end since manager tenure: 1st: 46% 2nd: 27% 3rd: 15% 4th: 12%

AuM

7%

decrease in the year: 2023: £9,821m; 2022: £10,565m; 2021: £13,931m

Net outflows

£1,147m

2022: £1,076m outflows

Risks

Product and performance

Internal

- Key personnel risk (the loss of, or inability to recruit and retain key personnel)
- Inability to sustain strong investment performance

External

- Factors impacting performance, such as a market setback or geopolitical turbulence
- Regulatory changes impacting the Group's ability to achieve desired performance levels

Distribution and customer service

Internal

- Key personnel risk
- Failure to adequately predict or foresee client requirements/service levels

External

- A pronounced shift in client demand away from active-based investing or certain asset classes
- Regulatory changes affecting the Group's ability to reach new clients and distribution channels

Operations and efficiency

Operational excellence and best practice execution.

- Completed staff satisfaction survey on culture and office working arrangements
- Successful application as signatory to the UK Stewardship Code
- Continued focus on value assessment, with 95% of funds demonstrating value and all agreed actions implemented
- Implemented a new remote access solution and maintained a continued high level of cyber-security
- Completed the office reorganisation in Guildford
- Continued investment in environmental sustainability including waste recycling, travel analysis, printing, carbon offsets and biodiversity

- Continue to develop a stable and scalable operating platform
- Ensure our operating platform keeps pace with regulatory change as we implement the new Consumer Duty
- Continue to maintain disciplined cost control coupled with selective expenditure on growth opportunities
- Continue to demonstrate straightforward and accountable decision making
- Continue to operate a robust risk management and compliance framework

Profit before tax

£5.9m

2022: £14.9m

Adjusted profit before tax[1]

£15.7m

2022: £24.3m

Internal
- Deficiencies in internal processes and/or systems
- Fraudulent staff behaviour, employee misconduct

External
- Cost fluctuations from changes in the regulatory environment
- Third-party risk/deterioration in service levels
- Security breaches

Stakeholder value

Increase shareholder value.

Deliver sustainable and durable growth in our business.

- Profit before tax decreased by 60% to £5.9m
- Adjusted profit before tax[1] decreased by 35% to £15.7m
- Adjusted operating margin[1] was 23.5% (2022: 30.0%)
- Adjusted diluted earnings per share[1] decreased by 35.9%
- Dividends (proposed and declared) for the year 6.0p

- Continue our drive to increase diversity across all areas of our business
- Continue to grow the Group's operating cash flow
- Ensure appropriate levels of cash are maintained in the business
- Continue to improve the Group's operating margin

Dividend per share

3.0p final (proposed)

3.0p interim

2023: 6.0p total proposed dividend

2022: 10.0p total dividend

Adjusted diluted earnings per share[1]

8.26p

2022: 12.89p

Internal
- Large redemptions from key clients at short notice

External
- Increased costs due to external influences
- Changes in client demand

1 This is an Alternative Performance Measure ('APM'), see page 27 for further detail.

OUR DIFFERENTIATORS

ERVE

Our clients can readily interact with our fund managers.

We produce insightful commentary on a regular basis.

Our distribution function aims to deliver excellent client-centric service. The team is geographically structured to provide comprehensive coverage throughout the UK, covering stand-alone and regional IFAs, national and network firms, life companies and discretionary managers.

Premier Miton adopts a multi-channel approach to reach intermediaries, including digital mailings, events, PR, literature, website, videos and webinars.

STRATEGY IN ACTION: RAISING OUR BRAND PROFILE

Well attended investment conference 2023.

c.140 delegates attended Premier Miton's Investment Conference in February 2023, which included a mix of main platform sessions and a choice of 15 breakout sessions with 25 of Premier Miton's fund managers.

A super day, good variety of speakers. ”

One of the most insightful, and engaging conferences I have been to. All speakers were excellent. ”

Very well organised which enabled attendees to meet many fund managers in person. ”

Incredibly well structured. Great variety of speakers. ”

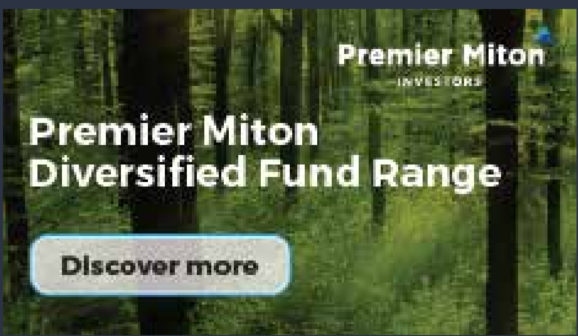
Strong presence at industry events to promote brand and focus products.

Wealth manager, advisory, strategic partner and institutional events, across the UK.

New advertising launched to promote focus funds and relevant products.

Fixed income funds

Diversified fund range



UK Money Market Fund

Successful media coverage.

1,128

pieces of coverage covering national trade, consumer and newswire

- Proactive campaigns to promote the brand and communicate investment expertise across priority strategies to target audiences.
- Always-on media engagement programme to forge relationships with key reporters.
- Steady stream of comment opportunities on newsworthy and commercially relevant themes.
- Pipeline of content, leveraged and tailored to target institutional stakeholders via key titles.
- Strong progress in building profile in the institutional market via the media.

FINANCIAL REVIEW

Maintaining a robust and scalable business model.

Given the difficult backdrop, there has been an ongoing focus on ensuring costs are fully aligned with revenue expectations. Good progress has been made in this regard with several restructuring changes completed during the year.

Profit before tax

£5.9m

2022: £14.9 million

AuM

£9.8bn

2022: £10.6 billion

* These are Alternative Performance Measures ('APMs'). See page 27.

Financial performance

Profit before tax decreased to £5.9 million (2022: £14.9 million).

Adjusted profit before tax*, which is after adjusting for amortisation, share-based payments, merger related costs and exceptional costs decreased to £15.7 million (2022: £24.3 million).

Adjusted profit and profit before tax

	2023 £m	2022 £m	% Change
Net revenue	**66.9**	81.2	
Administrative expenses	**(51.4)**	(56.8)	
Finance income	**0.2**	–	
Adjusted profit before tax*	**15.7**	24.3	(35)
Adjusted operating margin[4]*	**23.5%**	30.0%	(22)
Amortisation	**(4.8)**	(4.8)	
Share-based payments	**(4.7)**	(4.5)	
Merger related costs	**(0.1)**	(0.1)	
Exceptional costs	**(0.2)**	–	
Profit before tax	**5.9**	14.9	(60)

Assets under Management* ('AuM')

A combination of net outflows totalling £1,147 million and market performance resulted in the AuM ending the year at £9,821 million (2022: £10,565 million), a decrease of 7%. The Average AuM for the year decreased by 14% to £10,845 million (2022: £12,615 million).

Net revenue

	2023 £m	2022 £m	% Change
Management fees	**74.4**	90.6	
Fees and commission expenses	**(7.6)**	(9.1)	
Net management fees[1]*	**66.8**	81.5	(18)
Other income/(loss)	**0.1**	(0.3)	
Net revenue	**66.9**	81.2	(18)
Average AuM[2]	**10,845**	12,615	(14)
Net management fee margin[3] (bps)	**61.7**	64.6	(4)

1 Being management fee income less trail/rebate expenses and the cost of capping any OCFs, and direct research costs.

2 Average AuM for the year is calculated using the daily AuM adjusted for the monthly closing AuM invested in other funds managed by the Group.

3 Net management fee margin represents net management fees divided by the average AuM.

4 Adjusted profit before tax divided by net revenue.

The Group continues to appraise its cost base whilst ensuring we remain positioned for long-term growth when sentiment returns.

Piers Harrison
Chief Financial Officer

The Group's revenue represents management fees generated on the assets being managed by the Group.

Net management fees decreased to £66.8 million from £81.5 million last year, a 18% decrease reflecting both the decrease in the Group's average AuM and net management fee margin.

The Group's net management fee margin for the year was 61.7bps. The decrease is driven by the change in our business mix, and the impact of flows and markets on our existing business.

Administration expenses

Administration expenses (excluding share-based payments) totalled £51.4 million (2022: £56.8 million), a decrease of 10%.

Staff costs continue to be the largest component of administration expenses, these consist of both fixed and variable elements.

The fixed staff costs, which include salaries and associated National Insurance, employers' pension contributions and other indirect costs of employment increased to £22.8 million (2022: £20.4 million). The rise predominantly reflects annual salary increases and £1.0 million of staff related restructuring costs completed in the year.

The average headcount for the year has decreased, from 164 to 163. At the year end the full time equivalent headcount was 159 (2022: 166). Variable staff costs totalled £9.7 million (2022: £17.3 million). These costs move with the net revenues of the Group and the adjusted profit before tax, hence the decrease against the comparative period.

Included within this are general discretionary bonuses, sales bonuses and bonuses in respect of the fund management teams, plus associated employers' national insurance.

Overheads and other costs were broadly flat on the previous year at £18.1 million (2022: £17.9 million). The Group continues to assess the cost base and will make efficiencies where possible whilst ensuring the platform remains positioned for growth when sentiment returns.

Exceptional costs

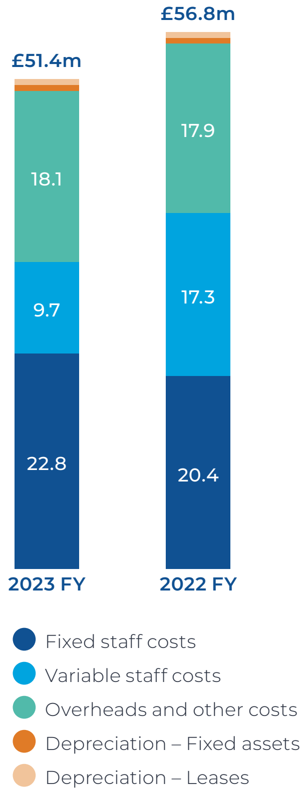
During the year the Group incurred exceptional costs, net of associated income, totalling £0.2 million following the cessation of the development of the Group's online portal 'Connect'.

Administration expenses

	2023 £m	2022 £m	% Change
Fixed staff costs	**22.8**	20.4	12
Variable staff costs	**9.7**	17.3	(44)
Overheads and other costs	**18.1**	17.9	(1)
Depreciation – fixed assets	**0.3**	0.6	(50)
Depreciation – leases	**0.5**	0.6	(17)
Administration expenses	**51.4**	56.8	(10)

FINANCIAL REVIEW continued

Administration expenses



Group cash balance

£37.9m

2022: £45.8 million

Adjusted earnings per share*

8.8p

2022: £13.79p

* Denotes Alternative Performance Measures ('APMs'). See page 27 for further detail.

Share-based payments

The share-based payment charge for the year was £4.7 million (2022: £4.5 million). Of this charge, £4.0 million related to nil cost contingent share rights ('NCCSR') (2022: £4.3 million).

At 30 September 2023 the Group's Employee Benefit Trusts ('EBTs') held 9,452,500 ordinary shares representing 6% of the issued ordinary share capital (2022: 12,356,304 shares).

At the year end the outstanding awards totalled 9,324,749 (2022: 11,015,578). The decrease reflects 1,577,500 NCCSR awards issued during the year (2022: 1,902,500) offset by 3,268,629 NCCSR awards being exercised (2022: 1,628,284).

On 13 January 2023, the Group granted 2,651,034 long-term incentive plan ('LTIP') awards (2022: 4,182,569). The costs of the awards is the estimated fair value at the date of grant of the estimated entitlement to ordinary shares. At each reporting date the estimated number of ordinary shares that may be ultimately issued is assessed.

See notes 22 and 23 for further detail.

Balance sheet and cash

Total shareholders' equity as at 30 September 2023 was £121.1 million (2022: £126.8 million).

At the year end the cash balances of the Group totalled £37.9 million (2022: £45.8 million).

The Group has no external bank debt.

Capital management

Dividends totalling £13.6 million were paid in the year (2022: £14.7 million); see note 24 for further details.

The Board is recommending a final dividend payment of 3.0p per share, bringing the total dividend payment for 2023 to 6.0p per share (2022: 10.0p).

If approved by shareholders at the Annual General Meeting on 7 February 2024, the dividend will be paid on 16 February 2024 to shareholders on the register at the close of business on 19 January 2024.

The Group's dividend policy is to target an annual ordinary dividend pay-out of approximately 50 to 65% of profit after tax, adjusted for exceptional costs, share-based payments and amortisation.

Going concern

The Directors assessed the prospects of the Group considering all the factors affecting the business when deciding to adopt a going concern basis for the preparation of the accounts.

The Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, comprising a period of at least 12 months from the date of this report.

The Directors' assessment has been made with reference to the Group's current position and strategy, the Board's appetite for risk, the Group's financial forecasts, and the Group's principal risks and how these are managed, as detailed in the Strategic Report.

The Directors have also reviewed and examined the financial stress testing inherent in the Internal Capital Adequacy and Risk Assessment ('ICARA'). The forecast considers the Group's profitability, cash flows, dividend payments and other key variables. Sensitivity analysis is also performed on certain key assumptions used in preparing the forecast, both individually and combined, in addition to scenario analysis that is performed as part of the ICARA process, which is formally approved by the Board.

Alternative Performance Measures ('APMs')

The Directors use the following APMs in evaluating the performance of the Group and for planning, reporting and incentive-setting purposes.

	Unit	Reconciliation	Used in management appraisals	Aligned with shareholder returns	Strategic KPI (page 18)
Adjusted profit before tax **Definition:** Profit before taxation, amortisation, share-based payments, merger related costs and exceptional items. **Purpose:** Except for the noted costs, this encompasses all operating expenses in the business, including fixed and variable staff cash costs, except those incurred on a non-cash, non-business as usual basis. Provides a proxy for cash generated and is the key measure of profitability for management decision making.	£	Page 24	●	●	●
Adjusted operating margin **Definition:** Adjusted profit before tax (as above) divided by net revenue. **Purpose:** Used to determine the efficiency of operations and the ratio of operating expenses to revenues generated in the year.	%	Page 24	●	●	●
Cash generated from operations **Definition:** Profit before taxation adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals and items of income or expense associated with investing or financing cash flows. **Purpose:** Provides a measure in demonstrating the amount of cash generated from the Group's ongoing regular business operations.	£	Page 104		●	
AuM **Definition:** The value of external assets that are managed by the Group. **Purpose:** Management fee income is calculated based on the level of AuM managed. The AuM managed by the Group is used to measure the Group's size relative to the industry peer group.	£	Pages 16-17	●	●	●
Net management fee **Definition:** The net management fee revenue of the Group. Calculated as gross management fee income, less the cost of external Authorised Corporate Directors ('ACD'), OCF caps, direct research costs and any enhanced fee arrangements. **Purpose:** Provides a consistent measure of the profitability of the Group and its ability to grow and retain clients, after removing amounts paid to third parties.	£	Page 24		●	
Net management fee margin **Definition:** Net management fees divided by average AuM. **Purpose:** A measure used to demonstrate the blended fee rate earned from the AuM managed by the Group. A basis point ('bps') represents one hundredth of a percent. This measure is used within the asset management sector and provides comparability of the Group's net revenue generation.	bps	Page 24	●	●	
Adjusted earnings per share (basic) **Definition:** Adjusted profit after tax divided by the weighted average number of shares in issue in the year. **Purpose:** Provides a clear measure to shareholders of the operating profitability and cash generation of the Group from its underlying operations at a value per share. The exclusion of amortisation, share-based payments, merger related costs and exceptional items provides a consistent basis for comparability of results year on year.	p	Page 119	●	●	●

OUR DIFFERENTIATORS

SHED

Premier Miton is a recognised brand amongst intermediaries with a track record of delivering for investors.

We have strong relationships in the retail and discretionary market, having run funds for over 30 years.

RESPONSIBLE BUSINESS: OVERVIEW

Corporate responsibility is key to the Group's overall strategy.

OUR FOCUS AREAS

During the year we have made significant progress across our focus areas of people and culture, community engagement, responsible investing and climate.

These areas are each overseen by focused and expert committees that are brought together from across the business:

People & Culture
Pages 32–35

Community engagement
Pages 31, 36–37

Responsible investing
Pages 38–43

Climate-related Financial Disclosures
Page 44–53

Our approach to responsible business

We believe that our business should be managed in a responsible way which means being responsible for outcomes across people, operations and communities as well as our investment portfolios. We approach our investment portfolios in the same way that we approach the management of our business – with open communication, actively sharing our experiences across the organisation.

Independent

Our bright minds don't think alike. Our investment teams pursue an enlightened, collaborative approach but, importantly, are not constrained by a 'house view'. All of us think independently and challenge the status quo.

Dedicated

We put clients' interests at the heart of everything we do. We never forget we are managing other people's money and are dedicated to helping clients achieve their investment objectives.

Collegiate

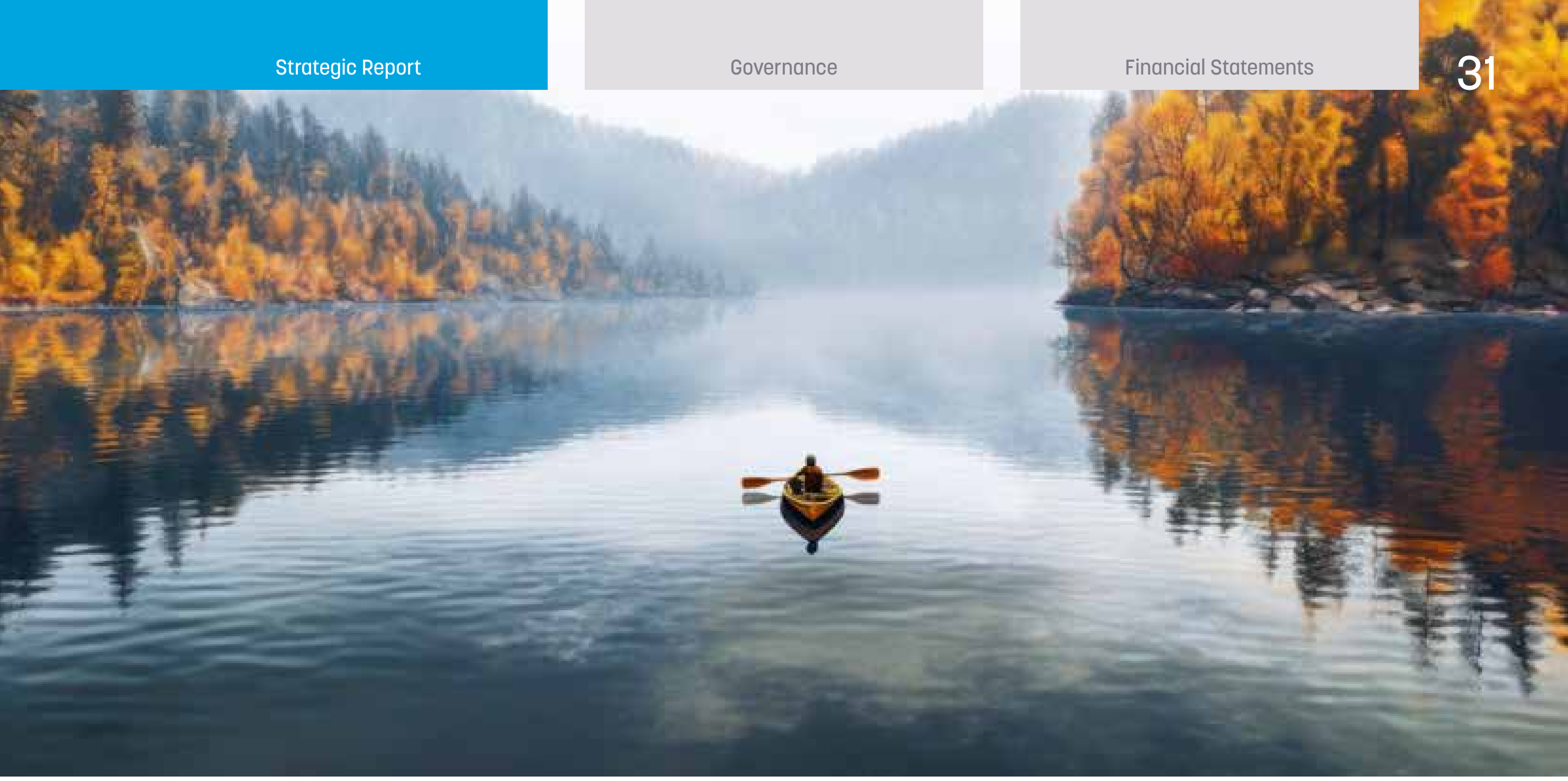
We work collaboratively for the benefit of our clients, within teams and across teams. Each and every one of us assists in building a sense of inclusion and belonging, ensuring a respectful working environment.

Passionate

We are passionate about active investing and meeting the needs of clients. To do that, our fund managers have a genuinely active, high-conviction investment approach. All of us are passionate in the way we work together – striving to achieve excellence.

Responsible

We steward our clients' assets carefully and responsibly and actively engage with the companies we invest in. We are responsible in the way we manage our business, our people, our environmental impact and our impact on wider society.



Governance

EDI Forum

Equality, Diversity and Inclusion ('EDI') is driven by the EDI Forum which is a voluntary initiative to spearhead diversity and inclusion within the business. It aims to increase staff understanding, engagement, satisfaction and retention; and to attract a wider pool of talent into the business. The Forum also leads research of industry best practice, benchmarking the Group, identifying gaps and making recommendations. The Forum includes the CEO and is supported by a small working group comprising other members of staff from across the business, who can propose and deliver EDI initiatives on an ad-hoc basis.

Sports and Social Committee

The Sports and Social Committee ('SSC') was established to enhance collaborative working relationships across the Group. The SSC aims to give a broad appeal, and provide a range of different opportunities to employees. During the year the SSC organised events ranging from charity events, to yoga sessions, to lawn bowls. See page 34 for further details.

Responsible Investment Oversight Committee

The Responsible Investment Oversight Committee ('RIOC') was constituted in 2021 and is responsible for managing the integration of ESG factors and sustainability across all the funds. It also monitors portfolio carbon metrics at an aggregated level and reports its findings to the regulated subsidiaries. Its membership includes representatives from all areas of the Group and assists in the ongoing formulation of responsible investing strategic plans.

Environmental Committee

The Environmental Committee sets the environmental objectives for the Group, monitoring progress during each financial year. The Committee includes external experts and employees of the Group. The Committee acts as champions of the Environmental Policy and encourages participation and support from employees and suppliers. During the year the Committee made decisions to support biodiversity initiatives such as The Tree Council and an ongoing partnership with Surrey Wildlife Trust. Other initiatives include a Veganuary lunch hosted for all employees. For more information see page 36 to 37.

Case study

Breakfast Challenge

During the year, Premier Miton staff volunteered at two separate Breakfast Challenges hosted by the Whitechapel Mission. It was an early start: the breakfast shift started at 5:45am and finished around 11:00am. Duties involved preparing, cooking and serving breakfast.

The Whitechapel Mission has been helping Londoners to help people who are rough sleeping since 1876, meeting the specific needs of everyone who walks through their doors. They do this in several ways including by providing a free cooked breakfast for anyone who comes in. Breakfast is served from 8am every single morning of the year for anywhere between 200 and 600 people (normally around 350), who very often may not have eaten since the previous day, and offers a large choice from cereals to a full English. They then provide social care services, clothing, access to computers and telephones and advice to help their attendees to break the cycle of homelessness.

RESPONSIBLE BUSINESS: PEOPLE & CULTURE

Engaging and supporting our employees.

HIGHLIGHTS OF THE YEAR

- **People Survey evidenced the clear improvements made from last year.**
- **Established a mentoring programme.**

Employee gender split

Employee survey 2023 overall response rate

76%

Why our people matter – culture and values

We operate as a strong, cohesive business, driven by our shared focus and enthusiasm for our work. We are continually working to build a culture that actively encourages freedom of thought, a culture that is open, inclusive, supportive and allows for the continuous development of all our people. We work to attract and retain individuals who are high performing, independent thinkers who work collaboratively, aligned to our core values of being dedicated, passionate, collegiate, independent and responsible.

Our approach

Our focus areas for the year were to continue to build on the great work done in 2022 around employee engagement, our employee well-being provision and fundamentally to continue to build on diversity, equity and inclusion.

Employee engagement

We have a low rate of attrition and a substantial portion of our people have worked with the Company for a significant length of time. However, employee engagement is always at the forefront of our minds, being critical to our success. There has been a focus this year to build on our internal communication so our employees understand the broader strategy and how their roles play into this strategy, to also build internal relationships and better cohesion across teams. The work of our Sports & Social Committee has had an influential role here, increasing interaction and collaboration between our employees in more informal settings.

Our Equality Diversity and Inclusion Forum has done some great work in developing the conversation around diversity with a number of events, webinars and newsletters to build our inclusive culture and to improve employee well-being.

Employee survey 2023

Premier Miton's second People Survey took place in April 2023, to continue to build on our understanding of our employees' engagement levels, morale and overall satisfaction from working at the Company. Consistent with last year, we received a solid response rate of 76%.

I am proud to work at Premier Miton

81%

Customers and employees are as important as financial results

82%

I understand how my job aligns with Premier Miton's strategy, purpose and values

83%

We were delighted to see that there were significant increases on the 2022 survey, with improvements in 26 of the 29 questions asked. Evidently the actions (outlined above) that were put in place off the back of 2022 survey are having a significant impact.

Townhalls were run to inform employees of the results and we also held focus groups to provide us with an opportunity to drill down further into the lower scoring questions.

This has enabled us to build a deeper understanding of where further action needs to be focused. It was a great opportunity to meet with employees in small groups to hear of their individual experiences of working at Premier Miton; what works, where the challenges lie, and what they would like to see more of.

Key findings and outcomes

Our key focuses for the year ahead will include continuing to enhance our feedback culture, creating a culture of openness and trust and to provide more avenues for our employees to provide opinions, ideas and to be able to feed into future ways of working at PMI. Our performance appraisal has been reworked to ensure that there is more focus on the role of employees as corporate citizens, idea generation and to also ensure that we have a place to discuss the role of our employees as leaders.

Case study

Mentoring and development

Feedback from the 2022 People Survey showed a demand to participate in a mentoring programme, and in January 2023 this commenced. Mentors and mentees were asked to volunteer to a programme open to all and to participate both needed to complete a bio which set out their background and experiences. To help decide who would be part of the programme, mentors were asked to provide their area of expertise as well as some thoughts on what they could offer a mentee. Mentees were asked to set out their career goals and areas they would like to be mentored on and what they would be looking for in a mentor or how they thought a mentor could help them. A process of matching mentors to mentees was completed by reviewing development needs and the experience of the Mentor.

The programme lasts for 12-months. Sessions take place every 6-8 weeks and a check-in/guidance session for both mentors and mentees (separately) took place in June 2023. Another session is due to take place before the end of the calendar year and an end-of-programme session is expected to take place in the first quarter of 2024 to celebrate the successes of both individuals and the programme.

At the halfway point of the programme there was significant positive feedback on both sides and there is already interest for a second cohort to start in 2024.

RESPONSIBLE BUSINESS: PEOPLE & CULTURE continued

Our people are our greatest asset, and we strive to create a culture and working environment that allows them to thrive.

Employee well-being

Employee well-being will always be an essential focus for us, as the broader challenges that our people face continue to evolve. Our employee surveys remain a critical touchpoint for us to gain a broad understanding of how our people are feeling in the workplace, including whether they feel supported with their health and well-being, and whether the level of pressure they face at work is manageable.

We ensure that our approach to employee welfare covers the four well-being pillars of mental, physical, financial and social well-being:

- **Mental health:** we work with MYNDUP to provide bespoke mental health support to our employees, to access confidentially and independently of the Company. Through MYNDUP we also provide access to webinars covering a whole host of mental health related topics.
- **Physical well-being:** the Group offers private medical insurance to all employees. Included within this are optional health checks and/or workshops on specific health issues such as cholesterol and diabetes. Additionally, the Group offers vouchers for annual flu jabs. The menopause support group that launched last year continues to provide support for women struggling with menopause-related symptoms, or to those who are concerned about how they could be affected.
- **Financial well-being:** we aim to help employee financial well-being via an attractive suite of benefits including above market average pension contributions for all staff, season ticket loans, life and income protection. The Group also offers an HMRC-approved share plan available to all employees. We look to ensure that employees receive opportunities for financial education, and this year have run a number of webinars related to this, such as Women in Work and Pension – Making the Most of your Money.
- **Social well-being:** our Sports & Social Committee continues to grow from strength to strength. Events this year have included a bread baking event, a wildlife photography day, an opportunity to sail on the Hamble River, as well as our summer and Christmas parties. The Sports & Social Committee continues to engage with all employees, taking on Board feedback, providing event recommendations, and advising the Executive Committee on initiatives that foster a great culture.

Priorities for the year ahead

In 2024 we will be introducing a Financial Well-being Strategy, to help ensure that our employees are in control of their money, have clear financial goals and the ability to plan for the short, medium and long term. We are constantly reviewing our Employee Benefits suite to ensure the benefits we offer are relevant and impactful.

Case study

May 2023 – Mental Health Week

Our mental health service partner MYNDUP provides 1:1 virtual sessions to our employees accessed via an online platform. Our employees can access support in a confidential way at any time. MYNDUP has a complete range of support provided by coaches, counsellors, psychologists and therapists. The platform allows searches for an expert in broad terms which can then be narrowed down by type of practitioner or a particular topic.

MYNDUP has been our partner for the previous two years but having renewed the contract for a further 12 months we wanted to meaningfully remind our employees of the service. During Mental Health Awareness week in May 2023 we undertook a lunch and learn session to explain the service and give our people the opportunity to ask questions. The session looked at how MYNDUP was different to traditional EAP offerings because of the employee experience and the breadth of services on offer – not only the wide variety of topics that the MYNDUP practitioners are able to help with but also specialisms and languages offered. Those in the audience were shown examples of the blogs, tools and techniques, including live webinars and workshops that were available.

Equality, Diversity and Inclusion ('EDI')

Overview

We have continued to build on the work done last year in developing a diverse workforce and ensuring that we create a working environment where everybody is able to excel and to speak freely. We expect our staff to hold high levels of respect for their co-workers and we do not tolerate discrimination on any ground, including age, race, ethnic origin, colour, mental or physical condition, disability, pregnancy, gender expression, gender identity, sexual orientation, marital status, domestic circumstances, employment status, working hours, flexible working arrangements, religion or beliefs.

Activities and performance during the year

Our EDI Forum continues to serve the business by organising initiatives that promote an inclusive work environment and behaviours that produce a sense of belonging in our workplace. This forum comprises six individuals, including the CEO, and reports directly to the Executive Committee. During the year we continued to enhance diversity data on a voluntary basis, to allow a greater understanding of our position, our progress and where further action is needed. The data covers the different protected characteristics of our staff including ethnic identity, sexual orientation, disability status and gender identity. Analysis of our data can tell us which groups are in the majority and if any are under-represented. It also provides insight as to whether we are representative of the underlying clients who invest in our funds.

We are eager to ensure we have the structures in place to attract people from all backgrounds, for a broader spectrum of thoughts and creativity and ultimately long-term value creation. During the year we continued to enhance our recruitment process for fairness and inclusivity. Notably, job description and role adverts are filtered for any biased language and we have introduced 'blind' CVs to ensure that information other than professional capabilities and competencies is not included.

Priorities for the year ahead

Our work on EDI will continue next year with the introduction of a broad EDI plan across the Group to ensure its principles remain an integral part of our recruitment, development and retention strategy. We have partnered with the Diversity Project to access a wealth of information on best practice.

The Mental Health Spectrum was discussed with examples of which service is useful, depending on the individual's focus. For example, if someone wanted to unburden themselves or review the past, then therapy or counselling might be more appropriate. Those looking to become more conscious in the present were directed towards sessions on meditation and mindfulness, while those seeking to realise their potential, life or career coaching were suggested. This was explained alongside the Mental Health Continuum which suggested emotions or actions on a scale of In Crisis to Excelling, as this could help with identifying what support an individual needed.

The session was finished with some guidance on changing the negative self-talk that we all suffer from, which demonstrated how a small change could support an individual's happiness and well-being, and allow them to grow.

This launch was done amid a flurry of activity to support Mental Health Awareness week, with daily emails from MYNDUP to let everyone know that they were running live webinars, publicising new blog posts or YouTube videos, curating playlists to provide a mood boost or putting together a short, guided mindfulness practice.

RESPONSIBLE BUSINESS: COMMUNITY

Making a positive impact to our community.

HIGHLIGHTS OF THE YEAR

During the year we supported our communities by providing our staff as volunteers for the Whitechapel Mission breakfast and to the London Wildlife Trust. We have supported biodiversity through our partnerships with Surrey Wildlife Trust and the Tree Council, and we continue to support our corporate charities.

Total number of volunteering hours during the year

95hrs

Our approach

We aim to make a positive impact on wider society not only by capital allocation but also through our activities and actions, including volunteering, charity donations and partnerships.

Community engagement and volunteering

We see volunteering by our employees as an important part of our contribution to wider society and we provide each employee one day each year to volunteer for an organisation and activity that best suits them.

Over the year we have increased our focus in this area and we are actively encouraging as many of our employees as possible to take advantage of this day. For example, we organised a group volunteering event with the Whitechapel Mission. The event proved popular, helping a great cause with the added benefit of allowing colleagues to spend time together in a community environment.

Supporting charities

We continued our support of charities through corporate donations to three employee chosen charities; Prostate Cancer UK, Alzheimer's Society and Born Too Soon, together with our long-standing support and donation to the National Youth Advocacy Service. In July over 20% of our employees participated in the J.P. Morgan Corporate Challenge raising money for the Ukraine Humanitarian Appeal and NYAS.

Supporting biodiversity

Supporting biodiversity initiatives such as the Wildlife Trusts is aligned with our 'responsible' value and our belief that the preservation of biodiversity is a key part of the transition to net zero emissions and sustainable development. As a business we want to play an active role in supporting positive biodiversity organisations and initiatives.

During the year we maintained our partnerships with the Surrey Wildlife Trust and London Wildlife Trust. These organisations are local to our two offices and allow us to support The Wildlife Trusts in their work on the ground to restore nature. They protect and recover important habitats, including peatland, saltmarsh, fen and woodland, which provide long term storage of carbon and limit the effects of climate change.

We are also delighted to have agreed support for specific biodiversity projects in both London and Surrey.

nyas national youth advocacy service

PROSTATE CANCER UK

Alzheimer's Society United Against Dementia

BORN TOO SOON

11 colleagues signed up to join a dedicated Premier Miton London Wildlife Trust Wild Workday in November 2022 at Wetlands in North London supporting LWT with shrub management. Shrubs such as gorse grow along the reservoir paths and are very important for birds and for invertebrates.

The gorse needs to be cut back regularly so it can grow back thicker and with more flowers, therefore providing more food and nesting habitat for birds and insects. As a result of our volunteering, London Wildlife Trust receives practical help at their nature reserves completing wildlife or conservation work they wouldn't otherwise be able to do.

We are also supporting Surrey Wildlife Trust's work on the Wilder School project to empower children to take action for nature and help their local wildlife through enhancing the biodiversity of their school grounds.

We are also supporting Surrey Wildlife Trust's work on restoring and managing Chalk Grasslands. Read more on these projects on page 42.

We are proud to be supporting The Wildlife Trust charities in the areas of our two offices in their very important work in supporting and bringing wildlife back, empowering people to take action and helping combat the climate and nature emergency. We will be supporting specific biodiversity projects organised by London Wildlife Trust and Surrey Wildlife Trust during the next year.

Modern slavery

As an asset management business with relatively simple direct supply chains, Premier Miton has long been committed to ensuring that suppliers have rigorous modern slavery detection and prevention practices in place.

The Group also recognises that it has the leverage, and responsibility, to strive for better human and labour rights practices of the companies it invests in, and with increasing awareness in the market companies are more willing to disclose their practices (even where not required by legislation) and to collaborate in effecting change.

As a signatory to the Principles for Responsible Investment ('PRI') and a member of Rathbone's Votes Against Slavery project, the Group is committed to calling for appropriate disclosure, incorporating appropriate policies and practices in our business and working with other signatories to enhance the effectiveness of the PRI principles, which includes addressing human rights, working conditions and modern slavery practices within companies in our portfolios.

Case study

Conservation at Walthamstow Wetlands with the London Wildlife Trust

Green fingered horticulturalists from Premier Miton joined the London Wildlife Trust for the day to support the charity's mission to protect the capital's wildlife at the Walthamstow Wetlands. Positioned in the heart of the Lee Valley and owned by Thames Water, the 211-hectare site is the largest urban wetland in Europe providing water for 3.5 million Londoners while maintaining local biodiversity. Wearing helmets and high visibility jackets, colleagues picked up their shears and got to work clearing overgrown brambles. Invasive sycamores and non-native acacias were also cut back, and the excess wood was piled between upright stakes of wood, forming a dead hedge to support wildlife. This provides a valuable habitat for fungi and a wide spectrum of invertebrates which break down the vegetation, returning nutrients to the soil. The keen eyed among the group spotted herons, egrets, and cormorants throughout the day.

Our responsible investing approach is fund manager led and comprises five core elements.

Making responsible investment decisions

We consider environmental, social and governance ('ESG') related factors alongside financial factors in our investment decision making. This is undertaken by fund managers in a proportionate and applicable way that is unique to each investment strategy.

Collaboration to promote well-functioning markets

Our investment team adopts a collaborative approach, and we are actively involved in industry wide initiatives to create long-term value for clients and sustainable benefits for the economy, environment and society.

Offering dedicated responsible and sustainable investment products

We offer one global renewables trust and six dedicated responsible and sustainable investment funds covering a variety of different asset classes and geographies.

Highlights of the year

- Became a signatory to the Net Zero Asset Managers initiative
- Met the standards required to remain as signatory to the FRC's UK Stewardship Code
- Launched the Premier Miton Emerging Markets Sustainable Fund
- Formalised ESG integration processes for our fixed income and multi manager fund ranges
- Increased resources available to fund managers with specialist ESG data from Sustainalytics

Signatories to UK Stewardship code

The Financial Reporting Council's UK Stewardship Code sets high standards of practice and promotes the responsible allocation, management and oversight of capital to create long-term value and sustainable benefits for the economy, environment, and society. The Group is delighted to be included in the updated list of signatories to the UK Stewardship Code having demonstrated the application of its core principles across our business.

UK STEWARDSHIP CODE

Ensuring robust oversight of all responsible investing activities

Monitoring, reporting and internal assurance of our responsible investing activities is led by our Responsible Investing Oversight Committee.

Active stewardship through voting and engagement

We take our stewardship responsibilities seriously by actively engaging with portfolio companies and ensuring that we vote at company meetings and use our ownership to influence change appropriately.

Alignment to investment frameworks

Collaboration to promote orderly financial markets

Our aim is to participate in investment initiatives where we believe we can have a positive influence. This includes supporting the work of the Investment Association and collaborating with other working groups and forums where deemed relevant, appropriate and impactful.

We became a signatory to the Principles for Responsible Investment in January 2020 and submitted our first assessment during 2021. Our Investment team participate in a number of collaborative engagements including those led by the CDP Non-Disclosure Campaign, Investor Forum, Climate Action 100+, Votes Against Slavery and FAIRR.

CDP DISCLOSURE INSIGHT ACTION

A proud participant of: Climate Action 100+

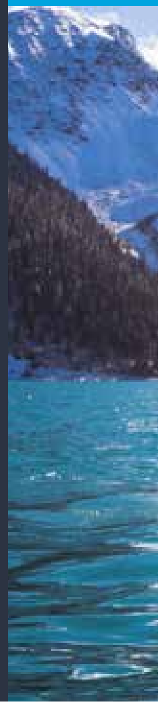
THE INVESTOR FORUM

Signatory of: PRI Principles for Responsible Investment

IIGCC The Institutional Investors Group on Climate Change

RESPONSIBLE BUSINESS: APPROACH TO INVESTING continued

We strive to invest responsibly, embrace innovative thinking and actively steward our clients' capital.



Appetite for investing in a more sustainable future, and the demand for clarity, transparency and ambition in the way companies are managed, remains strong at a time of scrutiny from investors, activists, regulators and policymakers.

Making responsible investment decisions

We consider ESG related factors in a proportionate and applicable manner in the investment approaches across our strategies, whether or not they include non-financial objectives. This enhances our decision making by considering all available material information on whether an investment is suitable.

When applied, this approach is undertaken throughout the investment process including in company research and analysis, portfolio monitoring as well as buying and selling decisions.

We use a number of independent providers of ESG data and research including Ethical Screening, ISS, Sustainalytics, CDP, Transition Pathway Initiative, Transparency International, Freedom House and Bloomberg.

A Responsible Investing Forum, led by our Head of Responsible Investing, is held on a quarterly basis to discuss ESG issues more widely and includes updates on new regulations, market trends, strategies and other related topics.

Discussions have included mapping our portfolios to the United Nations Sustainable Development Goals, consultation on the Financial Conduct Authority's Sustainability Disclosure Requirements and the ESG related criteria monitored by the internal Responsible Investing Oversight Committee.

Our responsible investing team provides fund managers with monthly market updates, training on how to access ESG data as well as quarterly reports on fund level ESG metrics which can include summaries of related risks and opportunities, exposure to corporate controversies, ESG ratings compared to peers and a variety of climate risk and impact data.

£377m
managed across our dedicated responsible, sustainable and renewable energy investment products

87%
of assets under management in funds with a good sustainability rating defined as at least an 'A' from MSCI or 3 Sustainability Globes from Morningstar

39%
of assets under management in funds with the Morningstar Low Carbon Designation

Responsible stewardship through targeted voting and engagement activity

We aim to be responsible stewards of capital by actively engaging with companies to improve our knowledge of their operations and, where appropriate, become a positive influence. Our work includes ongoing dialogue with company management on ESG and commercial matters as well as voting at company meetings. For many of our investment strategies, we aim to meet with the companies we invest in annually.

Our fund managers are ultimately responsible for these activities with support from our Responsible Investing team and oversight from the Chief Investment Officer. This ensures that stewardship is integrated into the investment processes, rather than being undertaken by a separate team.

Collaboration to promote well-functioning financial markets

We are actively involved in industry-wide initiatives to promote well-functioning markets as signatories to the Principles for Responsible Investment, the FRC's UK Stewardship Code and the Net Zero Asset Managers initiative.

Our collaborative engagement strategy was enhanced by our participation in initiatives including those from the Investor Forum, CDP, CA 100+ and Rathbones' Votes Against Slavery. We recently joined the Institutional Investors Group on Climate Change and look forward to collaborating with them and their members.

As members of the Investment Association, we have joined a number of forums, working groups and committees including the Sustainable and Responsible Investment Committee.

We work closely with them on policy and provided input into various government consultation responses including for the FCA's Sustainability Disclosure Requirements.

Offering dedicated responsible and sustainable investment products

We offer a range of dedicated responsible and sustainable products with non-financial considerations in their investment approach including UK, European, Global and Emerging Market equity and multi-asset funds as well as a renewable energy trust. The fund managers, along with the Responsible Investing team, undertake additional research in the investment process and report on how these funds have delivered against their non-financial objectives utilising frameworks such as the United Nations Sustainable Development Goals ('SDGs').

2,977
investment team meetings with company management over the last 12 months. 65% of these included discussion on ESG related matters

99%
of all votable resolutions successfully voted with 4% against management and 3% votes contrary to the recommendations of our proxy adviser

35%
of shareholder resolutions were supported including on climate-related commitments, net zero transition plans as well as enhanced transparency and disclosure

RESPONSIBLE BUSINESS: APPROACH TO INVESTING continued

We have set minimum ESG related criteria that must be met before a company can be held in these funds. This includes alignment to the SDGs. We also ensure that our independent ESG research providers Ethical Screening maintain 100% coverage of all equity holdings across the range of responsible and sustainable funds. Any holding that does not reach the minimum criteria on governance quality, climate risk and controversial business practices amongst other factors is flagged for further review and monitoring. Any material issues identified inform stewardship activity and can be escalated through engagement, voting or in extreme cases divestment of company shares.

Whilst this assessment is undertaken by the fund managers, they are supported by the Head of Responsible Investing and the Chief Investment Officer and the whole process is overseen by the Responsible Investing Oversight Committee.

Ensuring robust oversight of all responsible investing activities

Responsible investing activities are overseen by the Responsible Investing Oversight Committee. Chaired by the Chief Investment Officer, the committee meets four times a year and includes the Head of Responsible Investing alongside senior members of the investment, risk, compliance and marketing departments.

Taking overall responsibility for the responsible investing strategy, the committee aims to provide oversight of the responsible investing process to comply with our responsibilities to stakeholders. This includes managing the integration of ESG factors in investment decision making across our funds and monitoring stewardship, disclosures and other related activities against relevant rules and regulations.

Once our net zero strategy has been approved, this committee will also monitor progress made towards our commitments.

The Board of Premier Miton Group plc, and its regulated subsidiaries, Premier Portfolio Managers Limited and Premier Fund Managers Limited, receive quarterly reports on responsible investing and industry trends.

During the year the responsible investing business area was assessed by the Group's internal auditors, Grant Thornton, and received a positive outcome.

For more information about our responsible investing activities, including detailed examples of how we engage with companies and consider ESG factors in our investment decision making, please see our Stewardship and Responsible Investing Report which is available on the Premier Miton website.

Looking ahead

Our strategic priorities around responsible investing include:

- Delivering our net zero strategy including defining appropriate stewardship activities which will guide us in reducing our financed carbon emissions.
- Preparing for mandatory fund level TCFD reporting with associated engagement focused on climate reporting across both third-party funds and smaller companies.
- Growing the assets managed in our responsible and sustainable investment strategies.
- Developing our ability to track progress with engagement activities.
- Focusing on the themes of biodiversity and climate resilience across the investment portfolios.

Case study

Surrey Wildlife Trust

We need wildlife for a healthy environment, but we have seen a huge decline in biodiversity over the past decades across most habitats. There are two core missions that underpin the Surrey Wildlife Trust ('SWT'): the first is to restore 30% of land to nature by 2030, and the second is to inspire one in four people to take action for nature. Premier Miton is donating to two major projects. One focuses on restoring and managing our chalk grasslands across Surrey. Managing shrubs and grazing those sites provides a vital habitat for a range of plant species, which in turn supports invertebrates and birds such as Painted Lady butterflies, Common Blue butterflies, and skylarks. The other is the Wilder Schools Project, in which we work with schools to bring learning outdoors for children and help them to build wildlife habitats in their school grounds. SWT aims to inspire the next generation to take action for nature – and being outdoors is also good for their mental, physical, and emotional well-being.

Surrey Wildlife Trust

Investing in a sustainable future

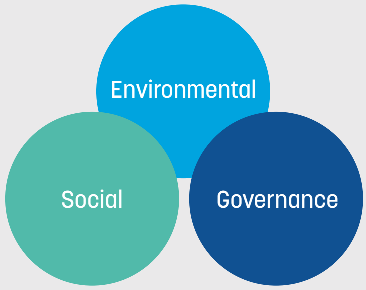
We have formalised sustainable growth themes across our sustainable funds to help identify investment opportunities and guide stewardship activities. These align with the United Nations Sustainable Development Goals and include financial inclusion, health and well-being, infrastructure, energy transition, food productivity and safety, circular economy, economic and social mobility, digital resilience and sustainable cities and communities. We actively explore other themes beyond these in anticipation of their contribution to financial returns and non-financial objectives, such as water management and biodiversity.

Supporting the transition to net zero

We recognise the significance of transitioning to a net zero carbon economy and are focused on developing a robust and meaningful investment approach that supports our commitment to the Net Zero Asset Managers initiative. In preparation for this we are closely monitoring climate-related investment metrics at individual fund and aggregated firm level. Financed emissions are falling over time and our ultimate aim is to reduce the weighted average carbon intensity of our funds. We will achieve this by encouraging better disclosure in areas such as smaller companies and in asset classes beyond equities and encourage the companies publish transition plans where required.

Taking a systematic approach to ESG integration in fixed income

Our fixed income investment team believes that ESG factors influence fixed income markets and that good ESG management is aligned with good financial returns over the long term. For a company to be investable, it must have a stable or improving credit profile, sound corporate governance and not be a laggard on environmental matters. The team use a bespoke database of 40,000 global issuers to generate an internal ESG score. This is reviewed by internal analysts and feeds directly into the investment decision making process.



Follow the below link to read more:

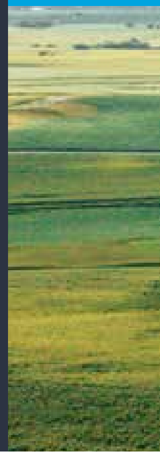
https://corporate-premiermiton.huguenots.co.uk/srp/lit/mLEOxQ/ESG-Integration-Policy_ESG-Integration-Policy_26-10-2023.pdf

Focusing on responsible businesses

Our active investment approach results in our funds and investment trusts focusing on companies that adhere to global standards on human rights, labour, environmental issues and anti-corruption matters. Across our portfolios we have a low exposure to companies associated with controversial business activities and during the year, this has resulted in minimal ESG related incidents and in turn for stakeholders and the wider society.

Signatory of:

PRI Principles for Responsible Investment



CLIMATE-RELATED FINANCIAL DISCLOSURES

Voluntary reporting consistent with TCFD recommendations.

Introduction

The Task Force on Climate-related Financial Disclosures ('TCFD') is a global initiative established by the Financial Stability Board in 2015 aimed at enhancing transparency and promoting consistent climate-related financial disclosures. The TCFD provides a framework for organisations to report on their climate-related risks and opportunities, enabling stakeholders to make informed decisions and effectively address the financial impact of climate change on their operations.

Premier Miton Group plc supports the goals of the Paris Agreement, a legally binding international treaty on climate change, adopted by 196 Parties at COP21 in Paris on 12 December 2015, which entered into force on 4 November 2016. Its goal is to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.

The Group is not required to make climate-related financial disclosures consistent with the TCFD recommendations. However, we have voluntarily included the information on pages 44 to 53 to provide transparency into our work in this important area.

We adhere to the TCFD's guidelines on climate-related financial disclosures on a best efforts basis, encompassing the following four pillars:

Governance

Describe the Board's oversight of climate-related risks and opportunities

Premier Miton Group plc's Board oversees the responsible business strategy including setting the strategy, approach and monitoring its implementation. The Board receives quarterly reports from the Head of Responsible Investing, which include an assessment of climate change risks and opportunities in investment portfolios as well as a report from the Environmental Committee on operational energy and carbon management.

The Board Chair is responsible for setting the Board agenda, which includes a focus on strategy, performance, value creation, accountability, and risk management, including climate-related risks. The Board agenda has included discussions on the approach to net zero throughout the last 12 months. Responsible investing is also a standing item on meeting agendas, with climate risk regularly incorporated into these discussions.

The CEO of Premier Miton Group plc is responsible for delivering the overarching business strategy, including on Environmental, Social and Governance ('ESG') and climate-related matters. He is present at Board meetings, including those where climate-related issues are discussed, and these discussions are used to help form the strategy for integration into operations and investment practices.

One of our Senior Independent Non-Executive Directors is a climate change expert who provides specialist advice to the Board on climate change strategy.

Governance continued

Describe management's role in assessing and managing climate-related risks and opportunities

The day-to-day management of climate-related risks and the financial and non-financial impacts are delegated to the Executive Committee and the CIO, who oversees the Responsible Investing team. The Responsible Investing team draws on specialist expertise in this area to design, manage, and report on activities within its remit. The team engages at enterprise level and also assesses the climate risk impacts of the fund portfolios.

The Responsible Investment Oversight Committee ('RIOC') was constituted in 2021. Chaired by the Chief Investment Officer, the RIOC meets quarterly. Its membership includes representatives from the investment, risk, compliance, and marketing functions. The RIOC is responsible for managing the integration of ESG factors and sustainability across all the funds. It also monitors portfolio carbon metrics at an aggregated level and reports its findings to the regulated subsidiaries. A dedicated Compliance Monitoring function, reporting to the Director of Compliance and Legal, provides second line oversight of the monitoring functions carried out by the RIOC.

The Operational Risk Committee and the Product Governance Committee both consider climate change in their discussions and also provide reports to the boards of the regulated subsidiaries.

The day-to-day implementation of the Environmental Policy and supporting operational strategy is overseen by the Premier Miton Environmental Committee on behalf of the plc Board. The Environmental Committee includes representatives from across the business, covering responsible investing, office management, marketing, operations, legal, risk, HR and finance teams. The Committee meets quarterly to review current environmental performance, identify new initiatives and agree future activities. The Committee considers how business operations impact the environment, identifies opportunities to reduce this impact and oversees the implementation, measurement, and reporting of agreed actions.

In 2023, the Group committed to reduce its environmental impact via multiple initiatives, including a paper reduction practice that has saved over 50,000 pages per quarter, moving to 100% renewable energy in our offices by 2024, and undertaking awareness-raising activities to reduce waste in the office.

Progress on ESG matters is reinforced by linking ESG criteria with remuneration policies for the Executive Directors of the Group. The remuneration structure has been updated to include operational conditions, including an element that incorporates climate and ESG.

Strategy

Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term

As a business with two UK offices and employing fewer than 200 employees, our operational carbon emissions is not considered significantly financially material, however the carbon emissions associated with the assets under management for our clients are potentially more significant, and this is our key area of strategic focus.

We consider climate-related risks and opportunities over short-, medium- and longer-term periods across operational activities and our assets under management in our investment portfolios.

Short-term	Medium-term	Long-term
0-1 years	1-3 years	3-5 years

The time horizons defined are a reflection of the dynamic market and quick response to product turn around as an asset manager, and these time horizons allow for appropriate financial planning and the implementation of strategies to respond to climate-related risks and opportunities. Within this approach, there is an understanding of the longer-term issues to consider in relation to climate change.

During the year, work continued on the Group's net zero strategy ahead of publication of the details of the Net Zero Asset Managers initiative ('NZAM') commitment. This was undertaken alongside the preparation work and data collection for fund level TCFD reporting. As part of this work, the Group joined the Institutional Investors Group on Climate Change to allow greater access to climate focused collaborative engagements. A net zero working group was established to support our commitment to achieving a target of net zero by 2050.

CLIMATE-RELATED FINANCIAL DISCLOSURES continued

Strategy continued

Climate-related risks

Category	Risk	Description	Time horizon	Impact on strategy and financial planning
Investing portfolio	Regulatory	Failing to meet new climate reporting requirements	Short-term	Failure to comply may result in fines or reputational damage or regulatory fines. In addition to responding to regulatory change, portfolio climate risks are monitored.
Investing portfolio	Market	Stranded assets in the oil and gas industry could lead to falls in portfolio values	Long-term	Falls in portfolio values result in decreased revenues. Investee portfolios may be exposed to risks related to climate change through the transition to low carbon products and stranded assets in the oil and gas industry. Risk exposure for high climate risk companies is generally low and is monitored quarterly. Currently 2.2% of NAV is invested in companies with a poor climate risk rating as defined using ISS climate metrics.
Investing portfolio	Reputational	Fund range might not meet changing client demand for sustainable funds	Long-term	Client preferences transitioning towards more sustainable funds may reduce demand and decrease revenue. Our product offering is monitored to ensure it remains relevant to clients and we continue to develop a product range that meets increasing demands to win new mandates and minimises client loss.
Direct operations	Physical	Extreme weather events impact the ability for the business to be operational	Long-term	More frequent extreme weather events could result in issues that impact our ability to operate, through the damage to infrastructure systems, cloud-based data storage and health and well-being issues. To remain resilient, we undertake regular checks with the aim of ensuring relevant disaster recovery processes and continuity plans are in place.

Climate-related opportunities

Category	Opportunity	Description	Time horizon	Impact on strategy and financial planning
Investing portfolio	Reputational	Increasing client demand for sustainable funds	Medium-term	Increased revenue and opportunities due to increased demand. We are extending our range of sustainable and responsible funds which have lower carbon exposure. Our fastest growing fund is the Premier Miton Diversified Sustainable Growth Fund which has more than doubled in size over the last 12 months.
Investing portfolio	Market	Increased portfolio values driven by outperformance of renewable energy assets	Long-term	Potential returns from assets in the renewable energy sector represent an investment opportunity with the potential to deliver good financial returns to our clients. Additional investment is required for Premier Miton to take full potential of the associated opportunities.
Direct operations	Resource efficiency	Reducing energy use in the offices	Medium-term	The Environmental Committee seeks to identify and implement opportunities to reduce resource usage within operations. This can lead to environmental benefits and reduced operating costs. We undertook an energy efficiency audit of our offices as a result of which we have made adjustments within our office spaces, engaged with managing agents at our offices, and have plans in place for further improvements.

Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning

The Group proactively manages its climate risk in investment portfolios through a variety of activities, including engaging with investee companies to discuss their climate risk management practices and encourage them to take action to reduce their emissions, and ensuring we have good data by subscribing to a climate database that informs on the climate risk exposure of our investments.

We have a number of funds with minimal exposure to fossil fuels, as indicated by several third-party fund ratings. Some of these funds have formal exclusions, such as the Premier Miton Responsible UK Equity Fund, which does not invest in companies with major business involvement in fossil fuels. Other funds have low exposure because the individual portfolio managers do not believe that companies in these sectors are a good investment fit to meet the fund’s objective.

Strategy continued

We estimate that under 1% of our directly invested equity AuM is invested in companies in the renewable energy sector in addition to a dedicated investment trust. We believe that these companies will provide good returns to our fund investors. We continue to actively facilitate knowledge sharing across our investment teams in business areas that are aligned with accelerating the transition to a greener economy. Through the development of our net zero strategy, we will monitor and aim to reduce our aggregate exposure to fossil fuels and high carbon sectors while increasing our exposure to sectors such as renewable energy.

While we have exposure to companies involved in the fossil fuel industry, estimated at approximately 3% of our AuM, we are committed to reducing the associated climate risk over time. We do this by working proactively with our portfolio managers to engage with investee company management and ask for enhanced climate-related financial disclosures or to improve their decarbonisation strategy. For example, we recently challenged Shell on their pace of change in the energy transition.

In 2022/3, we supported 53% of climate-related shareholder requisitioned resolutions at investee company meetings. We have a process in place to identify material resolutions that are consistent with companies reducing their carbon emissions in line with the Paris Agreement. We will continue to support these resolutions in the future.

Examples of how climate-related risks and opportunities influence our business strategy

Climate-related risks and opportunities are considered across our strategy, and examples by area are provided in the table below:

Area	Details and impact on financial planning and strategy
Products and services	• We have increased our range of responsible and sustainable products with the launch of our Premier Miton Emerging Markets Sustainable Fund
Supply chain and/or value chain	• We have extended our range of responsible and sustainable funds, which generally have a lower exposure to fossil fuels and therefore lower climate risks • Climate-related risks are integrated into our investment process through the consideration of investee-company's climate-related risks and opportunities by evaluating associated metrics
Investment in research and development	• We have strengthened the ESG resources available to all fund managers through greater investment in ESG data and research from specialist third-party companies • We review data requirements and have recently added Transition Pathway Initiative scores to support our exposure and risk assessment of portfolio companies in high-risk sectors • We provide training to our investment team and those overseeing the process
Operations	• Climate-related risks are considered part of our ongoing development and implementation of our operational environmental strategy, which is overseen by the Environmental Committee • Plans are being developed to ensure physical infrastructure is operationally resilient to physical climate risks • We signed up to NZAM • We offset operational carbon emissions through a financial contribution which supports UK tree and hedge planting
Access to capital	• In the fixed income funds that we manage, we recognise that issuing companies' cost of capital is negatively impacted by climate risk and we avoid issuers with business involvement in coal or oil

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

The Group continues to assess the resilience of our organisational strategy to ensure that we are prepared for any future challenges, including climate change. We have undertaken a climate scenario analysis using the ISS climate database, which covers 70% of our AuM. Our current analysis focuses on our investment portfolio, as this presents the most material risk. In the future, we plan to further develop and update our scenario analysis to remain resilient to climate-related risks.

As a result of our active investment approach which results in a well-diversified investment portfolio, we do not have large holdings in companies with significant climate-related risk exposure, resulting in a more resilient portfolio.

Portfolio Transition Risk

Portfolio transition risk was assessed as part of our climate change scenario analysis using two methods. The method used over the previous two years has been to adapt the climate price shocks that are available from the Prudential Regulation Authority ('PRA') Stress Test 2019 paper. These refer to a sudden disorderly transition consistent with limiting warming to 2 degrees over a three-year time horizon and relates to a Short /Medium-term climate risk under our definitions. The PRA define potential price shocks across several activities. Some revisions were made to the price shocks, for example the auto sector price shock was deemed excessive due to the transition activities already underway in the sector in response to country level targets for electric vehicles. The potential loss in asset value and associated impact on net management fee margins has risen slightly over the year and we continue to monitor in line with other operational risks.

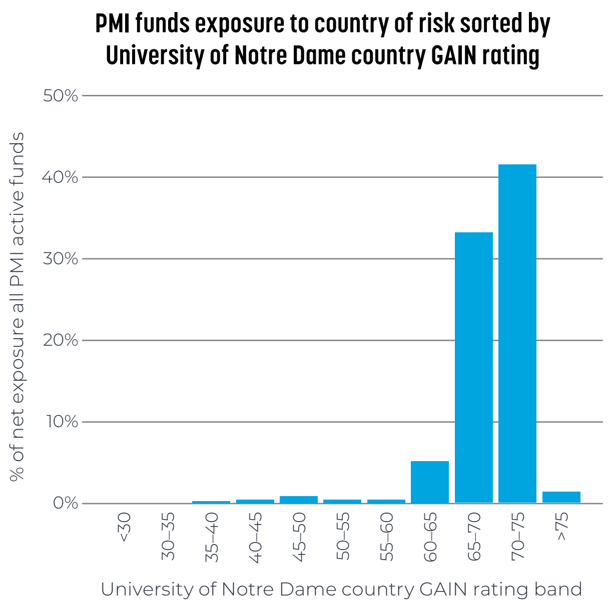
CLIMATE-RELATED FINANCIAL DISCLOSURES continued

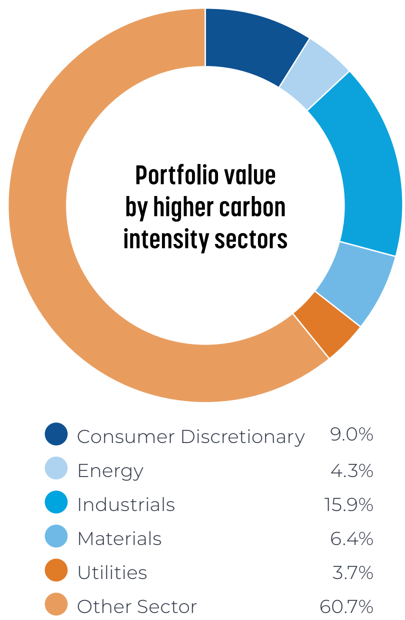
Strategy continued

Additionally, we have adopted the ISS definition of higher carbon intensive sectors as Consumer Discretionary, Energy, Industrials, Materials and Utilities.

Approximately 40% of the Group's current AuM, broken down by sector, represents an area of higher transition risk. We believe the greatest risks exist within Consumer Discretionary and Industrials, demonstrating the highest exposure by value. We recognise that these are high-level sector classifications and represent a wide variety of companies with different degrees of transition risk.

Portfolio Physical Risk
Physical risks to the climate system, like rising temperature, may have an impact on values over the long term. We have assessed our exposure to climate risks by using the University of Notre Dame Global Adaptation index factors to score countries on their climate resilience. We found that just over 2% of our assets are exposed to countries with a climate resilience deemed 'high risk'. This shows that we are relatively resilient to the physical impacts of climate change. However, we recognise that the risks posed by climate change are complex and evolving. We are committed to adopting appropriate mitigation strategies to address these risks and we are working to improve the adaptive capacity of our holdings through engagement.





Risk Management

Describe the organisation's processes for identifying and assessing climate-related risks

We assess climate change risk as a key part of our risk management framework and have identified it as an emerging company risk, as outlined on page 57.

The Head of Responsible Investing and the Chief Risk Officer are responsible for identifying and assessing climate risk in our investment portfolio. This is undertaken in a number of ways including conducting a formal annual risk assessment exercise, which includes a review of emerging and retiring risks, developing and approving a Risk Framework and Risk Appetite Policy and calculating and holding regulatory capital against our key risks based on a rigorous Internal Capital Adequacy and Risk Assessment ('ICARA'). The Company uses its risk frameworks to assess the impact of new or changing strategies, projects, or emerging risks. The company risk register uses a matrix of likelihood of occurrence versus impact of breach to assess potential operational, regulatory, reputational, and strategic risks. Additionally, we monitor market guidance, such as the detailed climate scenarios built by the PRA, to identify potential financial impacts on our investment portfolios. This information is assessed and monitored by the RIOC.

Risk Management continued

Describe the organisation's processes for managing climate-related risks

Operational climate risk is managed by the Environmental Committee and guided by an Environmental Policy. This covers our two offices and staff activities.

Climate-related investment risk is guided by our Responsible Investing Policy and is overseen by the Chief Investment Officer ('CIO'), Head of Responsible Investing, and Chief Risk Officer ('CRO'), working closely with the wider investment team.

The investment and risk teams subscribe to ISS Climate Solutions, which provides metrics on carbon emissions, carbon intensity, status on climate data reporting, and science-based targets adherence, across our portfolio holdings. We provide training for our fund managers on the data, including how to create a fund climate report and the meaning of the various fund level metrics. This includes training sessions with ISS as well as through the quarterly Responsible Investing Forum, chaired by the Head of Responsible Investing and which includes representatives from across our investment teams.

The Responsible Investing team monitors climate risk on a quarterly basis using the ISS generated climate reports. The Responsible Investing Oversight Committee ('RIOC') monitors exposure to companies in high climate risk sectors. Where fund level climate risks are assessed to be financially material, the portfolio managers are asked to justify the positions to the RIOC and, in certain circumstances, asked to reduce the risk.

The response to the management of climate-related risks is undertaken through a variety of business functions depending on the categorisation of risk.

Category	Risk	Process for managing
Transition	Policy and legal	We assess and manage climate-related risks associated with both current and emerging regulation. Regulations that promote enhanced disclosure on climate risks at both the company level and investment product level are considered in our policy work by our Head of Responsible Investing, Chief Risk Officer and compliance and legal teams. These are highlighted to the business for the preparation of relevant disclosure and to the Environmental Committee, which considers operational climate risk. Future regulatory direction as defined by the UK government in the UK Green Finance Strategy is considered. Any future reporting against the Green Taxonomy, is highlighted by our Head of Responsible Investing and compliance and legal teams. These are then flagged to the Chief Risk Officer, risk team and investment managers who provide oversight for responsible and sustainable labelled funds through the Responsible Investment oversight committee. We also monitor emerging regulation through our participation in various IA committees including the IA's sustainable and responsible investment committee.
Transition	Technology	We see technology change as an investment risk and opportunity, which is considered within our investment process. The latest technological innovations will help optimise supply chain sourcing and logistics, product innovation and lifecycle management, which in turn also enable moving closer to net zero. We believe that climate-related technology change will have an influence on company valuations.
Transition	Market	One of the main climate-related risks we have identified to our business is changing demand for lower carbon investment products. We also view this changing demand as an attractive business opportunity. This risk to our product offering is being monitored carefully by our Chief Investment Officer, and the demand outcome for lower carbon products is being monitored by our Global Head of Distribution to ensure that our products remain suitable and relevant. Risks also exist in our investment portfolios where we invest in companies with climate-related financial risks. We are increasing our understanding of these risks as well as our monitoring of these risks through the RIOC.
Transition	Reputation	Reputational risk is important within our investment process, and we consider this risk throughout the business within our decision-making.
Physical	Acute	Following periods of extreme heat in the UK, we are more aware of acute physical climate risks in relation to our offices, IT infrastructure and staff, and manage these risks within business continuity planning.
Physical	Chronic	We consider chronic physical climate risk in relation to our offices and staff, and manage these risks within business continuity planning.

CLIMATE-RELATED FINANCIAL DISCLOSURES continued

Risk Management continued

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

Climate risks are actively managed across the governance structure, including the RIOC, Funds Risk, Operational Risk and Environmental Committees and ultimately the Board through the sharing of committee minutes and summaries and the sharing of risk registers. The Board signs off the CDP climate assessment annually, which ensures an annual discussion on climate risk. ESG and climate risks have been identified as an emerging risk within our principal risk register and this requires shared responsibility to manage. This is discussed on page 57. ESG and climate risks are assessed alongside other principal risks to ensure that they are managed appropriately, and risks are controlled.

Metrics and Targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

GHG emissions

The Group continued to measure its operational carbon footprint throughout the 2022/23 financial year. Measuring the carbon footprint helps quantify greenhouse gas emissions attributable to business operations and provides a better understanding of emissions to inform focused and effective measures to reduce the impact. Measuring, reducing and reporting on carbon emissions continues to be a key consideration for UK businesses as efforts continue to reduce their carbon emissions. We began to measure our operational carbon footprint in FY2018/19, to gain a better understanding of our environmental impact and to enable the identification of opportunities to reduce this impact. The carbon footprint is calculated by applying the recommended methodology in the Greenhouse Gas ('GHG') Protocol. Scopes 1, 2 and 3 are included in our GHG emissions calculations, which can be found on page 53 and break down the emissions.

Transition and physical risks

In 2023, we conducted an updated scenario analysis to assess portfolio transition risk. We used the ISS climate database to estimate the climate risks, which included the following climate-related metrics: portfolio sector contribution to emissions, portfolio assets alignment with achieving net zero carbon emissions by 2050, transition value at risk, and holdings in fossil fuel companies. We will continue to monitor these metrics over time. ISS also conducted analysis to identify physical risk management, physical risk exposure by geography, and physical risk of the portfolio per hazard.

Climate-related opportunities

We estimate the investment in climate-related opportunities using the GICS coding for renewable energy and the Bloomberg identifiers for green bonds.

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions, and the related risks

Please see the tables on page 52 for the full energy and carbon emissions reporting over the last three years as well as the table of fund level carbon metrics.

Operational GHG emissions calculation methodology:

Operational GHG emissions are calculated using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the UK Government's Environmental Reporting Guidelines, including the Streamlined Energy and Carbon Reporting ('SECR') guidance. The Group has adopted the operational control approach for reporting GHG emissions. We use the GHG Protocol Standard to collate and report on our relevant Scope 1, 2 and 3 emissions. CBRE Ltd have provided independent limited assurance of the reported GHG emissions and energy metrics in accordance with ISO14064-3. The carbon footprint is calculated by applying the recommended methodology in the GHG Protocol. Carbon emissions are grouped into Scopes, as follows:

Scope 1: Direct emissions that result from activities within Premier Miton's control including on-site fuel combustion, manufacturing and process emissions, refrigerant losses and fuel used in Company-owned vehicles.

Scope 2: Indirect emissions that have arisen from purchases of electricity, heat or steam.

Scope 3: Any other indirect emissions from sources outside Premier Miton's direct control, including purchased goods and services, business travel, outsourced transportation, landlord-controlled gas use, waste disposal and water use.

Investment portfolio carbon emissions:

Investment portfolio emissions are calculated by our third-party data provider ISS who use company reporting such as annual reports and CDP climate change assessment reporting, supplemented by robust estimation, to provide fund level carbon assessments. The investee company holdings and associated company carbon emissions data are used to calculate fund level metrics such as carbon emissions per £1 million invested and the weighted average carbon intensity ('WACI'). In our non-financial objective reports, we currently report carbon emissions per £1 million invested as we believe this concept is easier for investors to understand. We currently only provide data for these products as they are managed with relevant investment processes and data is sufficient. As data improves and as regulatory guidance is provided, we hope to develop this disclosure.

Metrics & Targets continued

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

The Group is working towards establishing operational and investment portfolio carbon reduction targets as part of our 12-month plan as members of NZAM.

We are developing net zero targets aligned with the Paris Agreement. Initially, we will focus on Scope 1 and 2 operational emissions and increase to Scope 3 over time. We aim to reduce 50% of emissions by 2030 and reach net zero by 2050. This is equivalent to 8% reduction per year on average. We will achieve this by moving to a renewable energy tariff for all buildings, implementing a responsible travel policy and considering environmental issues when office leases expire.

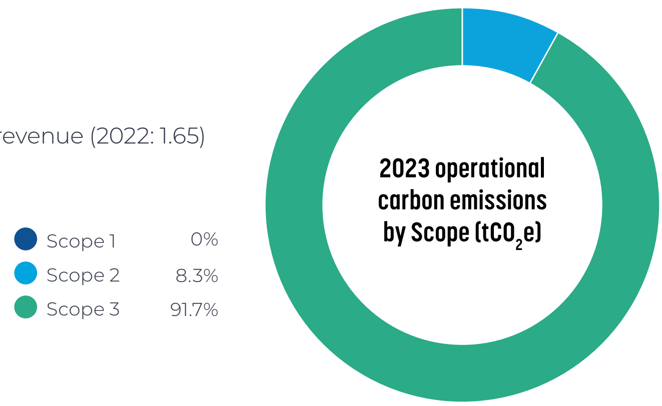
We aspire to achieve 100% renewable energy provision. Our London office is already using a 100% renewable energy tariff and we plan to switch to a renewable energy tariff at our Guildford office at the next renewal date in 2024. In the meantime, we aim to invest in a suitable carbon offset project or equivalent.

We aim to raise awareness internally with our staff on climate issues and work to reduce our emissions in areas such as reducing printed material and organising paperless client events. We encourage recycling and provide and encourage use of low carbon milk alternatives in our staff kitchens. We encourage staff to choose lower carbon options for transportation where possible. Our Environmental Committee engages with staff through a programme of internal communications.

Metrics and targets

Operational carbon emissions by Scope:

- Total GHG Emissions for 2023: 245.5 tCO_2e (2022: 133.9)
- This equates to 3.67 market-based tCO_2e per £million revenue (2022: 1.65)



Case study

Planting trees and hedgerows

Joining the Tree Council Jubilee Partners Programme

We have partnered with the Tree Council to plant trees and hedgerows in the UK as an alternative method to offsetting our operational carbon emissions. The Jubilee Partners programme enables a small number of organisations to work with The Tree Council to support community tree and hedgerow planting across the UK. The programme is a Partner of The Queen's Green Canopy, an initiative that was launched for the Queen's Platinum Jubilee. Our £7,000 donation over two years will ensure the planting of 500 trees and 100 metres of hedgerow with the combined impact of the programme leading to the planting of a total 35,000 trees and seven kilometres of hedgerow.

PROUD TO SUPPORT the tree council

CLIMATE-RELATED FINANCIAL DISCLOSURES continued

Energy and carbon emissions reporting

The table below presents our Greenhouse Gas ('GHG') emissions across Scopes 1, 2 and 3 and energy consumption for the 2023, 2022, and 2021 financial years. As part of our work towards net zero, we have updated our baseline year to 2022 as an accurate representation of our current emissions.

	Tonnes of carbon equivalent (tCO_2e)		
Greenhouse gas emissions	**2023**	**2022**	**2021**
Scope 1 Emissions			
Operation of facilities (refrigerant gas)	**0**	0.95	2.90
Scope 1 emissions fell as refrigerant emissions were reduced to zero this year as none of the AC units required a top up			
Scope 2 Emissions			
Purchased electricity (location-based)	**43.08**	51.91	56.70
Purchased electricity (market-based)	**20.29**	29.91	47.20
Scope 2 emissions from purchased electricity continued to decrease			
Scope 3 Emissions			
Business travel	**143.63**	54.69	8.00
Transmission and distribution	**3.74**	4.62	4.90
Waste	**54.04**	26.21	–
Upstream leased assets	**23.84**	17.49	26.40
Total Scope 3	**225.25**	103.0	39.3
The rise in Scope 3 emissions is due to the return to normal business travel as more business meetings are taking place in person			
Total emissions (location-based)	**268.34**	155.86	98.90
Total emissions (market-based)	**245.54**	133.86	89.40
GHG intensity metric[1]			
Scope 1 and 2 emissions per £million net revenue (market-based tCO_2e/£m net revenue)	**0.303**	0.380	0.593
Scope 1 and 2 emissions per full-time equivalent employee (market-based tCO_2e/number of FTE employees)	**0.124**	0.188	0.330

1 Intensity metrics may differ from previous annual reports due to recalculation to ensure metric and methodology is in line across GHG reporting.

	Kilowatt hours (kWh)		
Energy consumption[2]	**2023**	**2022**	**2021**
Total electricity purchased and consumed	**211,529.0**	260,953.7	260,422.0
Transport-related energy	**96,126.0**	85,162.0	18,145.7
Total energy consumption	**307,655.0**	346,115.7	278,567.7
Energy consumption intensity metric			
Energy use per full-time equivalent employee (kWh/number of FTE employees)	**1,984.9**	2,210.5	1,808.9

2 All gas and electricity usage is consumed in the UK.

We recognise that our operational emissions are relatively small compared to our Scope 3 category 15 investment emissions. We are currently measuring and monitoring these investment emissions internally. We are working to fill the gaps in our data, especially in smaller companies and in other assets such as corporate bonds and third-party funds, and will continue to improve our reporting in line with industry standards as we develop our understanding of these emissions.

Carbon offsetting

We prioritise reducing emissions as much as possible. Where it is not possible to eliminate emissions, we seek ways to offset residual emissions.

We previously offset our emissions using woodland carbon units ('WCUs'), but due to increased corporate demand for these high quality and UK based offsets, during 2022/3 there were not sufficient credits available. After careful consideration of different options, we are proud to support The Tree Council, a UK based environmental conservation organisation that plants trees and manages their natural habitat in the UK. We believe this is the best way to invest our carbon offset budget, which was calculated based on our current operational emissions and the current carbon price of WCUs. During the year, we provided funding to a project to plant 500 trees and 100 metres of hedgerow in the UK. We plan to continue to focus on UK-based carbon reduction projects, such as tree planting in the 2022/23 period. More information on page 51.

Our investment portfolio carbon emissions

We currently report carbon emissions per £1 million invested across our dedicated responsible and sustainable funds as we believe this concept is easier for investors to understand. ISS data has been used to generate the information in the table below. In 2023, the weighted average carbon intensity ('WACI') by change to product has fallen across the sustainable and responsible products. We will publish our fund level climate-related financial disclosures in June 2024, which will include a full set of fund metrics, subject to coverage. In anticipation of becoming fully aligned with TCFD recommendations, we have enhanced the transparency of our portfolio reporting to include the Scope 1, 2, and 3 emissions of our holdings.

Products	Scope 1 and 2 tCO_2e	Scope 3 tCO_2e	Total tCO_2e	Scope 1 and 2 tCO_2e/£m invested	WACI tCO_2e/£m Revenue	Fund data coverage (%AuM)
Premier Miton Global Sustainable Growth	2,879	18,962	21,841	31.9	160.5	99%
Premier Miton Global Sustainable Optimum Income	1,355	8,904	10,259	31.8	160.3	99%
Premier Miton Diversified Sustainable Growth	823	6,990	7,813	27.4	129.9	80%
Premier Miton Emerging Market Sustainable	123	883	1,006	26.2	118.9	95%
Premier Miton European Sustainable Leaders	30	1,014	1,044	5	20	96%
Premier Miton Responsible UK Equity	2,330	44,289	46,618	17.8	33	84%

Data from 30 September 2023.

Principal risks and uncertainties.

Consistent with many businesses operating in the financial services sector, the Group faces a range of risks and uncertainties that could impact its ability to deliver the strategic objectives.

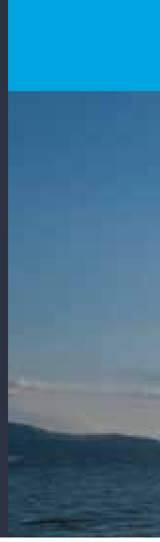
Key risk	Reputational risk	Economic and market risk
Description	Reputational risk can arise from the failure of any key control or from the risks detailed below. The risk is that a failure has a detrimental impact on the Premier Miton brand and underlying confidence of clients, stakeholders or suppliers.	Economic and market risk arises in relation to the investments held by funds managed by the Group and the revenue generated from the management charge on the value of those assets.
How we manage the risk	The control environment and risk management practices detailed below help to mitigate the risk of events arising that may have a negative reputational impact. A culture of integrity and core values is embedded in all our business activities. The Group holds regular business updates, which are attended by all staff.	The Group's funds are invested in a wide range of asset classes under different investment mandates including multi-asset, equity, fixed income and portfolios of collective investment schemes. Market risk is therefore diversified by managing funds investing in a wide range of asset classes. To the extent that asset classes behave differently in times of higher volatility, the Group's AuM and revenues are likely to be less affected than would be the case in a business more focused on a single asset class.
Change in risk exposure	The increase in perceived risk exposure reflects changes in the wider financial environment and the requirements under consumer duty.	Financial markets are currently exhibiting greater positive correlation across asset classes and poor economic forecasts.

Risk change key
Increased Decreased No change

Read more about our risks and mitigation in the Governance section.

For more information
Pages 74–78

Liquidity risk	Regulatory risk	Credit risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due or can only do so at a significantly increased cost.	The Group operates in a complex and dynamic regulatory environment. Risks arise from legal and regulatory obligations. The Group may be subject to regulatory sanction or loss of reputation from a failure to comply with regulations.	The Group is subject to credit risk arising as a result of counterparty exposure in the Group's receivables balances from fund management clients and in relation to cash balances placed with banking institutions.
The Group's objective in managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities as they fall due, under both normal and adverse conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's policy is to maintain unencumbered cash balances in excess of its regulatory capital requirements, assessed on the basis of annual expenditure requirements identified through a rigorous forecasting process.	The management of legal and regulatory risk is overseen by the Executive Committee, supported by the various operating committees that are in place. The legal, compliance and governance teams are responsible for tracking legal and regulatory developments to ensure that the Group is well prepared for changes. As well as developing policies, delivering training and performing monitoring checks, they also provide advice to ensure the Group remains compliant with legal and regulatory requirements.	The creditworthiness of all relevant counterparties is monitored closely. A diversification policy is in place in order to allocate significant cash deposits between suitable institutions. The Funds Risk Committee is responsible for assessing the appropriateness of counterparties transacting on behalf of the funds managed by the Group.
The Group has increased the detail of its cash forecasting, but the economic outlook remains difficult.	Changes to legislation arising during the year have been considered and assimilated.	Diversification of cash deposits has reduced credit risk exposure to a single financial institution.



PRINCIPAL RISKS continued

Key risk	Operational risk	Key employee risk
Description	The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The fundamental elements of the operational structure are people, information technology including cyber risk, and outsourced services.	The Group's products are managed by several fund managers within clearly defined teams. The departure of a fund manager, or team, could result in a loss of revenue for the Group and therefore a loss of profitability due to client redemptions or loss of mandates resulting in a fall in AuM.
How we manage the risk	The Group seeks to attract and retain the best qualified individuals. Key priorities for technology and systems are to maintain operational performance and reliability. Resilience and security are critical considerations when planning and deploying solutions. Outsourced services are reviewed on a regular basis, with key vendors being subject to the highest level of due diligence and oversight. Comprehensive business continuity planning is in place to ensure the ongoing operation of key business functions in the event of normal systems being interrupted. These arrangements are tested at least annually. The Group seeks to mitigate cyber risk through robust processes and controls, penetration testing, staff training and best-in-class solutions.	The Group seeks to diversify its product offering, and therefore revenue stream, in order to address this risk as well as having in place appropriate incentive schemes to retain and reward key employees. Where appropriate, the Group maintains a policy to have two named fund managers on each strategy. The Group has carefully calibrated remuneration mechanisms in place for all employees. See pages 80 to 85 for further detail. The Group actively encourages employee involvement at all levels, both through regular employee briefings and by direct access to managers and the Directors. Equity share incentives are provided to help retain and incentivise senior employees and Directors.
Change in risk exposure	Risks arising from cyber attacks have been increasing across the financial industry.	The concentration of AuM managed by a single fund manager team is less than a year earlier. Adding new fund managers dilutes key employee risk.

Risk change key

Increased Decreased No change

Investment performance risk	Investor concentration risk	ESG and climate risk
The Group acknowledges that there may be periods of weaker investment performance (either in a particular fund or generally) that may result in significant investor redemptions.	A redemption or a series of redemptions by key clients could pose a risk to net revenue and profitability. The resultant loss of AuM caused by a departure of a significant investor may increase the volatility of earnings for the Group.	ESG and climate risks have been identified as an emerging risk that requires shared responsibility to manage. The commitment to play our part in the transition to a lower carbon economy gives rise to risks and opportunities for the Group as well as for the wide range of companies held in the portfolios.
Such a scenario would impact the ability of the Group to grow its AuM, revenue and profitability. The Board and Executive Committee review investment performance on a regular basis, along with input from the Funds Risk Committee and the Product Governance Committee to assess the Group's mix of products. Regular interaction is also maintained with stakeholders such that they understand the performance of the fund(s) in which they are invested.	The Group endeavours to diversify its product range and client base in order to lessen the risk of such a scenario.	We have a Responsible Investing Oversight Committee ('RIOC') which includes representatives from across the business and monitors and reports on both ESG and climate risks that may exist in the investment portfolios. We have developed the net zero strategy as part of being a signatory of Net Zero Asset Managers initiative. The Environmental Committee monitors the operational carbon emissions from the Group. Summaries of the Committee meetings are shared with the Board.
In volatile financial markets, maintaining strong investment performance may be more difficult to maintain.	The concentration of AuM held by a single investor is lower than a year earlier.	The Group continues to expand its monitoring capabilities recognising the increased focus on ESG and climate risk.

OUR DIFFERENTIATORS

STRIV

TO ACHIEVE EXCELLENCE

F

Premier Miton has a well-resourced platform to facilitate growth in the assets we manage and allow the Group to benefit from economies of scale.

We remain ready to capitalise on inorganic growth opportunities via transactions that are aligned with our purpose.

There is natural scope for expansion of the product range by existing teams.

BOARD OF DIRECTORS

Experienced and diverse Board.

			
	Robert Colthorpe Non-Executive Chairman	**Mike O'Shea** Chief Executive Officer	**Piers Harrison** Chief Financial Officer
Committee membership	Nomination Committee – Chair Remuneration Committee		
Appointment	07/10/2016	12/07/2007	14/11/2019
Past roles	Robert is a highly experienced corporate financier with over 25 years of experience advising a wide range of clients, mainly in the financial services sector. He has worked at major merchant and investment banks (Morgan Grenfell, Deutsche Bank, Société Générale and ABN Amro) and boutique advisory firms (Hawkpoint and Europa Partners). He qualified as a Chartered Accountant with Arthur Andersen. Robert was a Non-Executive Director of Premier Portfolio Managers Limited, from 30 September 2019 to 23 November 2021.	Mike was appointed Chief Executive Officer of Premier Miton Group plc in November 2019 following the merger of Premier Asset Management Group plc and Miton Group plc. He started his investment career as a private client portfolio manager. He joined Premier Asset Management in 1986 to develop the asset management business of the company and was one of the founding directors of Premier Fund Managers in 1988. Mike became Chief Executive Officer of Premier Asset Management in May 2005.	Piers was appointed Chief Financial Officer of Premier Miton Group plc in November 2019 following the merger of Premier Asset Management Group plc and Miton Group plc. He joined Miton Group plc in 2013 and was previously the Deputy Finance Director and Head of Operational Risk with Neptune Investment Management Ltd. Before that Piers specialised in the financial services sector and in 2008 became a partner in Matterley, a fund management business whose interests were acquired by Charles Stanley Group PLC in September 2009. He is a Fellow of the Institute of Chartered Accountants in England and Wales having trained and qualified with Saffery Champness in 2001.
Brings to the Board	A deep understanding of strategy across the broad financial sector along with M&A and capital market transaction skills and experience. He has worked closely with leadership teams and directors at a wide range of financial institutions on corporate finance and commercial matters and is an experienced board director with a professional qualification as a Chartered Accountant.	Strong understanding and knowledge of the UK's asset management sector and 30-plus years of experience of managing, operating and growing an asset management business.	Extensive operational and practical experience of the fund management industry and a rigorous approach to operational risk management.
Other key commitments	Designated Member of Colthorpe Associates LLP and a Member of Aves Enterprises LLP.	No external directorships.	No external directorships.

Alison Fleming

Senior Independent Director

Remuneration Committee – Chair
Nomination Committee

14/05/2020

Alison has had an extensive career in financial markets over the last 25 years, holding senior positions within investment banks and boutique asset managers. Initially in investment banking (including UBS, Lehman Brothers, Credit Lyonnais) predominantly focused on public markets in sales, including running sales and sales trading in Europe. Latterly in private markets working across hedge funds, real assets, renewable energy and sustainable agriculture.

Experience in stakeholder engagement, compliance, climate change, sales and marketing, governance and business development.

Director of Helkia Ltd, The Kids' Cookery School Acton, Petley Partners Limited.

Sarah Mussenden

Non-Executive Director

Member of the Audit & Risk Committee

07/06/2021

Sarah has over 25 years' experience in senior financial positions across multiple sectors, predominantly in large consumer facing multinational corporates. Sarah qualified as a Chartered Accountant with Deloitte. Her subsequent roles have included: Chief Financial Officer at British Gas, Bart's and The London NHS Trust and Metropolitan Housing Trust, and Finance Director at British Airways.

Senior financial leadership expertise and experience of operating across complex global, consumer facing, multinational FTSE 100 businesses. Experience includes: formulating strategy and long-term business planning, driving business performance, investment appraisal and capital allocation, financial stakeholder management, risk, audit and internal control and best practice corporate governance and financial reporting.

No external directorships.

Sarah Walton

Non-Executive Director

Audit & Risk Committee – Chair

07/06/2021

Sarah is an experienced financial services professional with a 25-year career spanning a diverse range of products, geographies and sectors. She qualified as a Chartered Accountant with Coopers & Lybrand. Sarah then spent 15 years at Goldman Sachs as Head of Corporate Accounting in London and then with GSAM in New York as Head of U.S Hedge Fund and Mutual Fund Controllers. She was most recently the Chief Financial Officer of Gemcorp Capital LLP, an emerging market investment manager and commodity trading company. Her experience covers fixed income, credit, private equity, real estate, structured products, trade finance and commodities.

Experience in international fund management, corporate governance in both institutional and growth businesses, and a focus on mentorship and inclusion for sustainable business growth.

Sarah joined the Board of Premier Portfolio Managers Limited as a Non-Executive Director on 23 November 2021.

Director of Sarah Walton Limited.

CHAIRMAN'S INTRODUCTION

The Group is committed to maintaining robust infrastructure to support decision making and deliver on the business growth aspirations.

Robert Colthorpe
Chairman

Robust, defensible decision making.

On behalf of the Premier Miton Board, I am pleased to present the Corporate Governance Report for the year ended 30 September 2023. This section sets out the ways in which the Board has overseen the effective application of good governance during the year.

The Board

The Board comprises six Directors with equal gender representation. There are two Executive Directors and four Non-Executive Directors. The Non-Executive Directors' role is to act as a sounding board for the Executives. The Board meets regularly, maintaining a carefully prepared agenda which focuses on key matters and receives suitable management information to stimulate effective debate and challenge.

The strategic and oversight matters in the quarterly agendas are supported by a programme of deep dive sessions covering the business and industry sector to enhance knowledge and encourage engagement with employees and professional advisers.

The governance arrangements that support the Group are kept under annual review. This year the focus has been on the Committee arrangements that support the regulated subsidiary activities to ensure that the Group as a whole continues to meet evolving regulatory and legislative change, including the consumer duty regulations.

Purpose

The business has a clear statement of purpose, the strength of which continues to keep the Board focused and has informed our governance and decision making activities. The Board balances strategic initiatives with a rigorous approach to costs, the carefully considered use of capital, as well as seeking alignment with the interests of our major stakeholders.

Strategy

Annually in spring, the Board formally reviews the business strategy and the positioning of the Group relative to the sector. The asset management industry has complex strategic and commercial dynamics and it is important that the Board is well briefed on the context and macroeconomic environment. During the course of the year, the Board undertakes regular assessments of our positioning, receiving input from our professional advisers and industry commentators.

Responsible investing

The business has a well established approach to responsible investing and corporate responsibility and our commitments and activities are described in the reports on pages 30 to 53.

Public Policy

The Board is engaged in the ongoing public policy debate about the state of the UK's long-term savings sector and domestic capital markets. This matters for the health and future of our business. We have actively participated in industry discussion and policy forums and contributed and promoted specific ideas, alongside other concerned parties as well as on our own, into the discussions with Government and political parties. We expect to continue this engagement in future years.

People, culture and values

The Board understands the importance for our business of attracting, retaining and rewarding high quality talent. These are challenging times for our people and we take a close interest in the policies we set and the decisions made to ensure close alignment with our responsibilities and the interests of our stakeholders.

During the year we have considered progress on the application of the LTIP scheme and what changes are needed in the overall compensation framework for our fund managers.

Fostering a healthy culture matters and the Board is pleased to report the success of the various initiatives in place, as more fully described at pages 32 to 35.

Shareholder engagement

The Board values the views and level of engagement with shareholders and strives to offer ample opportunity for open communications with our shareholders throughout the year. As well as the contact at full and half year with major shareholders and analysts, I offer to meet our larger institutional shareholders once a year to discuss matters of interest or concern with them.

Risk and resilience

We take decisions responsibly, assimilating often fast moving political, economic and industry changes in our analysis. When called upon to exercise judgement, the Board places reliance upon the business to provide relevant data and thoughtful analysis to support robust decision making.

Each year, the Group undertakes its assessment of key risks, identifying emerging risks, modelling scenarios and agreeing how best to mitigate these. The risk management framework and agreed risk appetite, close monitoring of key third-party providers and the maintenance of a healthy surplus to the regulatory capital requirements all contribute to our operational resilience.

Board review

Each year the Board undertakes an evaluation of its own performance. These are approached with purpose, aiming to assess effectiveness over the year under review, as well as to identify emerging areas for training and development to keep our Directors informed and engaged. During the prior year, the focus was on impact and influence, and this year, the forward emphasis is on culture, conduct and collaboration.

Board composition

Having served on the Board of Miton Group plc and later as a Non-Executive Director on the merged Premier Miton Board, David Barron retired from office on 7 July 2023.

The Board continues to work effectively and cohesively, with Directors ably bringing their individual and collective expertise to our Board deliberations, adept at balancing our purpose, our duty to shareholders and the interests of our various stakeholders.

Robert Colthorpe
Chairman

4 December 2023

CORPORATE GOVERNANCE REPORT

In accordance with AIM Rule 26, the Company chooses to report against the Quoted Companies Alliance Corporate Governance Code for small and medium sized companies (the 'QCA Code').

The following report sets out the Group's governance arrangements and describes in more detail how we have complied with each of the ten principles set out in the QCA Code.

Governance framework

The Board sits at the apex of a structure through which authority is delegated to ensure that the business as a whole is run smoothly and in accordance with our governance framework.

As at 30 September 2023, the Board comprised two Executive Directors and four Non-Executive Directors. The Directors are collectively responsible for matters of strategy, performance, budget, and resources, as well as setting standards of conduct and accountability. Each year the Board reviews its schedule of Matters Reserved. These were last approved on 18 September 2023 and a copy is available on the website at www.premiermiton.com.

The Non-Executive Directors are appointed for an initial term of three years, and eligible for reappointment at AGM on rotation in accordance with the Articles of Association of the Company.

The Chairman, in conjunction with the Executive Directors and Company Secretary, sets the agenda for each Board meeting. Management information is delivered a week ahead of each meeting and the decisions of the Board are formally minuted.

Senior Independent Director

Alison Fleming was appointed Senior Independent Director on 1 October 2022, succeeding Will Smith, who stepped down from the Board on 30 September 2022. The role of Senior Independent Director is to act as a sounding board for the Chairman and as an intermediary for the Directors, shareholders and stakeholders.

Board and committee attendance

During the year, the Board held eight scheduled meetings, which included quarterly monitoring meetings, budget approval and annual strategy session, as well as meetings to review and approve the Company's full and half year results. The agreed schedule is supplemented with a number of meetings to cover single topic deep dive and training sessions.

The schedule of Board and committee attendance is set out below. Committee attendance can also be found in the introduction to each of the respective committee reports.

1 October 2022 to 30 September 2023	Board	Audit & Risk Committee	Remuneration Committee	Nomination Committee
Number of meetings	8	4	5	1
David Barron[1]	7(7)	3(3)	–	–
Robert Colthorpe	8(8)	–	5(5)	1(1)
Alison Fleming[2]	8(8)	–	5(5)	1(1)
Piers Harrison	8(8)	–	–	–
Sarah Mussenden	8(8)	4(4)	–	–
Mike O'Shea	8(8)	–	–	–
Sarah Walton	8(8)	4(4)	–	–

1 Resigned from office on 7 July 2023.

2 Appointed Senior Independent Director, Chair of the Remuneration Committee and a member of Nomination Committee on 1 October 2022.

Delegation of authority

The Group's governance framework supports the flow of information through the Group through the orderly delegation of authority to achieve robust defensible decision making.

Board of Directors
Responsible for setting the strategy, purpose and direction of the Group

Audit & Risk Committee
Chaired by Sarah Walton
The activities are detailed on page 75

Remuneration Committee
Chaired by Alison Fleming
The activities are detailed on page 81

Nomination Committee
Chaired by Robert Colthorpe
The activities are detailed on page 87

The details of the delegation of duties are set out in the Terms of Reference of each committee

Chief Executive Officer
The Board has delegated authority for the day-to-day running of the business to the Chief Executive Officer

Executive Committee

Board committees

The Board delegates certain matters to its three standing committees. The Committees report their recommendations to the Board after each committee meeting. The reports from the Chairs of each standing committee are set out on pages 74 to 88, and their respective terms of reference are published on the Company's website www.premiermiton.com.

The Committees are provided with sufficient resources to discharge their duties, including access to external advisers where required. Where independent advice has been sought during the year, this is disclosed in the relevant committee reports.

Executive and operational committees

Operational matters are delegated by the Board to the Chief Executive Officer, who in turn ensures that senior management are accountable for the success of the day-to-day business.

Executive Committee

Led by the Chief Executive Officer, this committee is composed of senior management, who are accountable for the management and monitoring of the Group's overall business operations, including business performance, people, conduct and culture, corporate social responsibility, investment, distribution, operations, brand, and financial matters. Meeting monthly, the Committee reports to the Board and to the boards of the regulated subsidiaries as required.

Operations Executive Committee

The Operations Executive is charged with the oversight of operational and regulated activities of the Group including risk and information services, investor and investment services, legal and compliance matters as well as keeping a watching brief on industry-wide initiatives in these areas. This committee meets every two months.

Investor Relations Committee

This committee meets weekly to consider and monitor the external reporting requirements of the Company, ensuring that all disclosures are managed in a timely manner.

CORPORATE GOVERNANCE REPORT continued

Distribution and Marketing Executive Committee

Convening on a monthly basis, this committee oversees the distribution and marketing activities of the Group, including data collection of sales and marketing performance and progress against strategic objectives including gross and net sales analysis, building market share, seeking new business and developing sales pipeline. It also considers relevant regulations and guidance covering consumer duty and treating customers fairly and reviews marketing activities to ensure product and client diversification, in line with the agreed sales and marketing plan.

Operational Risk Committee

This committee ensures that appropriate policies, procedures, controls, and reporting are in place to manage and monitor operational risks. It monitors the liquidity risk profile of the funds managed by the Group, assesses the risk of loss experience arising from operational risks, reviews the work and findings of the various operational and client services functions responsible for embedding a strong and compliant risk management culture. Monitoring the effectiveness of the agreed Risk Management Framework and reporting on its effectiveness, as well as maintaining the Risk Appetite Policy and Internal capital adequacy and risk assessment ('ICARA') are also in its purview.

Product Governance Committee

The oversight and ongoing management of investment products and services, existing and new, is overseen by this committee. It seeks to identify target markets for our products and services, ensures the provision of relevant product information and communications to clients and distributors, monitors the way in which investors' expectations of investment performance are met and how value is delivered as well as ensuring that the delivery of client services, including treating customers fairly and consumer duty regulations, are achieved.

Environmental Committee

This committee sets the environmental objectives for the Group, monitoring progress against them during each financial year. This includes the collection of data on energy, waste generation and management of the Group's carbon emissions. The committee meets quarterly to monitor compliance with relevant regulatory requirements, identify and report on any environmental-related risks to the Executive Committee, monitor spending against any associated budget, as well as acting as champions of the Environmental Policy and encouraging participation and support from employees and suppliers.

IT Oversight Committee

The purpose of this forum is to ensure the integrity of the IT infrastructure and associated business recovery processes.

The committee monitors third-party dependencies, has oversight of development projects and is responsible for the identification of infrastructure risks. It undertakes assurance activities including conducting regular penetration testing.

Regulated subsidiaries

The regulated subsidiaries place reliance on a number of additional specialist working groups and committees to help them discharge their duties, including:

- Funds Risk Committee;
- Outsourcing Oversight Committee;
- Conduct and Policies Committee;
- CASS Committee;
- Financial Crime Committee;
- Investment Oversight Committee;
- Valuation Committee;
- Pricing Committee; and
- Responsible Investing Oversight Committee.

QCA Code compliance

The following disclosures describe in detail how we meet the principles of the QCA Code against which the Group chooses to report its governance arrangements. A formal statement on our compliance with the QCA Code is set out in the Directors Report at page 89.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

The Group's purpose is to actively and responsibly manage our clients' investments for a better financial future.

This is achieved through our investment product offering which is designed to meet the long-term needs of our clients and to deliver good investment outcomes through active management.

The Group maintains a scalable business platform to support our strategy, covering investment, distribution and operations.

The Group's investment products currently include open-ended UCITS and non-UCITS funds, closed-ended investment companies, a portfolio management service and segregated accounts.

These products offer investors access to a range of asset classes including multi-asset, equities, fixed income and alternatives. These products have different primary objectives, including income, capital growth and absolute returns.

The Group has a talented and experienced team of investment professionals to manage our products. The Group offers a supportive and collaborative working environment that gives our investment teams the appropriate freedom to manage portfolios to produce good long-term investment results. We support this with a scalable business platform and an effective risk and compliance framework.

The Group currently maintains an extensive distribution and client service capability focused on UK professional investors, including financial advisers and wealth managers.

The Group's operations function includes investment administration, risk monitoring and portfolio analytics, legal and compliance, information technology and finance. We maintain key outsourcing partners to allow flexibility and scalability of our operation platform to help support business growth.

The five key pillars of the Group's strategy to deliver shareholder value in the medium to long term are as follows:

- to offer relevant investment products;
- to deliver attractive investment outcomes;
- to maintain a focused distribution capability;
- to maintain a strong and scalable operating platform; and
- to follow a disciplined approach to financial management.

The Board believes these pillars are underpinned by a clear set of values designed to establish a responsible way of working, including ethical values, conduct and behaviours, aimed at protecting the Group and its clients from unnecessary harm.

There are a number of potential challenges and risks relating to the Group and its business, including: fluctuations in capital markets; adverse economic, political and market factors, ongoing impact of the UK's termination of its membership of the EU; the loss of or inability to recruit key personnel; failure to maintain attractive investment performance; compliance breaches of investment mandates or operational errors; asset classes managed by the Group becoming less attractive to investors; competitive pressures; regulatory compliance and system security breaches.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Board firmly believes that keeping the confidence of our shareholders is predicated on open, constructive dialogue. During the year, opportunities for effective shareholder engagement with both our institutional and retail shareholders has allowed the Board to engage and seek feedback on its strategic ambitions.

All shareholders are entitled to attend and vote at the Company's Annual General Meeting ('AGM'). The Directors are in attendance to respond to any formal questions on Company business at the meeting and make themselves available immediately afterwards for a more informal opportunity to engage. In addition, the meeting is live broadcast to allow shareholders unable to attend in person to listen to the proceedings. Shareholders not in attendance are invited to lodge any questions in writing ahead of the meeting via the website.

The voting results of the AGM held in February 2023 demonstrated continued support from our shareholder base with all votes passed.

Shareholders can access corporate, regulatory news, share capital and dividend information on the Group's website at www.premiermiton.com. Enquiries can be directed to the Board via the corporate email address corporate@premiermiton.com. As well as accessing the Annual Report and Accounts, shareholders can also now listen to the audio broadcast of the Group's results on the website.

Existing and potential institutional shareholders are invited to join results presentations and roadshows at the time of the full year and interim results. The importance of creating value and returns in a sustainable way and communicating how this is achieved continues to be a key theme. Accompanied by the Group's brokers, meetings with institutional holders afford the Executive Directors an opportunity to understand the needs and expectations of our shareholders, the motivations behind shareholder voting decisions as well as discussing the Group's progress and management team's views. The Executive Directors brief the Board on engagement following these meetings.

The Board also receives regular reports on share price monitoring, analysis of the share register, peer group, market comparison feedback and briefings from its professional advisers.

CORPORATE GOVERNANCE REPORT continued

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

Social responsibilities

The Group is committed to taking a responsible approach to investing which includes complying with the principles for business of our regulator, the FCA, treating customers fairly and the obligations of consumer duty.

In delivering good long-term investment outcomes for our clients, the fund managers monitor a range of financial and non-financial metrics of an investee company in the furtherance of the stewardship of clients' assets in the Group's investment products. The fund managers are actively engaged with their investee companies and their advisers in order to encourage good standards of governance and creation of shareholder value.

The Group retains the services of ISS, a specialist third-party provider, to support stewardship activities with specialist corporate governance expertise and provide relevant research, voting recommendations and rationale.

The Group manages seven specialist products focused on actively managed portfolios based on the consideration of responsible or sustainable factors. The range includes the Premier Miton Responsible UK Equity Fund, Premier Miton Global Sustainable Optimum Income Fund, Premier Miton Global Sustainable Growth Fund, Premier Miton Global Renewables Trust plc, Premier Miton European Sustainable Leaders Fund, Premier Miton Emerging Markets Sustainable Fund and Premier Miton Diversified Sustainable Growth Fund. The fund managers of these funds work closely with the Head of Responsible Investing.

The Group has an active Environmental Committee which champions participation and support from stakeholders on environmental and nature related matters and runs a number of initiatives and monitoring activities including oversight of energy usage, waste generation and management, material usage and carbon footprint.

All employees are actively encouraged to participate in charitable events with a corporate matching facility for fund raising.

They can also nominate charities with a personal connection as beneficiaries of the Group's charitable donation programme. During the year, the Group made charitable donations of £6,660.

The Group complies with relevant regulations, including the Modern Slavery Act. Our statement is available on the Company's website.

Engagement with stakeholders

The Group has identified its key stakeholders as its employees, financial intermediaries including IFAs and wealth managers, clients invested in the fund product range, third-party providers of goods and services to the Group, as well as the regulator, our local communities and environment. Further details on our approach to stakeholder engagement for each of these categories is set out at pages 70 to 71 in our response to Principle 10.

Through our membership of the Investment Association, we engage on wider regulatory matters to ensure the Group is aware of pending regulatory and legislative changes and able to implement them effectively. We also communicate directly with the FCA on issues affecting the Group.

The Board meets with senior executives and heads of department on a regular basis, including the Chief Operating Officer and Chief Risk Officer. Through the regular reporting structures, the Board is kept updated with information on key customer and supplier relationships.

The Director of Compliance and Legal reports to the regulated firms' boards on all regulatory matters as well as having direct access to both the Chairman and Senior Independent Director as required. The Company's Nominated Adviser updates the Board on stock exchange matters. The external auditor and externally facilitated internal auditor also regularly attend meetings of the Audit & Risk Committee.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Group's risk appetite framework allows it to understand and articulate its risk appetite and to manage its tolerance to risk. This allows the Group to assess the impact of new or changing strategies, projects or emerging risks. The Group's control process is set out in a systems and controls document which details operational governance. An ICARA is embedded for the Group and the dashboard is reviewed quarterly by the Board.

The Chief Risk Officer has responsibility for the operational risk monitoring system and processes (in addition to market, credit and liquidity risks). The identification of operational risks and incidents is embedded within the various business units and logged centrally in the operational risk monitoring system that tracks the remedial actions undertaken to reduce the risk of operational incidents re-occurring and helps to identify future areas of risk, including those relating to our service providers and end-customers.

The Chief Operating Officer, Chief Financial Officer, Director of Finance and Strategy, Chief Risk Officer, Chief Investment Officer and Director of Compliance and Legal each have access to the Chair of the Audit & Risk Committee to raise any concerns in respect of the control environment.

Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair

Composition

During the year to 30 September 2023, the Board comprised two Executive Directors, Mike O'Shea and Piers Harrison, and five Non-Executive Directors, Robert Colthorpe, Non-Executive Chairman, David Barron, Alison Fleming, Sarah Mussenden and Sarah Walton. David Barron stepped down from the Board on 7 July 2023.

The biographies of each of the current Directors are set out on pages 60 to 61.

The role of the Non-Executive Directors is to provide entrepreneurial leadership, offer constructive challenge to management and direct the development of strategy, ensuring that a framework of effective controls is in place. They also oversee conduct, culture and values, holding the management accountable for setting the overall tone of the Group.

Independence

In assessing the independence of Non-Executive Directors at the date of this report, the Board took account of their experience, character and judgement, and their dependence on, or relationships with the Group. In light of this, Robert Colthorpe, Alison Fleming, Sarah Mussenden and Sarah Walton are considered by the Board to be independent and are free from any associations or relationships with the Group or its investment funds, with the exception of the fees that they receive as Non-Executive Directors.

Roles and responsibilities

The Directors have a duty to promote the best interests of the Company and are collectively responsible for the corporate governance arrangements of the Group. The agreed delegation of duties is set out in the terms of reference of the standing committees of the Board, the job description of the Chief Executive Officer, and through the wider business via the subsidiary governance arrangements in place.

The Board receives management information from the Executive Directors, various heads of department as well as minutes and reports from the material subsidiaries. This is all provided in a timely manner to facilitate assessment of the matters requiring monitoring, a decision or insight.

Conflicts of Interest

A schedule of attendance at Board and committee meetings is set out on page 64. On appointment, each new Director is required to declare any potential conflicts of interest. Directors are reminded at each Board meeting of their obligations to notify any changes in their statement of conflicts and declare any benefits received from third parties. The register of conflicts is reviewed annually, and the Board has concluded that the process has operated effectively during the period.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board is satisfied that the composition reflects the necessary mix of skills and expertise to meet the Group's strategic requirements.

New Directors are given a comprehensive induction to the Group which includes introductory meetings with departmental heads for Investment, Sales, Marketing, Compliance and Legal, Operations, Risk, Finance, Internal Audit, HR and the Company Secretary.

All Directors receive briefings and regular training on a range of relevant topics during the year. The Directors are also encouraged to attend external training relevant to their ongoing development. Regular compliance, cyber-crime, health and safety and money laundering training is provided for all Directors.

Where committees of the Board have sought external advice, this is reported in their respective reports. The Board has recourse to the Company Secretary for governance advice and the Senior Independent Director is available in an advisory capacity for the Chair, Directors and Shareholders.

Robert Colthorpe, Piers Harrison, Sarah Mussenden and Sarah Walton are Chartered Accountants, and their continuing professional development is maintained in accordance with the requirements of the Institute of Chartered Accountants in England and Wales.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board performance review is undertaken annually in the fourth quarter of the financial year. Led by the Chairman, the process is delivered by the Company Secretary and the results discussed with the Board.

As well as providing assurance on the effectiveness of the Board during the year under review, the questionnaire includes a forward looking theme intended to drive change in the coming year based on emerging industry trends that align with corporate strategy. In line with the stated strategic priorities for employee engagement, the 2023 Board performance review was prepared under the theme of 'culture, conduct and collaboration'.

The deliverables identified for the coming year included enhancing oversight of organisational culture with additional data and metrics, a review of the quality and consistency of management information to ensure that the emerging requirements for consumer duty are appropriately integrated, a programme of deep dive topics on relevant matters and supporting the Board in keeping current on wider industry insights.

CORPORATE GOVERNANCE REPORT continued

In satisfaction of the matters identified in the prior year's evaluation, the Board participated in deep dive sessions on D&O Insurance and Market insights, attended focus sessions on Distribution, as well as a drive to encourage active networking at industry events and forums. Meeting efficiency and the quality of management information continued to evolve.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

Our Company values underpin everything that we do, providing the foundation for our culture and behaviours of our people, at all levels across the organisation. Culture begins with leadership, and our Board seeks to create a strong and effective management team who ensure our business is cohesive, driven by a shared vision and enthusiasm for our work. We are continually working to build a culture that actively encourages freedom of thought, a culture that is open, inclusive, supportive and allows for the ongoing development of all our people.

We work to attract and retain individuals who are high performing, independent thinkers who work collaboratively, aligned to our core values of being dedicated, passionate, collegiate, independent and responsible. We look to ensure that all employees and prospective employees are treated in a consistent and equitable way, regardless of gender, sexual orientation, religion or belief, age, race, ethnic origin, marital or civil partnership status, pregnancy, maternity, or disability. This approach applies to our recruitment, onboarding and employee lifecycle practices including remuneration and retention.

Employees are supported with a range of benefits including company pension, ill health protection, life cover and private medical insurance. Employee well-being is an essential focus, and our approach ensures that we cover the four pillars of well-being; mental health, physical, financial and social well-being. Two-way communication is key to our culture, and we have various forms of communication including regular updates from our CEO, a quarterly internal magazine and Townhalls. We have a variety of means of ensuring employees have a way to provide their own feedback and input into the culture and wider business, such as a People Survey and Focus Groups.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

The governance arrangements of the Group are kept current and are adapted to reflect emerging needs. All Directors receive appropriate and timely information to ensure that they are properly briefed in advance of Board meetings and have access to the advice and services of the Company Secretary and other senior management. The Company Secretary is responsible for advising the Chairman and the Board on governance matters.

The Board maintains a schedule of Matters Reserved that includes material acquisitions and disposals, investments, and capital projects. The calendar of scheduled meetings is supplemented with ad hoc meetings convened as required to address issues that arise outside of the regular schedule. The Board also participates in deep dive sessions covering topics selected to focus attention on emerging matters or new products, aiming to balance internal and external points of interest. The standing agenda item papers circulated prior to Board meetings include the following:

- declarations of Directors' conflicts of interest;
- a report from the Chief Executive Officer covering strategy, performance, corporate and investor relations;
- a report from the Chief Financial Officer covering financial results, comparison of forecasts with published consensus, financing and financial strategy matters;
- reports from the Chairs of the standing committees;
- matters recommended for Board approval;
- market and industry insights; reports from senior management on risk, compliance, legal, operations, investment strategy and performance, responsible investment, sales, marketing, human resources and governance matters; and
- a rolling schedule of Group policies.

A list of additional matters considered by the Board during the course of the financial year is set out in the section on 'key decisions during the year' at page 71.

Board committees receive the papers required in order to fulfil their duties in accordance with their terms of reference. Each committee has access to the resources, information, and advice at the cost of the Group, in order to enable each committee to discharge its duties. These duties are set out in the terms of reference of each committee, copies of which are available on the Group's website. The Executive Directors may attend meetings by invitation. The meetings are formally minuted and once approved, the minutes of each meeting are circulated to the Board.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board endeavours to facilitate open investor dialogue with both institutional and retail investors, employees and other stakeholders.

The key components of the investor relations remit are the AGM, to which all shareholders are invited to attend and vote, and the full year and interim results presentations to analysts and institutional investors.

The corporate website carries the current and past editions of the Report and Accounts and

Interim Report and Accounts, financial calendar, and dividend information as well as the disclosures required in satisfaction of AIM Rule 26, and regulatory news service announcements.

The Executive Directors, together with the Group's brokers, meet with existing and potential shareholders to discuss our business strategy, plan, and progress. This enables a healthy dialogue and enables all interested parties to come to informed decisions about the Group.

The outcomes of all stewardship votes since the Group's listing are included on the Group's website at www.premiermiton.com.

Stakeholder engagement: Section 172 statement

In the performance of their duties, the Directors, both individually and collectively, have exercised due regard for the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006, acting 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, and in doing so have regard (amongst other matters) to:

- the likely consequence of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The Board considers its key stakeholders to be its shareholders, employees, clients, suppliers, regulators, community and environment and the table on pages 72 and 73 details how we typically engage with each.

Key decisions during the year

In promoting the success of the Company, the Board considered and made the following key decisions during the financial year ended 30 September 2023:

Financial performance

- Approval of 2022 Annual Report and Accounts
- Recommendation of a final dividend
- Approval of the half year review to 31 March 2023
- Declaration of the interim dividend
- Grant of certain equity awards
- Strategy session
- Approval of the ICARA
- Approval of the 2023/24 Budget

Operational performance

- Received reports and business updates from the CEO and COO
- Received quarterly business reports and operational oversight reports
- Received and acted upon internal audit findings reports from Grant Thornton
- Received quarterly business reports and operational oversight Institutional distribution channel
- Consideration of material contracts

Stakeholders

- AGM and Investor relations arrangements
- Approved the Modern Slavery Statement
- Received regular updates from HR on various employee matters
- Approved the FRC stewardship code submission and received the responsible investing reports
- Approved the Group's commitment to net zero and subscription to the NZAM initiative
- Reviewed and approved applicable supplier-related policies

Governance

- Received quarterly reporting including updates on governance developments
- Annual performance review of the Board and its standing committees
- Annual review of the Matters Reserved of the Company
- Annual review of the Terms of Reference of standing committees of the Board
- Reviewed succession planning, Board membership and committee composition
- Group's insurance policy renewals
- Tender of external audit services as detailed at page 79

SECTION 172 STATEMENT

Shareholders:

The Company is AIM listed and keeping the confidence of shareholders through regular, transparent engagement over the course of the financial year encourages valuable dialogue with those who are invested in our success.

Stakeholders' key interests	How we engage
• Long-term value creation underpinned by a talented team of investment professionals. • Good governance practices including adherence to the QCA Governance Code standards. • Ability to engage in meaningful dialogue. • The expectation of financial returns through dividend payments, balancing investment in growth with returns. • Scalable business platform covering investment, distribution and operations. • Dedicated and informative corporate website content.	• Ensuring the Board has a clear understanding of its role and contribution to the success of the Group. • Transparency in the way we do business, maintaining good governance practices in line with the QCA Governance Code. • Balancing shareholder returns with investment in business initiatives to perpetuate our business and create long-term value. • Tracking achievement against strategic objectives throughout the year. • A clearly defined dividend policy targets an ordinary dividend pay-out of approximately 50 to 65% of profit after tax, adjusted for exceptional costs, share-based payments and amortisation. • Regular shareholder roadshows for institutional investors facilitated by the Nomad. • An accessible AGM that allows shareholders to attend in person or listen to proceedings via a live broadcast. • The provision of comprehensive investor materials available on the corporate website including all results, regulatory announcements and financial calendar.

Employees:

Looking after the interests of our employees ensures that they are well positioned to bring their skills to the pursuit of our strategic objectives and know that their contribution is valued. Our ability to deliver excellent investment outcomes and exemplary client services depends upon a corporate culture that promotes and supports good conduct and a collegiate working environment.

Stakeholders' key interests	How we engage
• A healthy corporate culture that operates ethically and acts with integrity. • Regard for employee health and well-being. • A safe working environment. • Training and development opportunities. • Well-designed remuneration structures that attract and retain employees. • Ability to raise concerns safely.	• Maintaining a compliant culture with good conduct across the Group through appropriate policies, monitoring and reporting. • Seeking views via regular employee engagement surveys and tracking feedback actions. • Regular business updates from the Group CEO. • Townhall events to communicate on full and half year results. • Regular updates on people initiatives from HR. • Investment in employee training initiatives. • Active Sports & Social and EDI Committees. • Employees can raise concerns through various channels including staff surveys, discussion with line managers, HR and Compliance, and the whistleblowing procedures. • Various partnerships in place to support initiatives in diversity, mental health, social mobility and well-being.

Community and environment:

The Group is committed to an active and growing role in corporate social responsibility and building a more sustainable future.

Stakeholders' key interests	How we engage
• Commitment to high standards of corporate responsibility. • Oversight of environmental, social and governance matters including climate risk. • Sustainable investment funds. • Reputation within the community. • Committed to carbon reduction.	• The Environmental Committee has developed key initiatives including the Group's work towards net zero carbon emissions, calculating its carbon emissions and reporting the Group's CDP disclosure assessment. • Active engagement with industry bodies on responsible investment and climate risk. • The Group manages seven specialist funds focused on responsible or sustainable themes. • Oversight of the Responsible Investing framework by the RIOC. • Premier Miton is a signatory of the FRC's Stewardship Code and Net Zero Asset Managers initiative. • Supporting colleague volunteering activities.

Clients:

The Group, acting via its two FCA regulated subsidiaries is focused on building and maintaining strong client relationships. Our clients are typically independent financial advisers and wealth managers who intermediate between the firm and the end consumer of our fund products.

Stakeholders' key interests	How we engage
• A well-diversified range of investment products. • Ensuring the quality and content of product communications. • Reliable and efficient client services. • Regulatory compliance. • Treating customers fairly and consumer duty.	• The Board receives regular updates on advisory and discretionary client engagement to understand how clients' needs are evolving. • The Product Governance Committee undertakes a regular review of the Group's funds to ensure they are being managed in line with their objectives, policy and strategy. • Client facing teams strive to establish an understanding of client needs and expectations. • The costs associated with the Group's branded funds are subject to annual value assessment by the Board of Premier Portfolio Managers Limited, a Group subsidiary. • Due attention to treating customers fairly and the new consumer duty. • Close monitoring and handling of any client complaints. • Maintaining a user-friendly website for product related information.

Suppliers:

We aim to maintain good relationships with our suppliers and ensure they uphold high standards of ethical business conduct. The selection process and engagement with any third-party providers is guided by our Procurement Policy, supported by suitable due diligence processes and in accordance with our Modern Slavery Statement.

Stakeholders' key interests	How we engage
• Minimising the inherent risks of outsourcing. • Promoting responsible and ethical business practices to maintain good long-term relationships with key suppliers.	• The Board has delegated oversight of key business partnerships to management and receives regular reporting on the risks associated with outsourcing from the Audit & Risk Committee. • Monitoring and oversight of key third-party supplier relationships is undertaken by the Outsourcing Oversight Committee. • Senior management meets regularly with suppliers. • Routine contract renewal or tendering is undertaken at intervals. • Relevant policies, including the Procurement Policy, Anti-Bribery, Gifts and Entertainment, Legal Contracts Policy and Record Retention Policy, are in place and subject to annual review.

Regulators:

The regulated activities of the Group are undertaken via its two FCA regulated subsidiaries, and the Group seeks to maintain a positive and open relationship with the FCA.

Stakeholders' key interests	How we engage
• Transparency and integrity. • Candid and regular dialogue. • Proactive response to FCA initiatives and publications.	• Actively engaged, notably via the Quoted Companies Alliance and the Investment Association to ensure that we remain alert to legal and regulatory change. • A regulatory change log is included at each regulated subsidiary meeting which highlights impact and timing of incoming regulatory change. • Any direct contact from the FCA promptly addressed. • A comprehensive rolling programme of compliance training for all employees and for senior managers subject to the certification regime. • A review of the duties delegated to certain committees on behalf of the regulated business was undertaken during the year to formalise the framework and enhance reporting.

AUDIT & RISK COMMITTEE REPORT

The Audit & Risk Committee is responsible for ensuring the integrity of financial management, overseeing the effectiveness of the internal control environment and the adequacy of the risk management systems for the Group.

Sarah Walton
Chair of the Audit & Risk Committee

Committee attendance

100%

Committee meetings

4

Committee members	Attendance
David Barron[1]	3 (3)
Sarah Mussenden	4 (4)
Sarah Walton (Chair)	4 (4)

1. Retired from office on 7 July 2023.

Dear Shareholder

The Audit & Risk Committee met for four scheduled meetings during the financial year to 30 September 2023 and I am pleased to report on the activities covered over the period in this report.

Membership and skills

The Committee members have between them, the recent and relevant financial expertise and the skills and competencies required to discharge the Committees remit.

The Executive Directors, Director of Finance and Strategy, Chief Risk Officer, Chief Operating Officer, and Director of Compliance and Legal typically attend each meeting by invitation.

The biographies of each Committee member are set out on pages 60 to 61.

Activities during the year

The Committee remit is focused on the key areas of financial integrity, internal controls, and risk management. During the year ended 30 September 2023, the Committee considered, amongst other things, the following matters:

Financial reporting	• Review and recommendation of the audited financial statements for the full year ended 30 September 2022. • Review and recommendation of the unaudited interim financial statements for the six-month period ended 31 March 2023. • Review the appropriateness of the accounting policies used in preparing the Group's financial statements.
External audit	• Review of the external auditor's report and key highlights memorandum for the year ended 30 September 2022 and outcomes of the key risk assessments and audit findings. • Review of the external auditor's independent review report on the unaudited interim financial statements for the six-month period ended 31 March 2023. • Audit matters including revenue recognition, investments in subsidiaries, going concern assessment, and impairment review were considered. • Key accounting estimates and judgements were considered, notably for intangible assets and acquired goodwill in the context of acquisition accounting. • Monitored the provision of non-audit services which included the CASS audit. These services were aligned with the auditor's responsibilities and did not compromise the integrity, independence, or objectivity of the auditor. • Review and recommend the external auditor's audit plan and fee quote for the financial year ended 30 September 2023. • Undertook a tender of external audit services as regards corporate, CASS and fund accounting audits.
Internal audit	• Review of the quarterly internal audit findings reports and action trackers. • Approval of the 2023 Internal Audit Charter. • Agreed the Internal Audit Plan for 2023/24.
Risk, internal controls and ICARA	• Review and recommend the Group's ICARA documentation. • Review and recommend the risk management framework and risk appetite policy and quantification. • Oversee the quarterly monitoring of risk via the ICARA risk dashboard and reporting, the risk registers, and activities of the Operational Risk Committee. • Oversight of regulatory change management and any breaches and errors.
Other	• Annual review of Compliance resourcing and skills. • Review and update where necessary, the terms of reference of the Committee. • Undertake a performance review of Committee effectiveness.

AUDIT & RISK COMMITTEE REPORT continued

Financial reporting

Significant judgements

The Committee is responsible for the integrity of the published financial statements. A number of accounting matters were considered in the period that required the use of estimates and the exercise of judgement. The assessment of any need to impair goodwill, intangibles or investment in subsidiaries was supported by comprehensive analysis, and the Committee Members were able to conclude that no material impairment was required. Details of key judgements and estimates are set out in note 2.5 on page 106.

Going Concern

In determining the basis of preparation, the Committee considered the Group's profitability, budget and detailed financial forecasting set out in a report from the Finance team and agreed that the going concern basis of accounting continues to be the appropriate basis of preparation for these financial statements.

Fair, balanced, and understandable

The Committee undertakes an annual assessment of the financial statements to ensure that these are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

Having performed this evaluation for these financial statements, the Committee confirms that in its opinion, the financial statements meet this standard.

External audit

KPMG LLP have provided the Group's external audit services since their appointment in May 2011. The senior statutory auditor, Alison Allen, was appointed to the account for the financial year ended 30 September 2020. As a matter of good governance, the Committee is tasked with ensuring that from time to time, the external audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms. A competitive tender exercise of external audit services has been undertaken and the disclosure describing how this was achieved is set out on page 79.

Audit quality

In preparation for the full year audit, the Committee was briefed by the external auditor on their intended plan, setting out how the audit team would deliver audit quality, and how they will reach their opinion. The areas of significant risk, as well as other areas of audit focus, were identified, drawn from the auditor's knowledge of the business, sector, and the wider economic environment.

Auditor independence and non-audit services

Arrangements are in place to govern the independence and objectivity of the audit engagement partner and audit team, as well as the safeguards around the provision of non-audit services. The auditor has confirmed that they were independent, in accordance with their professional ethics standards, for the audit engagement period.

The external auditor meets annually with the Committee members without management present, to discuss their remit and any concern or issues arising from the audit.

Internal controls

The Group maintains a robust system of internal controls that are monitored by the Group's Risk and Compliance departments via detailed risk registers and the compliance monitoring programme. The Committee has oversight of these controls and receives reports from the Chief Operating Officer, the Chief Risk Officer, and the Director of Compliance and Legal. No material shortcomings were identified in the practices and procedures during the year.

Risk management

Principal risks and uncertainties

Responsibility for the structure and application of the Group's risk management framework and governance sits with management and is overseen by the Committee. The Committee receives comprehensive reporting on and monitors the principal risks of the business including mitigating or preventative activities. Disclosures on our risk profile and arrangements, including fund related and enterprise risk management are set out fully on pages 54 to 57.

Risk management framework and risk appetite

The Group's risk management framework documents how key risks identified in the ICARA process are, as far as is possible, mitigated. The arrangements are reviewed by the Committee on an annual basis.

Comprehensive risk registers covering both operational and enterprise risks are maintained and oversight is embedded through the quarterly review of the ICARA dashboard report. Reporting and identification of risks including incidents and near-miss events, the assessment and operation of internal and external controls and management and calibration of key risk indicators all contribute to the effectiveness of the framework.

The risk appetite of the Group is agreed annually, and the inputs are reviewed by the Committee prior to making recommendations to the Board. The agreed appetite measures the level of risk that the Board is willing to take in the furtherance of its strategic objectives and stewardship of assets.

Whistleblowing and financial crime

Oversight of the Group's whistleblowing arrangements is delegated to the Audit & Risk Committee. Procedures are in place for employees to report concerns in strict confidence. The whistleblowing policy is reviewed annually to ensure it remains fit for purpose.

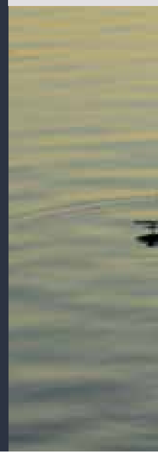
The Group arrangements in respect of the adequacy and security for its employees and contractors to raise concerns, in confidence, about possible financial crime including anti-money laundering and anti-bribery is overseen by the Committee. No matters were raised in this regard during the year.

Cyber security awareness is tested at regular intervals including through phishing test campaigns to ensure colleagues are alert to the risks.

Internal audit function

Grant Thornton provides an externally facilitated, internal audit function to the Group creating a 'three lines of defence model' which enhances monitoring of the control environment. In the year, five externally facilitated internal audits were undertaken and the findings reports from four of these were delivered to the Audit & Risk Committee at their quarterly meetings. A fifth internal audit was commissioned by, and the findings reported to the Remuneration Committee. The Internal Audit plan is aligned with the principal risks of the business and is agreed in advance for the financial year. This year, the internal audits covered third-party risk management, consumer duty, conduct and culture and responsible investing.

AUDIT & RISK COMMITTEE REPORT continued



Governance

Committee performance review

The annual performance review, undertaken in-house, asked the members to complete a questionnaire to rate the effectiveness of the Committee and the results were discussed at the Board meeting in September 2023.

The results of the performance review are used to develop and deliver specific committee-related improvements and are also considered in the wider context of the 2023 Board performance review, which, as well as providing assurance on Board effectiveness, included forward looking enquiries on the oversight of 'culture, conduct and collaboration'.

Overall, the results demonstrated that the Committee members had the necessary skills and experience to effectively discharge the activities of the Committee during the year under review and to lead the business forward effectively.

Duties and terms of reference

The principal duties of the Audit & Risk Committee are set out in its terms of reference, which were last reviewed and updated on 18 September 2023, and available on the corporate website at www.premiermiton.com. During the year, the Committee operated effectively, within its agreed terms of reference. These include:

- monitoring the integrity of the financial statements for its annual and half yearly reports and results announcements relating to its financial performance, reviewing significant financial reporting issues and any judgements they may contain;
- reviewing and challenging the consistency of, and any changes to, the accounting policies;
- considering the clarity of the disclosures in the Group's financial reports, in addition to the context in which statements are made, and all material information presented with the financial statements, such as the business, strategic and financial reviews together with the corporate governance statements;
- consideration of the terms of engagement of the external auditor and the scope of the audit, assessing their independence and objectivity, as well as recommendations on fees for audit and non-audit services;
- recommendations to the Board on matters to be put to shareholders for approval at the Annual General Meeting, in relation to the appointment, reappointment and removal of the Group's external auditor;
- monitoring the adequacy and effectiveness of the Group's internal financial controls in the context of the Company's overall risk management systems;
- reviewing the role and mandate of the internal audit function, ensuring that adequate resources and appropriate access to employees and corporate information is made available. The Committee receives regular internal audit reports and monitors progress against any recommendations as well as reviewing the effectiveness of the internal audit function;
- keep under review the adequacy and effectiveness of the Company's internal controls and risk management systems;
- advise on the Group's overall risk appetite, tolerance, and strategy, taking account of the current and prospective macroeconomic and financial environment;
- considering the remit of the risk management function to ensure it has adequate resources and appropriate access to information to enable it to perform its function effectively; and
- reviewing the adequacy of arrangements for employees to raise, in confidence, any possible wrongdoing or matters in respect of financial crime and fraud prevention, as well as maintaining the effectiveness of the Group's whistleblowing arrangements.

Auditor Tender

During the year, a competitive audit tender process was conducted in respect of corporate, CASS and fund audits for the reporting periods commencing 1 October 2023.

The objective of the tender was to assess audit quality through a robust selection and evaluation process. The Committee was supported by a Selection Panel comprising the members of the Audit & Risk Committee, the CEO, CFO, Director of Finance and Strategy, and the COO, being key stakeholders to the process.

A desktop market assessment had been undertaken in the prior year to identify audit firms with asset management expertise, the ability to meet the audit firm and auditor independence criteria, appropriate ethical and compliance standards as well as a willingness to bid. An assessment of their FRC published Audit Quality Reports was also undertaken. From those approached, three firms were in a position to participate in the tender exercise, including the incumbent.

The invitations to participate were issued in July 2023 and pertinent information on the Company and Group was shared in a data room. To ensure that all participating firms had equal access to corporate information, meetings were arranged for the participating firms with relevant additional stakeholders.

The participating firms were invited to present their proposal to the Selection Panel. Each bid was assessed against the same selection criteria including technical, team quality, resource and organisational, value add and other commercial considerations.

The Committee considered the results of the process and the recommendation from the Selection Panel and concluded that EY was the preferred firm to conduct future audits and were able to establish that there were no transitional matters, including matters of independence, that would prevent EY from being able to undertake the audit.

The Committee agreed to recommend the appointment of EY to the Board of Premier Miton Group plc, which the Board has accepted. A recommendation to appoint EY as external auditors for the Company and its audited subsidiaries, which includes its regulated subsidiaries Premier Portfolio Managers Limited and Premier Fund Managers Limited, for the year ending 30 September 2024, will be proposed to shareholders at the next AGM in February 2024.

Sarah Walton

Chair, Audit & Risk Committee

4 December 2023

REMUNERATION COMMITTEE REPORT

Setting those reward structures and principles that are required to attract, retain and motivate the best available talent, thereby incentivising the delivery of our strategy, namely achieving great client investment outcomes, creating shareholder value and encouraging and supporting the right behaviours and culture.

Alison Fleming
Chair of the Remuneration Committee

Committee meetings

5

Committee members	Attendance
David Barron[1]	3 (4)
Robert Colthorpe	5 (5)
Alison Fleming (Chair)[2]	5 (5)

1 Appointed as a Member of the Remuneration Committee effective 1 October 2022, retired from office 7 July 2023.

2 Appointed Chair of the Remuneration Committee effective 1 October 2022.

Dear Shareholder

I am pleased to present the Report of the Remuneration Committee for the year ended 30 September 2023.

The Committee was scheduled to meet on five occasions during the year. Throughout the year to 30 September 2023, the Committee comprised two Non-Executive Directors each of whom were considered independent in character and judgement. I was appointed Chair of the Committee from 1 October 2022, having been a Committee member since 7 June 2021.

The Board is responsible for considering the recommendations on reward practices from the Committee. In forming its recommendations, the Committee typically receives input from the Chairman of the Board, the HR Director, the Executive Directors and Director of Finance and Strategy. Executive Directors attending a Committee meeting do so by invitation, and are absent for any discussion relating to their own remuneration or contractual arrangements.

The importance of recruiting and retaining skilled directors, senior managers, fund managers and employees to make the business a success is well understood.

To achieve this, the Committee is tasked with operating a competitive remuneration framework that aligns personal reward with increased shareholder value over both the short and longer term.

The Group's remuneration arrangements comprise base salary, discretionary bonus, pension contributions, and certain other benefits including private health insurance and death in service, severance and compensation payments. The Committee is responsible for recommending the grant of any equity incentive awards.

The Committee retains operational and administrative discretion of remuneration matters. This includes (but is not limited to) the following:

- the timing of awards including grant and vesting;
- the size of awards and vesting levels;
- the performance conditions and weightings;
- the adjustment of formulaic outcomes of incentive awards where the outcomes are not reflective of overall company performance; and
- the extent to which malus and clawback should apply to any award.

During the year, the Committee did not use its discretion as regards the award of Director remuneration.

Activities during the year

During the year ended 30 September 2023, the Committee considered the following matters:

Remuneration structure	• Variable remuneration for the Group for the year ended 30 September 2023. • Undertook a benchmark review of senior managers' remuneration. • The approval of the 2023/24 Remuneration Policy as it applies to the Group.
Share plans and awards	• Grant of awards in accordance with the rules of the 2016 LTIP for Executive Directors and certain senior management. • Grants of award of nil cost contingent share awards to certain employees. • Pro-rated terms for good leavers and the oversight of the vesting and exercise of awards that crystallised in the period.
Other	• Considered the fee rates for the Chair of the Board and the iNEDS in the regulated subsidiaries. • Reviewed and approved the Remuneration Committee report in the 2022 Annual Report and Accounts. • Reviewed and recommended updates to the terms of reference of the Remuneration Committee.

Remuneration policy

The Committee recognises that the remuneration structure should attract, retain and motivate the best available talent to continue to deliver great investment outcomes for our clients. It balances this with the need for a remuneration structure that is proportionate to the size of the Group, and aligned to the business strategy, objectives, values and long-term interests of the Group, including investors, and the regulatory environment in which the business operates. The remuneration policy is reviewed annually to ensure that it remains fit for purpose. The policy is aligned with the risk appetite and risk management framework to ensure fair and responsible reward in return for high levels of individual and business performance. The policy was subject to material update in 2022 to reflect the requirements of the MIFIDPRU Remuneration Code, and in satisfaction of the requirement to undertake an independent review of the Policy, engaged Grant Thornton to fulfil this role.

Key features of the policy include:

- shareholder alignment with Executive Director and senior management reward;
- total reward reflects the market in which the Group operates. The competitive position of our remuneration arrangements is assessed annually against relevant peer group companies;
- an appropriate mix of short and longer-term incentives, designed to incentivise the delivery of performance, with an emphasis on value creation over the longer term as well as considering good conduct;
- remuneration of the Executive Directors is consistent with other senior management, whilst recognising their additional Group responsibilities;
- the application of the MIFIDPRU Remuneration Codes to the regulated business, including, where available, any decision to apply principles of proportionality;
- a cap on cash bonuses for Executive Directors;
- the maintenance of a Remuneration Code Staff list and the application of appropriate deferral terms for those whose role has a material impact to the Group's risk profile; and
- all eligible employees are auto enrolled in the Group pension plan.

REMUNERATION COMMITTEE REPORT continued

Remuneration policy continued

Summary of emoluments by individual Director

The emoluments of the Directors who served during the year are set out as follows. In accordance with Schedule 5 of SI 2008/410, the summary of emoluments by individual Director table below is incorporated into note 6b on page 114 by reference.

	Fees and salary		Pension and benefits		Cash bonus		Vesting of deferred EBT contingent share awards[3]		SIP matching shares		Total	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Executive Directors												
Piers Harrison	**250**	246	**26**	25	**125**	208	**156**	–	**2**	2	**559**	481
Michael O'Shea	**350**	346	**48**	46	**400**	750	**358**	333	**2**	2	**1,158**	1,477
Non-Executive Directors												
David Barron[1]	**38**	49	**–**	–	**–**	–	**–**	–	**–**	–	**38**	49
Robert Colthorpe	**135**	128	**–**	–	**–**	–	**–**	–	**–**	–	**135**	128
Alison Fleming	**65**	49	**–**	–	**–**	–	**–**	–	**–**	–	**65**	49
Sarah Mussenden	**50**	49	**–**	–	**–**	–	**–**	–	**–**	–	**50**	49
William Smith[2]	**–**	66	**–**	–	**–**	–	**–**	–	**–**	–	**–**	66
Sarah Walton	**70**	67	**–**	–	**–**	–	**–**	–	**–**	–	**70**	67
	958	1,000	**74**	71	**525**	958	**514**	333	**4**	4	**2,075**	2,366

1 Retired from office on 7 July 2023.

2 Retired from office on 30 September 2022.

3 The exercise price for the deferred EBT contingent share awards was nil pence.

Pension arrangements

Pension arrangements were aligned across the Group following an exercise in 2020 to harmonise the employer contribution rate for all employees.

Advisers

Burges Salmon LLP, Ellason LLP, Grant Thornton UK LLP, Stephenson Harwood LLP and McLean Partnership provided advice on matters relating to executive remuneration and employee share plans and from Ernst & Young LLP in relation to valuation work on the LTIP. Between 1 July 2022 and 30 June 2023, McLean Partnership provided interim HR services to the Group.

Variable remuneration

The Group maintains discretionary bonus schemes for various fund management teams based on a fixed percentage of the net income generated by the respective teams, and subject to certain performance criteria. Typically, a proportion of the bonus earned in each financial year is paid three months after the year end, once the full year financial statements have been approved. Over a de minimis threshold, a portion of the bonus is deferred in accordance with the FCA Remuneration Codes for a period of up to three years.

The deferred bonus for each individual can be invested into one or more of the funds that are managed by the Group.

There is a general discretionary bonus scheme in place for all staff, including the Executive Directors, but excluding those fund managers and sales staff who are remunerated through alternative bonus schemes. The general bonus scheme is based on a fixed percentage of Adjusted Profit Before Tax before general bonus expense and associated employer's national insurance and is paid three months after the year end. Any applicable deferral of bonus amounts are deferred for a period of up to three years, which can be invested in funds managed by the Group or in the ordinary shares of Premier Miton Group plc held through the Company's EBT arrangements.

Long-Term Incentive Plan ('LTIP')

The 2016 Long-Term Incentive Plan (the 'LTIP') was adopted on 3 October 2016. In 2022, a new tier of awards structured to incentivise the Executive Directors and certain senior managers, linked to the delivery of strategy, longer-term performance, good corporate culture and achieving shareholder alignment, was created.

These awards are granted on an annual award cycle and take the form of nil cost awards over ordinary shares. The awards have a three-year vesting profile and, in usual circumstances, are subject to a two-year holding period. Vesting of the awards is subject to satisfaction of certain performance measures, continued employment and malus and clawback provisions. The awards may be satisfied from the issue of new shares in accordance with the provisions of the LTIP rules or from shares held in the employee benefit trust in accordance with institutional investor guidance and prevailing market practices.

These awards are subject to performance conditions determined prior to grant. The performance conditions set stretch targets that are considered challenging but achievable and considered to be objective and fair measures of performance. There are four performance conditions that will determine the extent to which an award shall vest:

Performance condition	Weighting
Earnings per Share ('EPS')	40%
Absolute Total Shareholder return ('TSR')	40%
AuM condition	10%
Operational conditions	10%

The first two conditions have threshold and maximum targets that determine the vesting potential. No more than 25% of the maximum shall vest at threshold, and 100% shall vest at the maximum, with the range pro-rated on a straight-line basis between these points. The AuM condition is calculated on the proportion of funds, weighted by assets under management that achieve upper quartile benchmark performance over the performance period. The operational conditions reflect commitments to responsible investing, talent management, staff turnover, diversity and inclusion, risk and compliance management and the vesting is subject to the extent to which the Committee, acting fairly and reasonably, is satisfied that the five qualitative measures have been achieved.

Grant of 2016 LTIP awards

During the year, awards over an aggregate of 2,651,034 0.02p ordinary shares in the Company were granted (2022: 4,182,569). Of these awards, the following were granted to Executive Directors:

	Date of grant	Awards over 0.02p ordinary shares	Market value of an ordinary share at date of grant[1] (£)	Performance period (years)	Vesting date
Executive Directors					
Michael O'Shea	13 January 2023	473,399	1.109	3	13 January 2026
Piers Harrison	13 January 2023	338,142	1.109	3	13 January 2026

1 Being equal to the average of the middle market quotations of a share during the five dealing days immediately preceding the date of grant.

Deferral of variable remuneration

Variable remuneration comprises cash bonuses and LTIP awards. In line with typical market practice, deferral arrangements applied to variable remuneration are over a three-year period. In the year ended 30 September 2023, 57% and 75% respectively of the variable remuneration of Mike O'Shea and Piers Harrison was deferred.

Employee Benefit Trusts

On 25 July 2016, the Group established the Eastgate Court Employee Benefit Trust (the 'Guernsey EBT'), administered by an independent Guernsey based trustee. The Guernsey EBT was established for the benefit of the employees, former employees and their dependants of the Group.

The Group may provide funds to the Trustee by way of loan or gift to enable the Trustee to subscribe for or purchase existing shares in the market in order to satisfy any awards made to eligible beneficiaries.

The Group also inherited the MAM Funds plc Employee Benefit Trust at merger, which was established for the benefit of the employees, former employees and their dependants of the legacy Miton Group (the 'Jersey EBT').

REMUNERATION COMMITTEE REPORT continued

Grant of nil cost contingent share awards

During the year, 1,577,500 (2022: 1,902,500) nil cost contingent share rights over ordinary shares of 0.02p in the Company were granted to 19 employees (2022: 32) in respect of both deferred bonus provisions for the financial year ended 30 September 2022 and staff retention. No awards were made to Executive Directors, who are now provided for under the 2016 LTIP. The following table shows the historical awards that have been made in respect of the Executive Directors:

	Award date	Awards over 0.02p ordinary shares	Exercise price per share (pence)	Vesting period (years)	Vesting date
Executive Directors					
Michael O'Shea	10 March 2021	400,000	–	3	10 March 2024
	10 March 2022	200,000	–	3	10 March 2025
Piers Harrison	10 March 2021	150,000	–	3	10 March 2024
	10 March 2022	175,000	–	3	10 March 2025

Awards typically have a three-year vesting period, with vesting conditional on the participant continuing to be employed by the Group at the vesting date.

During the year, an aggregate of 3,268,329 (2022: 1,628,284) nil cost contingent share rights over ordinary shares of 0.02p in the Company were exercised. Of these awards, 150,000 related to Piers Harrison and 400,000 related to Mike O'Shea.

As at 30 September 2023 there were 8,283,332 outstanding nil cost contingent share rights (2022: 9,974,161).

Management Equity Incentive ('MEI')

The MEI is a legacy Miton scheme established on 14 April 2011, in which awardees had the right to purchase Miton Group plc shares at a pre-agreed subscription price.

As at 30 September 2023, there were 981,045 (2022: 981,045) outstanding MEI awards of which 981,045 (2022: 981,045) had vested. The following table shows outstanding awards to a Director:

	Granted	Expires	Status	Exercise price	Awards over 0.02p ordinary shares
Piers Harrison	30/09/2015	10/05/2024	Vested	109.32	377,325
	29/05/2019	10/05/2027	Vested	208.71	105,651

Interests in shares

The Directors' beneficial interests in the Company's ordinary share capital are disclosed on page 89.

Service contracts

Details of the service contracts and letters of appointment in respect of the Executive and Non-Executive Directors are as follows:

	Date of service agreement/letter of appointment	Notice period (months)
Executive Directors		
Michael O'Shea	3 October 2016	12
Piers Harrison	14 November 2019	12
Non-Executive Directors		
Robert Colthorpe	3 February 2021	3
Alison Fleming	14 May 2020	1
Sarah Mussenden	7 June 2021	1
Sarah Walton	7 June 2021	1

Non-Executive Director fees

The fees payable to Non-Executive Directors are set by the Board, with the fee for the Chairman determined by the Remuneration Committee. When setting these fees, account is taken of the time commitment of each Director and any additional responsibilities undertaken, as well as the market rates in the sector. No Director participates in the decision in respect of their own fees. Non-Executive Directors do not receive performance-related compensation and are not provided with pension-related benefits.

Governance

Committee performance review

The annual performance review, undertaken in-house, asked the members to complete a questionnaire to rate the effectiveness of the Committee and the results were discussed at the Board meeting in September 2023.

The results of the performance review are used to develop and deliver specific committee-related improvements and are also considered in the wider context of the 2023 Board performance review, which, as well as providing assurance on Board effectiveness, included forward looking enquiries on the oversight of 'culture, conduct and collaboration'.

Overall, the results demonstrated that the Committee members had the necessary skills and experience to effectively discharge the activities of the Committee during the year under review and to lead the business forward effectively.

Duties and terms of reference

The principal duties of the Remuneration Committee are set out in its terms of reference, which were last reviewed and updated on 18 September 2023.

During the year, the Committee operated effectively, within its agreed terms of reference. These include:

- considering the framework and remuneration arrangements annually;
- annual review and implementation of the Remuneration Policy to ensure its ongoing alignment with business strategy to promote the objectives, values and interests of the Group, the funds it manages and investors;
- maintaining the list of Remuneration Code Staff in accordance with applicable regulation and guidelines;
- review and recommendation of the remuneration of Remuneration Code Staff;
- review and recommendation of the proportion of profits that should be accrued and paid as bonuses;
- review of variable remuneration pool calculations to ensure that they are principally based on profits and take account of current and future risks;
- to advise on and determine the criteria for performance-related schemes operated by the Group, the methods for assessing whether performance conditions are met and the eligibility for annual bonuses and benefits payable under any such scheme;
- assessment of contracts, notice periods and termination payments to ensure that any termination payments are fair to the individual and the Group and that failure is not rewarded; and
- review of pension, material severance and proposed bonus (including any guaranteed) payments to assess alignment with the Remuneration Policy.

Alison Fleming

Chair, Remuneration Committee

4 December 2023

NOMINATION COMMITTEE REPORT

Ensuring that the Board has the breadth of expertise and range of perspectives to drive a healthy organisational culture and achieve our strategic ambitions.

Robert Colthorpe
Chair of the Nomination Committee

Committee attendance
100%

Committee meetings
1

Committee members	Attendance
Robert Colthorpe (Chair)	1 (1)
Alison Fleming[1]	1 (1)

1 Appointed 1 October 2022.

Dear Shareholder

On behalf of the Board, I am pleased to present the Nomination Committee report for the year ended 30 September 2023.

The Committee met once during the year to discharge its remit to review, amongst other matters, the structure of the Company's Board composition including the skills, knowledge, experience, and diversity of the Directors and make recommendations to the Board regarding any changes. The biographies for the Committee members are set out on pages 60 to 61.

Committee composition

Alison Fleming was appointed as a Member of the Committee, effective 1 October 2022.

Succession planning

The Committee keeps under review the succession plans for Directors and other senior management, taking into account the challenges and opportunities facing the Company, and the skills and expertise required to drive future value creation. This annual exercise keeps the leadership needs of the organisation in focus to ensure the continued ability to compete effectively in the marketplace.

Output from the annual Board performance review also informs this process, particularly the results of skills assessments and training and development opportunities that have been identified.

The Committee also considers the retirement by rotation arrangements for the Board of Directors to ensure that these are in hand ahead of AGM planning.

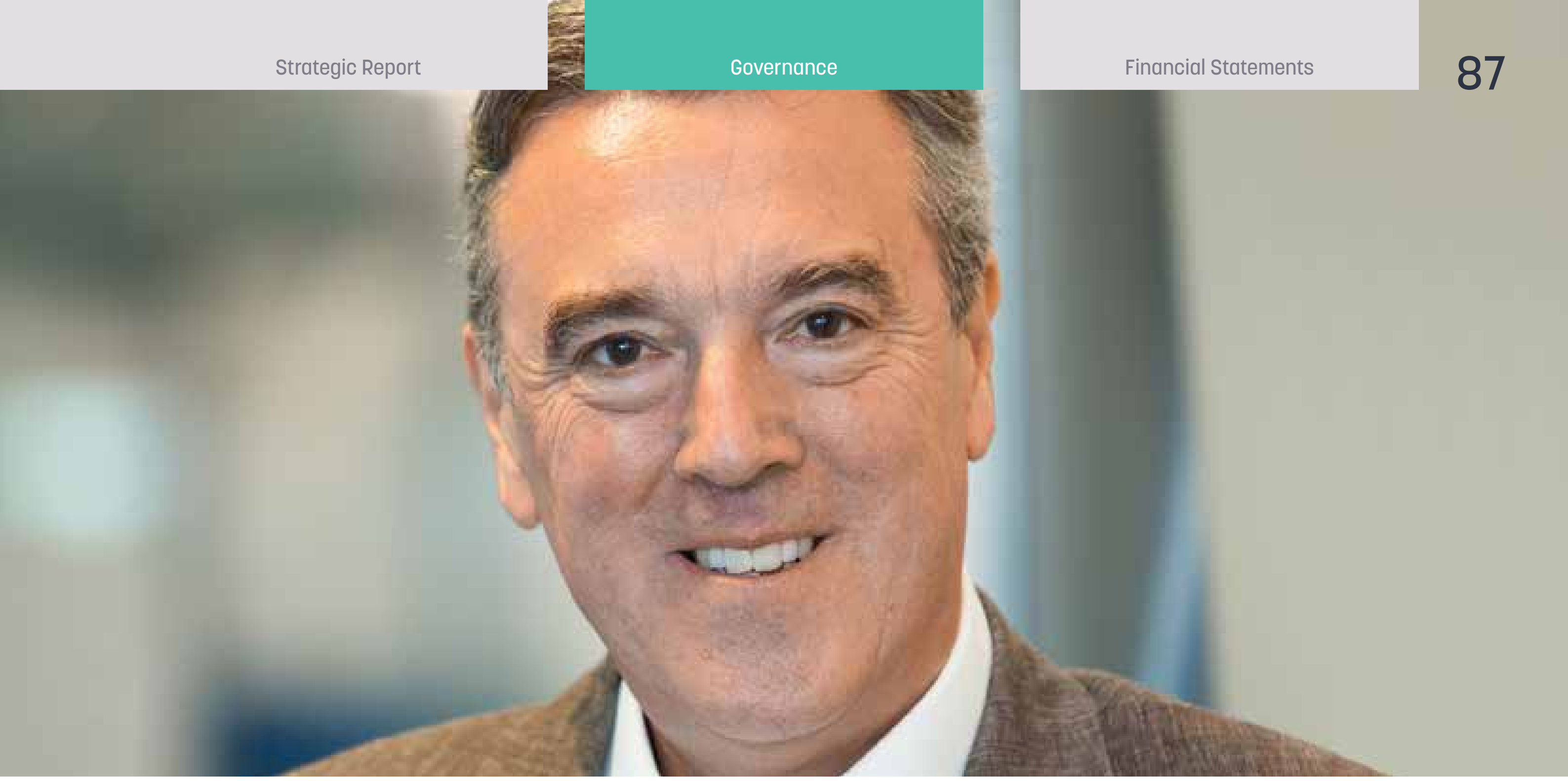
Oversight of succession planning considers contingency planning on a pro tempore basis, as well as the longer-term needs of the business, and extends to the Group as a whole.

Senior management succession is a matter for Management and the activities of the Nomination Committee provides assurance to the Board in satisfaction of its oversight of the wider Group talent pipeline.

Through its programme of deep dives and thematic presentations, the Board has the opportunity to meet executive talent and gain insights into business operations below Board level.

Board induction

The Governance team maintains a comprehensive induction programme for new Board Directors at appointment, including those appointed to Group subsidiaries.



The format, which is routinely reviewed and updated, covers the provision of key corporate information, Directors' duties, conflicts management and regulatory compliance training as well as scheduling meetings with Directors, senior management and facilitating introductions to third-party advisers. Although no new Directors were appointed to the Board this year, the induction framework informs subsidiary Director induction, and the programme has been deployed for that purpose during the year.

Conflicts of interest

Directors' conflicts of interest are considered and authorised by the Board in accordance with the Articles of Association of the Company.

Directors' disclosures are made at appointment and any new conflicts of interest are disclosed as they arise. Each Board meeting commences with a confirmation of the known conflicts of interest for each Director. A register of conflicts of interest is maintained and twice each year Directors complete a confirmation statement at the full and half year dates.

Equality, diversity and inclusion

In June 2022, as a result of the employee feedback programme, a Equality, Diversity and Inclusion Forum was created to actively and responsibly nurture a culture that is attractive, empowering and inclusive to our colleagues and clients alike.

Their vision is to foster a feeling of value, respect and fair treatment, regardless of identity, background or circumstances. The Forum gives voice to our colleagues to educate and raise awareness, promote the benefits of diversity and challenge unconscious bias.

This initiative supports our commitment to create opportunities for a more diverse talent pipeline and addresses the development of our culture and values in support of our talent strategy. Naturally, discussions on diversity are of interest to the Board as a whole, and the co-chairs of the Forum presented to the Board in June 2023 on the various partnerships, communications, events and initiatives undertaken in the year, as well as reporting on these to the Committee.

Activities during the year

During the year ended 30 September 2023, the Committee considered, amongst other things, the following matters:

Board succession	• Review of the composition of the Board. • Review of the composition of the Audit & Risk Committee. • Review of the composition of the Remuneration Committee. • Review of the composition of the Nomination Committee. • Assessed the time commitment required by the Non-Executive Directors.
Group succession	• Considered succession planning for senior managers, including an assurance assessment for any extended absence of a key team member on a pro tempore basis.
Diversity	• Oversight of diversity, equality and inclusion activities of the Group.
Other	• Reviewed and recommended updates to the terms of reference of the Nomination Committee.

NOMINATION COMMITTEE REPORT continued

The Group continues to make progress on gender balance and the Board is now equally balanced in this regard. The benefits of a diverse Board are well understood, and the range of skills and experiences represented enrich Board deliberations and the quality of constructive challenge.

Continuous professional development is supported through a comprehensive programme of compliance training, coaching programmes and sessions for various special interest groups to focus on relevant management or skills-based training. The happiness of our employees is also supported with a number of well-being initiatives, as detailed in the People section on pages 32 to 35.

Governance

Committee performance review

The annual performance review, undertaken in-house, asked the members to complete a questionnaire to rate the effectiveness of the Committee and the results were discussed at the Board meeting in September 2023.

The results of the performance review are used to develop and deliver specific Committee-related improvements and are also considered in the wider context of the 2023 Board performance review, which, as well as providing assurance on Board effectiveness, included forward looking enquiries on the oversight of 'culture, conduct and collaboration'.

Overall, the results demonstrated that the Committee members had the necessary skills and experience to effectively discharge the activities of the Committee during the year under review and to lead the business forward effectively.

Duties and terms of reference

The principal duties of the Nomination Committee are set out in its terms of reference, which were last reviewed and updated on 18 September 2023.

During the year, the Committee operated effectively, within its agreed terms of reference. The key terms are summarised here and include:

- the regular review of the structure, size and composition of the Board and to make any recommendations to the Board as to changes;
- evaluating the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and attributes required prior to an appointment;
- responsibility for identifying, selecting and nominating candidates to fill Board vacancies as they arise to ensure orderly succession;
- considering succession planning for senior executives and group talent pipeline in anticipation of the skills and expertise needed to drive the business in the near term and avoid key person dependency;
- reviewing the results of the Board performance review as they relate to Board and committee composition;
- reviewing the time commitment required of Non-Executive Directors; and
- liaising as necessary with other Board committees.

Robert Colthorpe

Chair, Nomination Committee

4 December 2023

DIRECTORS' REPORT

The Directors present their Report and audited Consolidated Financial Statements for Premier Miton Group plc (the 'Company') for the year ended 30 September 2023. Comparative information has been presented for the year ended 30 September 2022. This Report sets out the information required to be disclosed in compliance with the Companies Act 2006. The Strategic Report on pages 1 to 59 and Corporate Governance Report on pages 60 to 91, which includes the reports of the Audit & Risk, Remuneration and Nomination Committees, and the Statement of Directors' Responsibilities are incorporated by reference.

Company registration

The Company is incorporated in England and Wales with CRN: 06306664 and its registered office is situated at Eastgate Court, High Street, Guildford, Surrey, GU1 3DE. The Company, together with its subsidiaries, form the 'Group'.

Principal activities

The principal activities of the Group are those of investment management and discretionary portfolio management services.

Governance code compliance

The Company is AIM listed and reports against the principles set out in the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'), and where possible, endeavours to meet many of the provisions of the Financial Reporting Council's UK Corporate Governance Code (the 'UKCGC'). The Board confirms that for the period to 30 September 2023, it has complied with the QCA Code in full, and the disclosures set out on pages 66 to 71 evidence the application of these principles.

Directors

The biographies of the Directors are set out on pages 60 to 61. In accordance with the Articles of Association of the Company and the Companies Act 2006, the Directors may exercise all the powers of the Company.

Directors' indemnities and insurance provisions

The Group maintains Directors' and Officers' Liability Insurance cover for any claim brought against its Directors or Officers. There are no other qualifying third-party indemnity provisions in place which would require disclosure under section 236 of the Companies Act 2006.

Directors' interests

The Directors' beneficial interests in the Company's ordinary share capital as at 30 September 2023 are as follows:

	Ordinary 0.02p shares as at 30 September 2023	Ordinary 0.02p shares as at 30 September 2022
Executive Directors		
Piers Harrison[3]	**132,882**	52,903
Mike O'Shea[1,2,3]	**4,088,097**	3,825,798
Non-Executive Directors		
Robert Colthorpe	**55,705**	55,705
Alison Fleming	**10,299**	10,299
Sarah Mussenden	**–**	–
Sarah Walton	**10,000**	10,000

1 Including interests of persons closely associated ('PCAs') in accordance with UK MAR.

2 Includes interests held in a family trust for which Mike O'Shea acts as a trustee.

3 Includes interests in the all-employee share incentive plan.

Share capital

The share capital of the Company comprises 157,913,035 ordinary shares of 0.02p and one deferred share (non-voting). There are no shares held in Treasury. Each ordinary share carries the right to one vote at general meeting and there are no restrictions on the transfer of shares other than those required by law. All employees including Directors are required to seek prior approval before dealing in ordinary shares in accordance with the Group PA Dealing Policy.

Acquisition of own shares

In accordance with the shareholder authority granted at the Annual General Meeting ('AGM') on 1 February 2023, the Company was empowered to purchase up to approximately 10% of its issued share capital or 15,791,303 ordinary shares. No ordinary shares were allotted or purchased during the year.

Shares held in Employee Benefit Trusts ('EBTs')

As set out at note 23 on page 131, the Group maintains two active EBTs. The Trustees of both EBTs have waived the right to receive dividends. As at 31 October 2023, the Trustees held an aggregate of 10,835,187 ordinary shares.

DIRECTORS' REPORT continued

All-employee share incentive plans

On 16 January 2020 the Group established an all-employee share incentive plan (the 'SIP'). The SIP is administered by Global Shares Trustees (UK) Limited, the same administrator as for the legacy Miton all-employee share incentive plan that was placed into run-off at merger. As at 30 September 2023, the SIP Trustee held an aggregate of 1,107,751 ordinary shares across the new SIP and the run-off SIP scheme on behalf of employees of the Group. In accordance with the plan rules, SIP participants are entitled to receive dividend shares.

Results and dividends

Profit for the year after taxation was £3,676,000 (2022: £9,567,000) as set out in the Consolidated Statement of Comprehensive Income on page 101. The Directors declared an interim dividend of 3.0p per share (2022: 3.7p) and recommend a final dividend of 3.0p per share (2022: 6.3p) payable on 16 February 2024 to shareholders on the register as at 19 January 2024.

Substantial interests

As at 31 October 2023, the Company had received notification in accordance with DTR 5 of the following substantial interests in the Company's ordinary share capital:

Shareholders greater than 3%	Shares	%
Octopus Investments Limited	18,053,113	11.43
Slater Investments	12,401,000	7.85
Hargreaves Lansdown PLC	12,166,358	7.70
Fidelity Worldwide Investment (FIL)	11,421,499	7.23
abrdn plc[1]	10,054,050	6.37
Premier Asset Management Group plc EBT	7,281,019	4.61
GAM Holdings AG	6,908,784	4.38

1 Includes Interactive Investor holdings.

Financial instruments and risk

The financial instruments and their associated risks are set out in note 15 on pages 124 to 126.

Charitable donations

During the year the Group made charitable donations of £6,660 (2022: £25,307).

Going concern statement

The Directors have carried out an assessment of the key risks facing the Group, its financial adequacy and business model, and have a reasonable expectation that the Group has sufficient resources to continue in operational existence. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

Events since the balance sheet date

On 1 November 2023 the Group agreed to acquire Tellworth Investments LLP, a leading UK equity boutique with AuM of £559 million as at 30 September 2023. The acquisition is subject to approval by the Financial Conduct Authority, see note 28 for further detail.

Auditor

A resolution to appoint EY LLP as auditor will be put to the members at the forthcoming AGM.

Directors' statement as to the disclosure of information to the auditor

The Directors who were members of the Board at the time of approving the Directors' Report are detailed on pages 60 to 61. Having made enquiries of fellow Directors and of the Group's auditor, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no information (that is, information needed by the Group's auditor in connection with preparing their report) of which the Group's auditor is unaware; and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Group's auditor is aware of that information.

Annual General Meeting

The AGM is expected to be held at Eastgate Court, High Street, Guildford, Surrey GU1 3DE at 10am on 7 February 2024.

By order of the Board

Catriona Fletcher

Company Secretary

4 December 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report, Strategic Report, the Directors' Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under the AIM Rules of the London Stock Exchange they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and they have elected to prepare the Parent Company financial statements on the same basis.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report and a Directors' Report that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT
to the members of Premier Miton Group plc

1. Our opinion is unmodified

We have audited the financial statements of Premier Miton Group plc ('the Company') for the year ended 30 September 2023 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows, the company statement of financial position, the company statement of changes in equity, the company statement of cash flows, and the related notes, including the accounting policies in notes 2 and 29.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2023 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview		
Materiality: group financial statements as a whole	£621k (2022: £700k) 4.9% (2022: 5%) of normalised profit before tax	
Coverage	98% (2022: 99%) of Group profit before tax	
Key audit matters		**vs 2022**
Recurring risks	Goodwill Impairment	▲
	Recoverability of intangible assets	▲
	Revenue Recognition – Management Fees	◀▶
	Recoverability of parent Company's investment in subsidiaries	▲

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2022):

	The risk	Our response
Goodwill impairment (£70.7 million; 2022: £70.7 million) Refer to pages 74 to 79 (Audit & Risk Committee Report), pages 105 to 107 (accounting policy) and pages 119 to 121 (financial disclosures)	**Forecast-based assessment:** Goodwill in the Group is significant and at risk of impairment due to uncertainty regarding forecasted Group performance. The results in the Group have been impacted by the external market environment primarily as revenue derived from the value of assets under management has fallen with market levels. In turn, the headroom between carrying amount and the Directors' valuation has reduced as a result of these changes in forecast group cashflows. Additionally, the net assets of the Group exceed the Group's market capitalisation at the balance sheet date. These factors have therefore increased the risk associated with the recoverability of the goodwill. Goodwill is tested for impairment at least annually whether or not indicators of impairment exist. The impairment assessment is performed by comparing the carrying amount of the cash generating unit to which goodwill is allocated with its recoverable amount being the higher of its value in use ('VIU') or fair value less costs of disposal ('FVLCD'). In determining the VIU, which is calculated using a discounted cash flow method, the key assumptions are future market performance, Assets under Management ('AuM') growth rates and discount rates. In determining the FVLCD the key assumptions are forecast cash flows, market multiples (including applicable premiums/ discounts) and discount rates (as applicable). The resulting recoverable amount is subjective due to inherent uncertainty in determining these assumptions and therefore also susceptible to management bias. The effect of these matters is that, as part of our risk assessment for audit planning purposes, we determined that the value in use of goodwill had a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. In conducting our final audit work, we concluded that reasonably possible changes to the value in use of goodwill would not be expected to result in material impairment. In conducting our final audit work, we concluded that reasonably possible changes to the value in use of goodwill would not be expected to result in material impairment.	We performed the detailed tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our procedures included:** • **Benchmarking assumptions:** We used our own expertise to assist us in assessing the appropriateness of the assumptions used in the Group's value in use model for goodwill. This included comparing the Group discount rate assumptions with our estimate of a range of reasonable discount rates, based on comparable company information. • **Our sector expertise:** We used our sector experience to evaluate the appropriateness of assumptions applied to key inputs such as AuM growth rates. We compared the Group's key assumptions with our own expected range based on comparable company information obtained publicly or through internally derived data. • **Sensitivity analysis:** We performed our own sensitivity analysis which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows, and increases in discount rates, to evaluate the impact on goodwill. • **Assessing transparency:** We assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment for goodwill to changes in key assumptions reflected the risk inherent in the valuation of the recoverable amount of goodwill.

INDEPENDENT AUDITOR'S REPORT continued

to the members of Premier Miton Group plc

	The risk	Our response
Recoverability of intangible assets (£17.7 million; 2022: £22.5 million) Refer to pages 74 to 79 (Audit & Risk Committee Report), pages 105 to 111 (accounting policy) and pages 119 to 121 (financial disclosures).	**Identification of impairment triggers:** The intangible asset balance is material to the Group. Intangible assets relate to Investment Management Agreements (IMAs) and there is a risk related to the recoverability of these assets. IMAs are monitored for indication of impairment to determine whether the recoverable amount is less than the carrying amount. The intangible assets impairment trigger assessments are done on a fund per fund level and aggregated into Group of IMAs (fund management units) to align with the original valuation model for these assets. There is a risk that an impairment exists due to the recoverable amount of a fund management unit falling below its carrying value which is heightened in the year where assets under management have substantially fallen. We have assessed Directors' judgement around whether an impairment trigger exists as a significant risk in our current year audit considering the recoverable amount of the fund management units are impacted by uncertainty linked to market volatility.	We performed the detailed tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our procedures included:** • **Testing application:** We have inspected the Directors' assessment and considered whether further indicators should have been assessed based on our knowledge of the fund management unit, its operating environment, industry knowledge, current market conditions and other information obtained during the audit. • **Our valuation expertise:** We evaluated whether there are any indicators of impairment that would trigger an impairment review. This includes critical assessment of the fund management unit performance, such as outflows of assets under management and revenue yield. We developed our own impairment trigger analysis on the fund management unit ('FMU') level including comparing the FMUs' closing AuM with the amortisation profiles and comparing the actual revenue for the year with the forecasted revenue. • **Assessing transparency:** We considered whether the Group's disclosures in relation to the impairment trigger assessment appropriately represent the level of monitoring performed for each FMU.

	The risk	Our response
Revenue Recognition – Management Fees (£74.5 million; 2022: £90.6 million) Refer to pages 74 to 79 (Audit & Risk Committee Report), page 110 to 111 (accounting policy) and page 113 financial disclosures).	**Calculation error:** The calculation of management fee revenue for the Group, predominantly being the product of AuM and fee rates, is not judgemental or complex. However, due to its materiality in the context of the financial statements as a whole, it is considered to be the area which has an impact on our audit strategy and allocation of resources in planning and completion of our audit of the Group. **Processing error:** Assets under management data is obtained from third-party service providers. We consider the accuracy and completeness of this data to be one of the areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit of the Group.	We performed the detailed tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our procedures included:** • Reperformance: For management fee revenue earned from managing funds, representing 99% of the revenue of the Group, we utilised our specialist data analytics team to recalculate management fees based on fee rates set out in underlying agreements and AuM data provided direct from the third party-administrator. • Test of details: For fee rate data relating to funds and share classes launched in the current year, we agreed the fee rates used in our recalculation to fund prospectuses or other applicable legal documents. • Outsourcing controls: To address the accuracy and completeness of assets under management data inputs, we obtained and assessed the internal control reports of third party service providers to understand the design and implementation and operating effectiveness of the controls over investments and pricing, which drive the calculation of the management fees for open ended investment funds and also the applicable Complementary User Entity Controls.

INDEPENDENT AUDITOR'S REPORT continued

to the members of Premier Miton Group plc

	The risk	Our response
Recoverability of parent Company's investment in subsidiaries (Parent company: £138.3 million; 2022: £138.2 million) Refer to pages 74 to 79 (Audit & Risk Committee Report), page 138 (accounting policy) and pages 138 to 139 (financial disclosures).	**Forecast-based assessment:** The investment in subsidiaries is the parent Company's largest assets and represent the most significant driver of the parent Company's net asset value and results. The net assets attributable to equity holders of the parent Company exceed the Group's market capitalisation at the balance sheet date. In addition, the carrying value of investments in subsidiaries exceeds the net assets of the subsidiaries. This has therefore increased the risk associated with the recoverability of the investment in subsidiaries and is an indicator of impairment. The estimated recoverable amount of these balances is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows. This uncertainty has increased given the external market environment primarily as revenue derived from the value of AuM has fallen with market levels. In turn, the headroom between carrying amount and the Directors' valuation has reduced as a result of these changes in forecast group cash flows. The effect of these matters is that, as part of our risk assessment for audit planning purposes, we determined that the recoverable amount of the investment in subsidiaries had a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. In conducting our final audit work, we concluded that reasonably possible changes to the recoverable amount of the investment in subsidiaries would not be expected to result in material impairment.	We performed the detailed tests below rather than seeking to rely on any of the parent Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our procedures included:** • **Test of detail:** Compared the carrying amount of 100% of investments with the relevant subsidiaries' financial statements/ draft balance sheet to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount and assessed whether those subsidiaries have historically been profit-making. • **Comparing valuations:** For the investments where the carrying amount exceeded the net asset value, compared the carrying amount of the investment with the forecast-based assessment of value in use of the subsidiary. • **Benchmarking assumptions:** We challenged the Directors' assumptions and judgements used in their impairment assessment and agreed to supporting documentation where relevant. This included comparing the Group discount rate assumptions with our own estimate of a range of reasonable discount rates, based on comparable company information consistent with our work at group level. • **Sensitivity analysis:** We performed our own sensitivity analysis which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows to evaluate the impact on the value in use related to the investment in subsidiary. • **Assessing transparency:** We assessed whether the parent Company's disclosures about the sensitivity of the outcome of the impairment assessment for investment in subsidiaries to changes in key assumptions reflects the risk inherent in the valuation of the recoverable amount of such investments.

2. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £621k (2022: £700k), determined with reference to a benchmark of Group profit before tax, normalised by averaging over the last three years due to fluctuations in the business cycle, of £12,768k (2022: £14,013k) of which it represents 4.9% (2022: 5%). The benchmark has remained the same as the prior year Group profit before tax benchmark.

Materiality for the parent Company financial statements as a whole was set at £122k (2022: £137k), determined with reference to a benchmark of parent Company total assets, of which it represents 0.1% (2022: 0.1%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

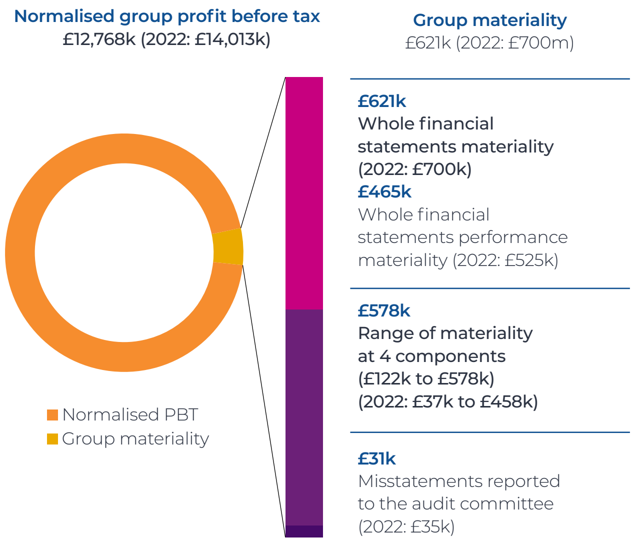
Performance materiality was set at 75% (2022: 75%) of materiality for the financial statements as a whole, which equates to £465k (2022: £525k) for the Group and £90.7k (2022: £102k) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit & Risk Committee any corrected or uncorrected identified misstatements exceeding £31k (2022: £35k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

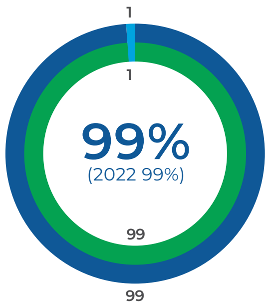
Of the Group's 12 (2022: 12) reporting components, we subjected four (2022: four) to full scope audits for group purposes, all of which were performed by the Group audit team.

The components within the scope of our work accounted for the percentages illustrated opposite.

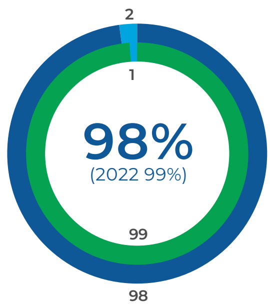
The scope of the audit work performed was fully substantive as we did not rely upon the Group's internal control over financial reporting.



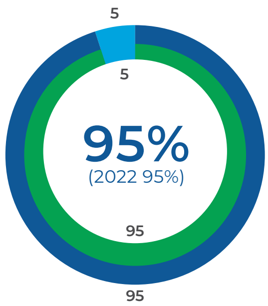
Group revenue



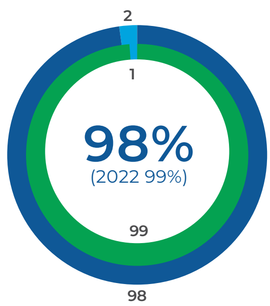
Group profit before tax



Group total assets



Group profit before exceptional items and tax



Full scope for group audit purposes 2023
Full scope for group audit purposes 2022
Residual components

INDEPENDENT AUDITOR'S REPORT continued

to the members of Premier Miton Group plc

3. Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the parent Company or to cease their operations, and as they have concluded that the Group and the parent Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ('the going concern period').

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and parent Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Group's and parent Company's available financial resources over this period was the impact of adverse movements in the value of AuM and the resultant reduction of revenues.

We considered whether this risk could plausibly affect the liquidity in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's current and projected cash and facilities ('a reverse stress test').

We assessed the completeness of the going concern disclosure. Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent Company's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in note 2 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the parent Company will continue in operation.

4. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included :

- Enquiring of Directors, other management, the Audit & Risk Committee and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, and the Group's channel for 'whistleblowing', as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, Nomination and Audit & Risk Committee minutes.
- Considering remuneration incentive schemes such as the Long Term Incentive Plan awards and Employee Benefit Trust for Directors, other management and sales staff.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as impairment assumptions. We do not believe there is a fraud risk related to revenue recognition because of the non-complex nature of the calculation and the involvement of third party fund accountants in the calculation and payment of revenue. The audit team have therefore concluded that the lack of opportunity to commit fraudulent financial reporting around revenue outweighs the identified incentives/pressures and attitudes/rationalisations. As a result, the presumed fraud risk has been rebutted.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation of the design and implementation of the Group-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on high risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unusual accounts, as well as those which comprised unexpected posting combinations.
- Assessing significant accounting estimates for bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Directors and other management (as required by auditing standards), and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As some entities of the Group are regulated, our assessment of risks involved gaining an understanding of the control environment including those entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, AIM Rules, FCA regulations, money laundering regulations, and company legislation recognising the financial and regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

5. We have nothing to report on the other information in the Annual Report and Accounts

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT continued

to the members of Premier Miton Group plc

6. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

7. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 91, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

8. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Allen

(Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
Canary Wharf
London E14 5GL

4 December 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 September 2023

	Notes	2023 £000	2022 £000
Revenue	3	**74,550**	90,233
Fees and commission expenses		**(7,612)**	(9,062)
Net revenue		**66,938**	81,171
Administrative costs		**(51,357)**	(56,818)
Share-based payment expense	22	**(4,721)**	(4,505)
Amortisation of intangible assets	11	**(4,861)**	(4,861)
Merger related costs	4	**(51)**	(51)
Exceptional items	4	**(250)**	–
Operating profit	5	**5,698**	14,936
Finance income / (expense)	7	**168**	(23)
Profit for the year before taxation		**5,866**	14,913
Taxation	8	**(2,190)**	(5,346)
Profit for the year after taxation attributable to equity holders of the parent		**3,676**	9,567

		pence	pence
Basic earnings per share	10	**2.50**	6.54
Diluted basic earnings per share	10	**2.35**	6.12

No other comprehensive income was recognised during 2023 or 2022. Therefore, the profit for the year is also the total comprehensive income.

All of the amounts relate to continuing operations.

The notes on pages 105 to 133 form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Notes	2023 £000	2022 £000
Non-current assets			
Goodwill	11	**70,688**	70,688
Intangible assets	11	**17,655**	22,516
Other investments		**100**	100
Property and equipment	12	**518**	1,192
Right-of-use assets	9	**2,724**	908
Deferred tax asset	8	**1,147**	1,928
Finance lease receivables	9	**–**	77
Trade and other receivables	14	**482**	1,081
		93,314	98,490
Current assets			
Financial assets at fair value through profit and loss	15	**1,207**	2,089
Finance lease receivables	9	**77**	197
Trade and other receivables	14	**124,467**	136,052
Cash and cash equivalents	16	**37,942**	45,764
		163,693	184,102
Total assets		**257,007**	282,592
Current liabilities			
Trade and other payables	17	**(128,553)**	(148,820)
Provisions		**–**	–
Lease liabilities	9	**(265)**	(887)
		(128,818)	(149,707)
Non-current liabilities			
Provisions	19	**(374)**	(374)
Deferred tax liability	8	**(4,414)**	(5,485)
Lease liabilities	9	**(2,338)**	(262)
Total liabilities		**(135,944)**	(155,828)
Net assets		**121,063**	126,764
Equity			
Share capital	20	**60**	60
Merger reserve		**94,312**	94,312
Own shares held by Employee Benefit Trusts	23	**(12,668)**	(16,744)
Capital redemption reserve	21	**4,532**	4,532
Retained earnings		**34,827**	44,604
Total equity shareholders' funds		**121,063**	126,764

Company number 06306664.

The Consolidated Financial Statements were approved on behalf of the Board of Directors on 4 December 2023.

Mike O'Shea
Chief Executive Officer

Piers Harrison
Chief Financial Officer

The notes on pages 105 to 133 form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2023

	Notes	Share capital £000	Merger reserve £000	Own shares held by an EBT £000	Capital redemption reserve £000	Retained earnings £000	Total equity £000
At 1 October 2021		60	94,312	(15,790)	4,532	49,110	132,224
Profit for the year		–	–	–	–	9,567	9,567
Purchase of own shares held by EBTs	23	–	–	(4,492)	–	–	(4,492)
Exercise of options	23	–	–	3,538	–	(3,538)	–
Share-based payment expense	22	–	–	–	–	4,505	4,505
Deferred tax direct to equity		–	–	–	–	(344)	(344)
Equity dividends paid	24	–	–	–	–	(14,696)	(14,696)
At 30 September 2022		60	94,312	(16,744)	4,532	44,604	126,764
Profit for the year		–	–	–	–	3,676	3,676
Purchase of own shares held by EBTs	23	–	–	(381)	–	–	(381)
Exercise of options	23	–	–	4,457	–	(4,457)	–
Share-based payment expense	22	–	–	–	–	4,721	4,721
Other amounts direct to equity		–	–	–	–	(78)	(78)
Deferred tax direct to equity		–	–	–	–	(38)	(38)
Equity dividends paid	24	–	–	–	–	(13,601)	(13,601)
At 30 September 2023		**60**	**94,312**	**(12,668)**	**4,532**	**34,827**	**121,063**

The notes on pages 105 to 133 form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 September 2023

	Notes	2023 £000	2022 £000
Cash flows from operating activities:			
Profit for the year		**3,676**	9,567
Adjustments to reconcile profit to net cash flow from operating activities:			
– Tax on continuing operations	8	**2,190**	5,346
– Finance (income) / expense	7	**(168)**	23
– Interest payable on leases	9	**27**	60
– Depreciation – fixed assets	12	**335**	580
– Depreciation – leases	9	**525**	621
– Gain on derecognition of right-of-use asset	9	**–**	(115)
– Receivable for the net investment in sub-lease		**–**	334
– (Gain) / loss on revaluation of financial assets at fair value through profit and loss		**(82)**	345
– Loss on disposal of property and equipment	4,12	**250**	171
– Amortisation of intangible assets	11	**4,861**	4,861
– Share-based payment expense	22	**4,721**	4,505
– Decrease in trade and other receivables		**11,807**	10,800
– Decrease in trade and other payables		**(20,267)**	(14,403)
Cash generated from operations		**7,875**	22,695
Income tax paid		**(2,043)**	(5,352)
Net cash flow from operating activities		**5,832**	17,343
Cash flows from investing activities:			
Interest received / (paid)	7	**188**	(23)
Acquisition of assets at fair value through profit and loss		**(140)**	(85)
Proceeds from disposal of assets at fair value through profit and loss		**1,104**	1,180
Purchase of property and equipment	12	**(160)**	(207)
Proceeds from disposal of property and equipment	4,12	**250**	–
Net cash flow from investing activities		**1,242**	865
Cash flows from financing activities:			
Lease payments	9	**(914)**	(931)
Purchase of own shares held by EBTs	23	**(381)**	(4,492)
Equity dividends paid	24	**(13,601)**	(14,696)
Net cash flow from financing activities		**(14,896)**	(20,119)
Decrease in cash and cash equivalents		**(7,822)**	(1,911)
Cash and cash equivalents at the beginning of the year		**45,764**	47,675
Cash and cash equivalents at the end of the year	16	**37,942**	45,764

The notes on pages 105 to 133 form an integral part of these Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2023

1. Authorisation of financial statements and statement of compliance with IFRS

The Consolidated Financial Statements of Premier Miton Group plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 30 September 2023 were authorised for issue by the Board of Directors on 4 December 2023 and the Consolidated Statement of Financial Position was signed on the Board's behalf by Mike O'Shea and Piers Harrison.

The Company is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on the Alternative Investment Market ('AIM').

These Consolidated Financial Statements were prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The Consolidated Financial Statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The principal accounting policies adopted by the Group are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The Consolidated Group Financial Statements for the year ended 30 September 2023 have been prepared in accordance with UK-adopted International Financial Reporting Standards ('IFRS'). The Consolidated Financial Statements have been prepared on a going concern basis, which has been explained in greater detail in the Financial Review on pages 24 to 27, under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities measured at fair value through profit or loss. Costs are expensed as incurred.

The Directors have assessed the prospects of the Group and its Parent Company shown at pages 134 to 141. considering all the factors affecting the business when deciding to adopt a going concern basis for the preparation of the accounts. The Directors confirm that they have a reasonable expectation that the Group and its Parent Company will continue to operate and meet liabilities, as they fall due, comprising a period of at least 12 months from the date of this report. This assessment has been made after considering the impact of recent geopolitical events and Ukraine crisis on the business. The Directors note that the Group has no external borrowings and maintains significant levels of cash reserves.

The Directors' assessment has been made with reference to the Group's current position and strategy, the Board's appetite for risk, the Group's financial forecasts, and the Group's principal risks and how these risks are managed, as detailed in the Strategic Report. The Directors have also reviewed and examined the financial stress testing inherent in the Internal Capital Adequacy and Risk Assessment ('ICARA'). The forecast considers the Group's profitability, cash flows, dividend payments and other key variables. Sensitivity analysis is also performed on certain key assumptions used in preparing the forecast, both individually and combined, in addition to scenario analysis that is performed as part of the ICARA process, which is formally approved by the Board. This analysis demonstrates that even after modelling materially lower levels of assets under management ('AuM') associated with a reasonably plausible downside scenario, the business remains cash generative.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiary undertakings as at 30 September 2023. Profits and losses on intra-group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's identifiable assets and liabilities which exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

2. Accounting policies continued

2.2 Basis of consolidation continued

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group pays deferred remuneration to a nominee whose purpose is to invest these amounts for the benefit of participating employees. The Group does not have power to direct relevant activities or majority of rights to risks/rewards and accordingly it is not consolidated.

2.3 Changes in significant accounting policies

No standards or amendments have been issued during the year that have had or are expected to have an impact on the Consolidated Financial Statements.

2.4 New standards, amendments and interpretations

There are no new and amended standards and interpretations that are issued, but not yet effective, that would be expected to have a material impact on the Group's financial statements when they become effective.

2.5 Sources of estimation uncertainty

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Consolidated Statement of Financial Position date and the amounts reported for revenue and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are key areas of judgement and estimation uncertainty that exist for the following:

- **Impairment of goodwill and other intangible assets and recoverability of Parent Company investment in subsidiaries.**
  The recognition of goodwill, other intangible assets and investment in subsidiaries arising on acquisitions and the impairment assessments contain significant accounting estimates. Goodwill is carried at cost less provision for impairment. The carrying value is tested annually for impairment, or more frequently if any indicators arise. Other intangible assets are amortised over their useful economic life and are assessed for impairment when there is an indication that the asset might be impaired. The impairment tests of goodwill, other intangible assets and investment in subsidiaries includes key assumptions underlying the recoverable amounts, the growth rates applied to the future cash flows and the Group's discount rate. Refer to note 2.6 (a) below, note 2.6 (o) page 111 (accounting policies) and note 11 pages 119 to 121 (financial disclosures). The investment in subsidiaries is also compared to the Group's fair value less costs of disposal, see note 130 pages 138 to 139.

2.6 Significant accounting policies

(a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date.

All contingent consideration is measured at fair value with the changes in fair value in profit or loss.

2. Accounting policies continued

2.6 Significant accounting policies continued

(a) Business combinations and goodwill continued

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests) and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. Goodwill is monitored at the Group level.

Goodwill is not amortised but is tested annually for impairment or more frequently if events or changes in circumstances indicate potential impairment. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

In respect of goodwill, the recoverable amount is estimated at each annual balance sheet date. The recoverable amount is the higher of fair value less costs to sell and value-in-use. Impairment losses represent the amount by which the carrying amount exceeds the recoverable amount; impairment losses are recognised in profit and loss. Impairment losses recognised in respect of the cash-generating unit ('CGU') are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the value of any other assets in the unit on a pro rata basis.

An impairment loss in respect of goodwill is not reversed.

(b) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, other than land, on a straight-line basis over its expected useful life as follows:

- Leasehold improvements – the term of the lease
- Plant and equipment – five years
- Computer equipment – three years
- Motor vehicles – three years
- Fixtures and fittings – 15%

The carrying amounts of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying amount may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the income statement in the period of derecognition.

(c) Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently at amortised cost after deducting provisions for expected credit losses ('ECLs'). The Group applies the IFRS 9 simplified approach to measuring ECLs for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience and is adjusted for forward looking estimates. Other receivables mainly comprise of refundable rent deposits and amounts the Group is due to receive from third parties in the normal course of business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

2. Accounting policies continued

2.6 Significant accounting policies continued

(d) Provisions and other liabilities

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, provisions are discounted. The increase in the provision due to passage of time is recognised as a finance cost.

Where the Group, as lessee, is contractually required to restore a leased property to an agreed condition prior to the release by a lessor, provision is made for such costs as they are identified.

Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when recovery is virtually certain.

(e) Leases

The Group recognises an right-of-use asset ('ROU') and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term. The ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or the Group's incremental borrowing rate. Generally, the Group will use its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

(f) Short-term leases and leases of low-value assets

The Group has elected to recognise ROU assets and lease liabilities for leases of low-value assets and short-term leases.

2. Accounting policies continued

2.6 Significant accounting policies continued

(g) Income taxes

Current and deferred tax are recognised in income or expense, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the Consolidated Statement of Financial Position date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements, with the following exceptions:

(i) where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;

(ii) in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and

(iii) deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the Consolidated Statement of Financial Position date. The carrying amount of deferred income tax assets is reviewed at each Consolidated Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(h) Foreign currencies

The Group's Consolidated Financial Statements are presented in pounds Sterling. The functional currency of the Group's entities is pounds Sterling. Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the Consolidated Statement of Financial Position date. All differences are taken to the Consolidated Statement of Comprehensive Income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The Group does not apply hedge accounting of foreign exchange risks in its Consolidated Financial Statements.

(i) Financial instruments

In accordance with IFRS 9 the Group's financial assets are classified as either at amortised cost, fair value through other comprehensive income or fair value through profit or loss ('FVTPL'). The financial asset classification will be determined on the basis of the contractual cash flow characteristics of the instruments and the Group's business model for the collection of cash flows arising from its investments.

The Group holds non-controlling interests in unconsolidated funds at fair value, designated at FVTPL. Under the new standard, this designation has not changed.

The majority of the Group's revenue comes from investment management fees due from the retail investment funds being managed. These fees are paid to the Group on a monthly basis. For segregated accounts, the majority of fees are paid on a monthly basis with some paying on a quarterly basis. Typically, receivables comprise unpaid sales contracts and cancellations, which are receivables in transit between funds and end clients. These are contractually required to be settled within one or four days. Based on (a) there being no credit losses on trade debtors over a period in excess of ten years; and (b) cash balances being held with banks with credit ratings of S&P A+/A-1 stable, the ECL was not material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

2. Accounting policies continued

2.6 Significant accounting policies continued

(i) Financial instruments continued

i) Financial assets

The Group classifies its financial assets in the following categories: at FVTPL and amortised cost.

The Group holds non-controlling interests in unconsolidated funds at fair value, designated at FVTPL.

The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position. The Group assesses at each Consolidated Statement of Financial Position date whether any impairment indicators exist for a financial asset or a group of financial assets.

ii) Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. Generally, an obligation to deliver cash or other financial asset to another party at a fixed date in the future would require presentation of a financial instrument as a liability.

No significant restrictions exist to transfer cash or assets within the Group or pay out dividends, except for regulatory capital restrictions within the regulated companies.

iii) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate ('EIR'), with interest expense recognised on an effective yield basis.

The EIR used to recognise interest expense is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or expired.

iv) Fair values

The fair value of financial instruments that are traded in active markets at the reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and highly liquid short-term deposits that are readily convertible to known amounts of cash within three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Consolidated Statement of Cash Flows and are presented in current liabilities.

(k) Exceptional items

The Group presents as exceptional items those items of income and expense, which are not incurred in the normal course of the Group's operations, and because of the nature of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year. This aims to facilitate comparison with prior periods and assists in assessing trends in financial performance.

(l) Revenue recognition

IFRS 15 specifies the requirements that an entity must apply in order to measure and recognise revenue and its related cash flows. The core principle of the standard is that an entity should recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring promised goods or services to a customer.

2. Accounting policies continued

2.6 Significant accounting policies continued

(l) Revenue recognition continued

The standard includes a five step model for recognising revenue as follows: Identifying the contract with the customer; identifying the relevant performance obligations of the contract; determining the amount of consideration to be received under the contract; allocating the consideration to the relevant performance obligation; and accounting for the revenue as the performance obligations are satisfied.

The Group's primary source of income is fee income from investment management activities. These fees are generally based on an agreed percentage, as per the management contract, of the AuM. Fee income is earned over a period of time, and revenue is recognised in the same period in which the service is provided. Under the requirements of IFRS 15 revenue is presented gross with rebates and commission presented in fees and commission expenses.

Commission includes fees based on a set percentage of certain flows into our funds and are recognised on receipt.

The Group is the Authorised Corporate Director ('ACD') and investment manager directly via its regulated subsidiaries. For all revenue streams, the Group therefore acts as principal and recognises revenue gross with any related expenses (e.g. rebates or commissions) presented in fees and commission expenses.

(m) Pensions

The Group operates defined contribution plans. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense as the service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

(o) Other intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Comprehensive Income in amortisation when the asset is derecognised.

Investment management contracts purchased by the Group are capitalised as intangible fixed assets and are amortised on a straight-line basis over periods ranging from seven to 20 years depending on the nature of the assets purchased.

At each reporting date, the Group reviews the carrying amounts of its other intangible assets to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amount is estimated. Other intangible assets are assessed, alongside goodwill, annually for impairment or more frequently if any indicators of impairment arise. The recoverable amount of the asset, is the greater of its value-in-use and its fair value less the costs to sell. Value-in-use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

2. Accounting policies continued

2.6 Significant accounting policies continued

(p) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(q) Borrowings

Borrowings, are recognised initially at fair value, net of attributable transaction costs. Subsequent to initial recognition, borrowings are carried at amortised cost, with any difference between the proceeds (net of transaction costs) and the redemption value being recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the EIR.

All other borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the period in which they are incurred.

(r) Related party transactions

All companies forming part of the consolidated Group are considered to be related parties as these companies are owned either directly or indirectly by Premier Miton Group plc. Key management, being the members of the Executive Committee, are also identified as a related party.

Seed capital investments in funds that the Group manages are accounted for as subsidiaries, associates or financial assets at fair value through profit or loss ('FVTPL') depending on the total holding per fund held by the Group, the degree of influence and control that the Group is judged to have and the extent the Group is acting as an agent or principal.

The Group assesses its seed capital investments on a regular basis and each is assessed individually with no fixed percentages equating to the treatment of each in the consolidated financial statements. The Group did not hold a material investment in any of the funds managed by the Group and has therefore determined that no controlling interest was held.

(s) Earnings per share

Basic earnings per share is calculated by dividing the total comprehensive income for the year by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Group as own shares held by an Employee Benefit Trust ('EBT').

(t) Employee Benefit Trusts

The Company provides finance to the EBTs to purchase the Company's shares on the open market in order to meet its obligation to provide shares when an employee exercises awards made under the Group's share-based payment scheme. Administration costs connected with the EBTs are charged to the Consolidated Statement of Comprehensive Income. The cost of shares purchased and held by the EBTs is deducted from equity. The assets held by the EBTs are consolidated into the Group's Consolidated Financial Statements and aggregated into the parent Company Financial Statements. This represents a change in accounting policy for the parent Company, see note 29 for further details.

(u) Share-based payments

The Group makes equity-settled share-based payment transactions in respect of services received from certain employees. The fair value of the services received is measured by reference to the fair value of the shares on the grant date. This cost is then recognised in the Consolidated Statement of Comprehensive Income over the vesting period, with a corresponding credit to equity.

Where the terms of equity-settled awards are modified, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award.

3. Revenue

Revenue recognised in the Consolidated Statement of Comprehensive Income is analysed as follows:

	2023 £000	2022 £000
Management fees	**74,450**	90,570
Commissions	**3**	4
Other income / (loss)	**97**	(341)
Total revenue	**74,550**	90,233

All revenue is derived from the UK and Channel Islands.

4. Exceptional items and merger related costs

Recognised in arriving at operating profit from continuing operations:

	2023 £000	2022 £000
Closure of Connect	**250**	–
Total exceptional costs	**250**	–
Merger related costs	**51**	51
Total merger related costs	**51**	51

Exceptional items are those items of income and expense, which are considered not to be incurred in the normal course of business of the Group's operations, and because of the nature of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year.

In accordance with the accounting policy for exceptional items set out in note 2.6(k) on page 110 these costs have been treated as exceptional.

Exceptional items, net of associated income were incurred in relation to the cessation of the development of the Group's online portal 'Connect'. This resulted in net expenditure of £250,000.

Merger related costs in the year totalling £51,132 (2022: £51,132) represented legal and professional fees associated with the merger with Miton Group plc.

5. Operating profit

(a) Operating profit is stated after charging:

	Notes	2023 £000	2022 £000
Auditor's remuneration	5(b)	**694**	592
Staff costs	6(a)	**35,798**	41,072
Interest – leases	9(a)	**27**	60
Amortisation of intangible assets	11	**4,861**	4,861
Exceptional items – closure of Connect	4,12	**250**	–
Merger related costs	4	**51**	51
Loss on disposal of fixed assets	4,12	**–**	171
Depreciation – fixed assets	12	**335**	580
Depreciation – leases	9(a)	**525**	621

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

5. Operating profit continued

(b) Auditor's remuneration

The remuneration of the auditor is analysed as follows:

	2023 £000	2022 £000
Audit of Company	**178**	114
Audit of subsidiaries	**272**	193
Total audit	**450**	307
Audit-related assurance services	**244**	285
Total audit-related assurance services	**244**	285
Total fees	**694**	592

6. Staff costs and Directors' remuneration

(a) Staff costs during the year were as follows:

	2023 £000	2022 £000
Salaries and bonus	**26,373**	31,141
Social security costs	**3,628**	4,436
Share-based payments	**4,721**	4,505
Other pension costs	**1,076**	990
Total staff costs	**35,798**	41,072

The average monthly number of employees of the Group during the year was made up as follows:

	2023 Number	2022 Number
Directors	**8**	8
Investment management	**56**	55
Sales and marketing	**36**	36
Finance and systems	**11**	11
Legal and compliance	**12**	12
Administration	**40**	42
Total employees	**163**	164

(b) Directors' remuneration

In satisfaction of Schedule 5 of SI 2008/410, the summary of audited emoluments by individual Director table on page 82 of the Remuneration Committee Report and the AIM Rule 19 disclosures on pages 82 to 84 are incorporated into this note 6 by reference.

Details of awards made under the EBT to the Directors as part of their annual remuneration package can be seen in the Remuneration Committee Report on page 83 to 84.

The number of Directors accruing benefits under money purchase pension schemes at the year end was two (2022: two).

7. Finance (income) / expense

	2023 £000	2022 £000
Interest receivable	**(234)**	(21)
Interest payable	**66**	44
Net finance (income) / expense	**(168)**	23

8. Taxation

(a) Tax recognised in the Consolidated Statement of Comprehensive Income

	2023 £000	2022 £000
Current income tax:		
UK corporation tax	**2,531**	4,262
Current income tax charge	**2,531**	4,262
Adjustments in respect of prior periods	**(12)**	(59)
Total current income tax	**2,519**	4,203
Deferred tax:		
Origination and reversal of temporary differences	**(329)**	1,128
Adjustments in respect of prior periods	**–**	15
Total deferred tax (income) / expense	**(329)**	1,143
Income tax charge reported in the Consolidated Statement of Comprehensive Income	**2,190**	5,346

(b) Reconciliation of the total income tax charge

The tax expense in the Consolidated Statement of Comprehensive Income for the year is higher than the standard rate of corporation tax in the UK of 22% (2022: 19%). The differences are reconciled below:

	2023 £000	2022 £000
Profit before taxation	**5,866**	14,913
Tax calculated at UK standard rate of corporation tax of 22% (2022: 19%):	**1,290**	2,833
– Other differences	**1**	2,042
– Share-based payments	**1,564**	777
– Expenses not deductible for tax purposes	**20**	20
– Amortisation not deductible	**–**	125
– Income not subject to UK tax	**–**	5
– Tax relief on vested options	**(683)**	(418)
– Fixed asset differences	**10**	6
– Adjustments in respect of prior periods	**(12)**	(44)
Income tax charge in the Consolidated Statement of Comprehensive Income	**2,190**	5,346

(c) Change in corporation tax rate

In the spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25% from 19%. This was substantively enacted on 24 May 2021. The deferred tax balances included within the Consolidated Financial Statements have been calculated with reference to the rate of 25% to the relevant balances from 1 April 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

8. Taxation continued

(d) Deferred tax

The deferred tax included in the Group's Consolidated Statement of Financial Position is as follows:

	2023 £000	2022 £000
Deferred tax asset:		
– Fixed asset temporary differences	**32**	8
– Accrued bonuses	**315**	556
– Share-based payments	**800**	1,364
Deferred tax disclosed on the Consolidated Statement of Financial Position	**1,147**	1,928

	2023 £000	2022 £000
Deferred tax liability:		
– Arising on acquired intangible assets	**2,764**	3,543
– Arising on historic business combination	**1,650**	1,940
– Fixed asset temporary differences	**–**	2
Deferred tax disclosed on the Consolidated Statement of Financial Position	**4,414**	5,485

	2023 £000	2022 £000
Deferred tax in the Consolidated Statement of Comprehensive Income:		
– Origination and reversal of temporary differences	**(329)**	(938)
– Arising on historic business combination	**–**	2,066
– Adjustments in respect of prior periods	**–**	15
Deferred tax (income) / expense	**(329)**	1,143

All movements in deferred tax balances relate to profit and loss except for the £38,000 that is included in equity.

	2023 £000	2022 £000
Unprovided deferred tax asset:		
– Non-trade loan relationship losses	**2,593**	1,971
– Excess management expenses	**67**	51
– Non-trade intangible fixed asset losses	**525**	399
Unprovided deferred tax asset	**3,185**	2,421

9. Leases

(a) Leases as lessee

The Group leases its head office premises in London and additional office space in Guildford.

- London head office premises lease renewed 28 November 2018, term of ten years with an option to break after five years;
- Guildford second floor offices lease renewed on 17 August 2018, term of 10.5 years with an option to break after 5.5 years;
- Guildford first floor offices lease renewed on 29 May 2019, term of 9.7 years with an option to break after 4.7 years; and
- The Group also leases IT equipment with contractual terms of up to three years.

9. Leases continued

(i) Right-of-use asset

Year to 30 September 2023	Land and buildings £000	IT equipment £000	Total £000
At 1 October 2022	759	149	908
Additions to right-of-use assets	2,341	–	2,341
Depreciation charge for the year	(462)	(63)	(525)
At 30 September 2023	**2,638**	**86**	**2,724**

Year to 30 September 2022	Land and buildings £000	IT equipment £000	Total £000
At 1 October 2021	1,538	213	1,751
Sub-lease of right-of-use assets	(222)	–	(222)
Depreciation charge for the year	(557)	(64)	(621)
At 30 September 2022	**759**	**149**	**908**

(ii) Amounts recognised in the Consolidated Statement of Comprehensive Income

The Group recognised £27,000 of interest relating to lease liabilities during the year (2022: £60,000).

(iii) Amounts recognised in the Consolidated Statement of Cash Flows

The Group recognised a total cash outflow of £914,000 for lease payments during the year which includes £27,000 of interest relating to lease liabilities (2022: £931,000 lease payments including £60,000 of interest).

(iv) Lease liabilities

	2023 £000	2022 £000
Maturity analysis – contractual undiscounted cash flows		
Less than one year	**432**	914
One to five years	**2,496**	331
Greater than five years	**150**	331
Total undiscounted lease liabilities at 30 September	**3,078**	1,245
Lease liabilities included in statement of financial position at 30 September	**2,603**	1,149
Current	**265**	887
Non-current	**2,338**	262

	2023 £000	2022 £000
At 1 October	**1,149**	2,020
Payment of lease liabilities	**(887)**	(871)
Total changes from financing cash flows	**(887)**	(871)
Interest expense	**27**	60
Interest paid	**(27)**	(60)
Additions	**2,341**	–
Total other changes	**2,341**	–
At 30 September	**2,603**	1,149

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

9. Leases continued

(b) Leases as lessor

- The Group entered into an agreement to lease the second floor of its offices in Guildford that commenced on 5 April 2022. The Group has agreed to sub-lease the second floor until 14 February 2024. Under IFRS 16, the Group classifies the sub-lease as a finance lease because it is for the whole of the remaining term of the head lease.

The Group recognised a gain of £nil (2022: £115,000) on derecognition of the right-of-use asset pertaining to the offices.

The Group recognised interest income on lease receivables of £13,000 (2022: £8,000).

(i) Lease receivables

	2023 £000	2022 £000
Maturity analysis – contractual undiscounted cash flows		
Less than one year	**78**	210
One to five years	**–**	78
Total undiscounted lease liabilities at 30 September	**78**	288
Lease liabilities included in statement of financial position at 30 September	**77**	274
Current	**77**	197
Non-current	**–**	77

10. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity shareholders of the Parent Company by the weighted average number of ordinary shares outstanding at the year end.

The weighted average of issued ordinary share capital of the Company is reduced by the weighted average number of shares held by the Group's EBTs. Dividend waivers are in place over shares held in the Group's EBTs.

In calculating diluted earnings per share, IAS 33 'Earnings Per Share' requires that the profit is divided by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares during the period.

(a) Reported earnings per share

Reported basic and diluted earnings per share has been calculated as follows:

	2023 £000	2022 £000
Profit attributable to ordinary equity shareholders of the Parent Company for basic earnings	**3,676**	9,567

	Number 000	Number 000
Issued ordinary shares at 1 October	**157,913**	157,913
– Effect of own shares held by an EBT	**(10,778)**	(11,677)
Weighted average shares in issue	**147,135**	146,236
– Effect of movement in share options	**9,606**	10,184
Weighted average shares in issue – diluted	**156,741**	156,420
Basic earnings per share (pence)	**2.50**	6.54
Diluted earnings per share (pence)	**2.35**	6.12

10. Earnings per share continued

(b) Adjusted earnings per share

Adjusted earnings per share is based on adjusted profit after tax, where adjusted profit is stated after charging interest but before amortisation, share-based payments, merger related costs and exceptional items.

Adjusted profit for calculating adjusted earnings per share:

	2023 £000	2022 £000
Profit before taxation	**5,866**	14,913
Add back:		
– Share-based payment expense	**4,721**	4,505
– Amortisation of intangible assets	**4,861**	4,861
– Merger related costs	**51**	51
– Exceptional items	**250**	–
Adjusted profit before tax	**15,749**	24,330
Taxation:		
– Tax in the Consolidated Statement of Comprehensive Income	**(2,190)**	(5,346)
– Tax effects of adjustments	**(610)**	1,176
Adjusted profit after tax for the calculation of adjusted earnings per share	**12,949**	20,160

Adjusted earnings per share was as follows using the number of shares calculated at note 10(a):

	2023 pence	2022 pence
Adjusted earnings per share	**8.80**	13.79
Diluted earnings per share	**8.26**	12.89

11. Goodwill and other intangible assets

Cost amortisation and net book value of intangible assets are as follows:

Year to 30 September 2023	Goodwill £000	Other £000	Total £000
Cost:			
At 1 October 2022 and 30 September 2023	**77,927**	**81,025**	**158,952**
Amortisation and impairment:			
At 1 October 2022	7,239	58,509	65,748
Amortisation during the year	–	4,861	4,861
At 30 September 2023	**7,239**	**63,370**	**70,609**
Carrying amount:			
At 30 September 2023	**70,688**	**17,655**	**88,343**
At 30 September 2022	70,688	22,516	93,204

Year to 30 September 2022	Goodwill £000	Other £000	Total £000
Cost:			
At 1 October 2021 and 30 September 2022	**77,927**	**81,025**	**158,952**
Amortisation and impairment:			
At 1 October 2021	7,239	53,648	60,887
Amortisation and impairment during the year	–	4,861	4,861
At 30 September 2022	**7,239**	**58,509**	**65,748**
Carrying amount:			
At 30 September 2022	**70,688**	**22,516**	**93,204**
At 30 September 2021	70,688	27,377	98,065

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

11. Goodwill and other intangible assets continued

Impairment tests for goodwill

The Group has determined that it has a single group of CGUs in relation to asset management for the purposes of assessing the carrying value of goodwill. In line with IAS 36, 'Impairment of Assets', a full impairment review was undertaken as at 30 September 2023. The recoverable amount within the fund management CGU was determined by assessing the value-in-use using long-term cash flow projections for the CGU. The Group operates as a single CGU for the purposes of monitoring and assessing goodwill for impairment. This reflects one operating platform, into which acquired businesses are fully integrated and from which acquisition-related synergies are expected to be realised. Senior management receive and review internal financial information as one single entity, with no disaggregation for segments or geography.

Data for the explicit forecast period of 2024–2028 is based on the 2024 budget and forecasts for 2025–2028. AuM levels were determined by assuming net flows, per fund, over this five-year period based on two key metrics – the first being the momentum of net flows over the preceding two years, and the second being the investment performance of the fund against its sector. The Group believes these two factors are key when making assumptions about the growth of AuM in the future, and hence expected future cash flows. Net revenue margins per fund have been assumed at current levels, unless sufficient reasons exist to deviate, for example share class consolidation.

The projected operating margin moves in line with the Group's AuM levels and its overall product mix each year. Increases in operating costs have been taken into account and include assumed new business volumes. No cost allowance has been made for future acquisitions, nor any acquired levels of AuM. The Group's commitment to responsible investing has also been considered (within headcount over the forecast period) and the impact to its cash flows on a longer-term basis, particularly in light of the possible actions of regulators, customers and suppliers. Cash flows beyond the explicit forecast period are extrapolated using a long-term terminal growth rate of 1.7% (2022: 1.7%). To arrive at the net present value, cash flows have been discounted using a discount rate of 14.5% (2022: 13%) determined using the capital asset pricing model (post-tax). The Group engaged valuation specialists in determining the inputs to calculate the appropriate discount rate, including current assessments of comparative betas, long-term economic growth rates and the equity risk premiums published and observed in the wider industry. The increase in the discount rate from the prior year is largely due to the increase in the long-term risk-free rate which was based on 30-year gilts (the 2053 maturity) yielding 4.6% (2022: 3.2%). The Group's pre-tax discount rate was calculated to be 18% (2022: 16%).

The value-in-use amount calculated was greater than the carrying value and hence no impairment charge was recognised. As noted above, the most material assumptions used in determining this conclusion were the discount rate and compound annual AuM growth rate. As an additional consideration the Group compares its value-in-use amount and net assets to market multiples within the UK asset management sector.

Sensitivity analysis

Management have performed a sensitivity analysis as at 30 September 2023 and established that an increase in the post tax discount rate to 19% would be required before an impairment of goodwill would be considered necessary. This would require the long-term risk-free rate and equity risk premium to be at significantly higher levels than at present. Analysis was also completed using materially lower levels of AuM and the corresponding impact on projected cash flows within the impairment assessment. The base case annual growth rate for AuM is assumed at 10.3% over the forecast period. Due to the cash generative nature of the business, and that a large proportion of costs are linked to the net revenues and underlying profitability of the Group, this rate would need to remain under 5.5% per annum over the entire five-year period before any impairment was identified. This also assumes no material change to the Group's cost base during this five year period as well as the discount rate to remain unchanged. Management note the average annual return for the MSCI World Index (in GBP) over the past 25 years was approximately 7%. The base case annual growth rate of 10.3% is a combination of both this market beta movement and an assumption of fund inflows into the Group's product suite.

The sensitivity analysis established that an increase in the discount rate by 3% (to 17.5%) would not have a material impact on the Group's results. We conclude no reasonable change in assumptions would trigger an impairment to goodwill. The Group is, however, mindful of the current uncertainty that exists in markets including the threat posed by recent geopolitical events and that extreme movements may be cause for further examination into the possibilities of impairment in the future.

11. Goodwill and other intangible assets continued

Change required to reduce headroom to zero	%
Increase in discount rate by 4.5% to:	**19**
Reduction in the CAGR over the entire five year period by 4.8% to:	**5.5**

Other intangible assets

The Group's other intangible assets comprise of investment management agreements ('IMAs') purchased by the Group. The carrying amount above relates to two historic transactions, the largest being the merger with Miton Group plc with a carrying value of £11,055,890 and a remaining amortisation period of three years (2022: £14,596,097 and a remaining amortisation period of four years). The remaining balance relates to a transaction completed in 2007 to acquire IMAs which now have a carrying value of £6,599,618 and a remaining amortisation period of five years (2022: £7,920,267 and a remaining amortisation period of six years).

The determination of useful lives, and hence amortisation period, used for other intangible assets requires an assessment of the length of time the Group expects to derive benefits from the asset. This depends on a number of factors, the most significant being the duration of customer investment timeframes and the type of underlying fund (for example the asset classes specified by the fund's investment objectives will give insight into its usual life).

An assessment is performed at each reporting period for each intangible asset for indicators of impairment. There are two core metrics used in this assessment – the first being the comparison of AuM levels at the period end with those included in the original intangible asset valuation and the second being the investment performance of each individual fund against its comparable peers and benchmarks. In addition, both internal and external factors affecting the funds are considered such as current net margin, potential regulatory changes and future demand for its asset class. For each intangible asset mentioned above, if required, further analysis is performed on a fund management team basis, and the estimated aggregate cashflows generated by each team. These estimated cashflows are modelled based on the current level of AuM for the funds managed by each team and are compared against the original basis used to value the intangible at the acquisition date and their remaining amortisation period. Despite the recent fluctuations in AuM, no indicators of impairment were noted when analysing at a fund management team level. Notably, the largest other intangible asset is more than halfway through its amortisation period of 7 years, resulting in the carrying amount being less than half of its original value on inception. The long-term investment performance for all investment teams assessed were above the relevant sector average, reflecting the quality of the investment process.

12. Property, plant and equipment

Year to 30 September 2023	Land and buildings £000	Plant and equipment £000	Total £000
Cost or fair value:			
At 1 October 2022	863	2,892	3,755
Additions	15	145	160
Disposals	–	(1,518)	(1,518)
At 30 September 2023	**878**	**1,519**	**2,397**
Depreciation:			
At 1 October 2022	471	2,091	2,562
Depreciation during the year	100	235	335
Disposals	–	(1,018)	(1,018)
At 30 September 2023	**571**	**1,308**	**1,879**
Carrying amount:			
At 30 September 2023	**307**	**211**	**518**
At 30 September 2022	392	801	1,192

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

12. Property, plant and equipment continued

Year to 30 September 2022	Land and buildings £000	Plant and equipment £000	Total £000
Cost or fair value:			
At 1 October 2021	1,027	2,792	3,819
Additions	107	100	207
Disposals	(271)	–	(271)
At 30 September 2022	863	2,892	3,755
Depreciation:			
At 1 October 2021	461	1,621	2,082
Depreciation during the year	110	470	580
Disposals	(100)	–	(100)
At 30 September 2022	471	2,091	2,562
Carrying amount:			
At 30 September 2022	392	801	1,192
At 30 September 2021	566	1,171	1,737

13. Group entities

At 30 September 2023 the Company held (directly and indirectly) 100% of the allotted share capital of the following subsidiary undertakings, all of which are incorporated in Great Britain.

All subsidiary undertakings are consolidated within the Group accounts.

	Class of share held	Proportion of voting rights and shares held	Nature of the business
(a) Directly held			
Premier Asset Management MidCo Limited[1]	Ordinary	100%	Holding company
Miton Group Limited[2]	Ordinary	100%	Holding company
(b) Indirectly held			
Premier Asset Management Holdings Limited[1]	Ordinary	100%	Holding company
Premier Asset Management Limited[1]	Ordinary	100%	Holding company
Premier Investment Group Limited[1]	Ordinary	100%	Holding company
Premier Portfolio Managers Limited[1]	Ordinary	100%	AIFM/ACD
Premier Miton Limited[1]	Ordinary	100%	Dormant
Premier Offshore Asset Management Limited[1]	Ordinary	100%	Dormant
Eastgate Court Nominees Limited[1]	Ordinary	100%	Nominee company
Premier Fund Managers Limited[1]	Ordinary	100%	Investment manager
Premier Investment Administration Limited[1]	Ordinary	100%	Dormant
Premier Discretionary Asset Management Limited[1]	Ordinary	100%	Dormant
Premier Fund Services Limited[1]	Ordinary	100%	Dormant
PremierConnect Nominees Limited[1]	Ordinary	100%	Dormant
Eastgate Investment Services Limited[1]	Ordinary	100%	Dormant
Miton Group Service Company Limited[2]	Ordinary	100%	Holding company
Miton Asset Management Limited[2]	Ordinary	100%	Operating company
Miton Holdings Limited[2]	Ordinary	100%	Holding company
Miton Trust Managers Limited[2]	Ordinary	100%	Operating company

1 The registered office is Eastgate Court, High Street, Guildford GU1 3DE.

2 The registered office is 6th Floor, Paternoster House, 65 St Paul's Churchyard, London EC4M 8AB.

14. Trade and other receivables

Current	2023 £000	2022 £000
Due from trustees/investors for open end fund redemptions/sales	**113,310**	122,339
Other trade debtors	**374**	526
Fees receivable	**5,180**	6,132
Prepayments	**2,099**	2,662
Corporation tax	**1,299**	1,794
Other receivables	**2,205**	2,599
Total trade and other receivables	**124,467**	136,052
Non-current		
Other receivables	**482**	1,081

Trade and other receivables are all current and any fair value difference is not material. Trade and other receivables are considered past due once they have passed their contracted due date.

Non-current other receivables represent deferred compensation awards with maturities greater than 12 months after Consolidated Statement of Financial Position date. Deferred compensation awards are released in accordance with the employment period to which they relate.

The ageing profile of trade receivables that are due but not impaired is:

	2023 £000	2022 £000
Days		
0 to 30	**113,648**	122,853
31 to 60	**–**	–
61 to 90	**–**	1
Over 90	**36**	11
Total trade receivables	**113,684**	122,865

These amounts have not been impaired as there has not been any significant changes in credit quality and the amounts are still considered recoverable. The recognition of ECLs is deemed to be immaterial to the Group.

The Group does not have any contract assets resulting from its revenue contracts with customers (2022: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

15. Financial instruments

(a) Financial assets at fair value through profit and loss

The financial instruments carried at fair value are analysed by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of financial assets is as follows:

	2023 £000	2022 £000
Other investments		
Quoted – Level 1	**1,207**	2,089
Total	**1,207**	2,089

Quoted investments – Level 1

The Group holds shares and units in a number of funds for which quoted prices in an active market are available. The fair value measurement is based on Level 1 in the fair value hierarchy.

Financial instruments measured at amortised cost, but fair value is disclosed

The following financial instruments are not measured at fair value in the Consolidated Statement of Financial Position, but information about the fair value is disclosed.

(a) Trade debtors and trade creditors

The trade debtors and trade creditors largely have a maturity of less than one year. The fair value of trade creditors and trade debtors are not materially different to their carrying value.

(b) Borrowings and overdraft

The Group does not have any bank borrowings or overdrafts.

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Group monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposure by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Market risks

The Group is exposed to market risk through interest rates, availability of credit, liquidity and foreign exchange fluctuations.

(a) Interest rate risk

The Group would be exposed to interest rate risk if it were to borrow at floating interest rates.

A 1% increase in interest rates on the Group's debt balances at 30 September 2023, would increase the annual net interest payable in the Consolidated Statement of Comprehensive Income and reduce equity by £nil (2022: £nil). The sensitivity has been calculated by applying the interest rate change to the variable rate borrowings.

15. Financial instruments continued

Market risks continued

(b) Foreign exchange risk

The Group undertakes transactions denominated in US Dollars and Euros; consequently, exposures to exchange rate fluctuations arise.

At 30 September 2023, if the US Dollar and Euro had strengthened by 10% against Sterling with all other variables held constant, this would have had a £295,699 (2022: £288,216) impact on the Consolidated Statement of Comprehensive Income and equity.

The Group does not have any material cash holdings in a currency other than Sterling.

(c) Credit risk

The Group credit risk is primarily focused on trade receivables due from trustees/investors for open end fund cancellations/sales. The risk is that a counterparty fails to settle on a trade and thereby creates an illiquid asset. However, in such cases the Group has the ability to arrange with the trustees of the relevant fund to cancel the trade and to liquidate the units issued, thereby settling the trade. A possible exposure will arise in such an instance whereby the price achieved on a cancellation of a trade is less than the original price at which the units were issued.

The credit risk on liquid assets is limited because the counterparties are banks with credit ratings of S&P A+/A-1 stable.

The Group has no significant concentration of credit risk as exposure is spread over a large number of counterparties and customers.

(d) Liquidity risk

The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the Consolidated Statement of Financial Position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 3 months £000	Between 3 months and 1 year £000	Between 1 and 5 years £000	Over 5 years £000
As at 30 September 2023				
Trade and other payables	**128,276**	**212**	**65**	**–**
Lease liabilities	**180**	**85**	**2,224**	**114**
As at 30 September 2022				
Trade and other payables	147,288	296	1,236	–
Lease liabilities	220	585	344	–

Capital management

(a) Working capital

The Group manages the level of its working capital on an ongoing basis. The Group uses detailed financial information provided by its forecasting model and by regular review of its consolidated management information.

(b) Regulatory capital requirements

The Group is regulated by the Financial Conduct Authority ('FCA') and is required to maintain a minimum level of capital as prescribed by the FCA. Throughout the year, the Group and the regulated entities, Premier Portfolio Managers Limited and Premier Fund Managers Limited held surplus capital over their regulatory capital requirements. In compliance with MIFIDPRU 8.4, disclosures on the composition of regulatory capital ('own funds') resources can be found on the Group's website at www.premiermiton.com.

The primary objective of the Group's capital management is to maintain a strong capital base in order to maintain investor, creditor and market confidence and to provide a suitable base to sustain the future development of the business, while ensuring compliance with regulatory capital requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

15. Financial instruments continued

Capital management continued

(c) Offsetting financial assets and financial liabilities

There are no financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements.

16. Cash and cash equivalents

	2023 £000	2022 £000
Cash at bank and in hand	**37,863**	45,682
Cash held in the EBTs	**79**	82
Total cash and cash equivalents	**37,942**	45,764

17. Trade and other payables

	2023 £000	2022 £000
Due to trustees/investors for open end fund creations/redemptions	**112,541**	122,334
Other trade payables	**1,297**	1,542
Other tax and social security payable	**1,765**	3,031
Accruals	**11,496**	20,021
Pension contributions	**116**	9
Other payables	**1,338**	1,883
Total trade and other payables	**128,553**	148,820

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Other payables relate predominantly to amounts due to outsource providers for administrative services provided to the Group's funds.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

18. Short and long-term employee benefits

Plan assets for deferred remuneration	2023 £000	2022 £000
1 October	**4,225**	2,501
Purchases at cost	**3,115**	3,905
Released during the year	**(2,063)**	(888)
Revaluation of plan assets	**(50)**	(1,293)
At 30 September	**5,227**	4,225

Employee benefits liability		
Current	**(2,259)**	(1,785)
Non-current	**(2,968)**	(2,440)
	5,227	4,225
Net balance	**–**	–

18. Short and long-term employee benefits continued

The assets and liabilities referenced above are held in a nominee arrangement and are not consolidated by the Group. Plan assets represent deferred remuneration entitlements for certain employees which the firm pays to a nominee for the benefit of those employees. The amounts paid are invested in funds managed by the Group, or held in cash, at the election of the employees who have control over the investment decisions and resulting risks/rewards.

19. Provisions

	2023 £000	2022 £000
At 1 October	**374**	389
Movement in the year	**–**	(15)
At 30 September	**374**	374
Current	**–**	–
Non-current	**374**	374
	374	374

Provisions relate to dilapidations for the offices at 6th Floor, Paternoster House, London, the lease on this property runs to 28 November 2028 and the provision for dilapidations on this office has been disclosed as non-current. This provision is based on prices quoted at the time of the lease being taken on.

20. Share capital

2023 allotted, called up and fully paid: Number of shares	Ordinary shares 0.02 pence each Number	Deferred shares Number
At 1 October 2022	157,913,035	1
Movement in the year	–	–
At 30 September 2023	**157,913,035**	**1**

2022 allotted, called up and fully paid: Number of shares	Ordinary shares 0.02 pence each Number	Deferred shares Number
At 1 October 2021	157,913,035	1
Movement in the year	–	–
At 30 September 2022	157,913,035	1

2023 allotted, called up and fully paid: Value of shares	Ordinary shares 0.02 pence each £000	Deferred shares £000	Total shares £000
At 1 October 2022	31	29	60
Movement in the year	–	–	–
At 30 September 2023	**31**	**29**	**60**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

20. Share capital continued

2022 allotted, called up and fully paid: Value of shares	Ordinary shares 0.02 pence each £000	Deferred shares £000	Total shares £000
At 1 October 2021	31	29	60
Movement in the year	–	–	–
At 30 September 2022	31	29	60

The deferred share carries no voting rights and no right to receive a dividend.

21. Capital redemption reserve

	2023 £000	2022 £000
Redemption of preference shares	**4,000**	4,000
Cancellation of deferred shares	**532**	532
Total capital redemption reserve	**4,532**	4,532

On the redemption of the preference shares a transfer was made from retained earnings to the capital redemption reserve equivalent to the nominal value of the preference shares redeemed. On 19 October 2015 £4,000,000 of the 8% preference shares, plus £359,452 of accrued interest, was redeemed.

22. Share-based payments

The total charge to the Consolidated Statement of Comprehensive Income for share-based payments in respect of employee services received during the year to 30 September 2023 was £4,720,721 (2022: £4,504,620), of which £3,953,896 related to nil cost contingent share rights (2022: £4,314,386).

(a) Nil cost contingent share rights ('NCCSR')

During the year 1,577,500 (2022: 1,902,500) nil cost contingent share rights over ordinary shares of 0.02p in the Company were granted to 19 employees (2022: 32). Of the total award, nil (2022: 375,000) nil cost contingent share rights were awarded to Executive Directors. The awards will be satisfied from the Group's EBTs.

The share-based payment expense is calculated in accordance with the fair value of the contingent share rights on the date of grant. The price per right at the date of grant was £1.045 per share on 14 December 2022 (2022: £1.425) resulting in a fair value of £1,648,488 (2022: £2,711,063) to be expensed over the vesting periods of between two to five years.

Typically, the key features of the awards include: a three-year vesting term, automatic vesting at the relevant anniversary date with the delivery of the shares to the participant within 30 days of the relevant vesting date.

During the year 3,268,329 (2022: 1,628,284) nil cost contingent share rights over ordinary shares of 0.02p in the Company were exercised by 51 employees (2022: 43 employees). Of the total, 550,000 were exercised by Executive Directors (2022: 275,000). The cost of the shares held by the Group's EBTs was reduced by £4,457,457 (2022: £3,537,517) being the original purchase price of the shares used to satisfy the exercises.

At 30 September 2023 the nil cost contingent share rights outstanding over ordinary shares of 0.02p in the Company totalled 8,283,332 (2022: 9,974,161).

(b) Share Incentive Plan ('SIP')

On 16 January 2020 the Group established the SIP scheme. This is an HMRC-approved scheme. Participants' contributions are matched by the Company up to a maximum of £1,800 per year. The contributions are used to acquire ordinary 0.02p shares in the Company.

22. Share-based payments continued

(c) Long-Term Incentive Plan ('LTIP')

The LTIP awards are nil cost contingent share rights over ordinary shares of 0.02p in the Company which are issued to Executive Directors and senior management in accordance with the 2016 LTIP Rules.

These awards have been designed to reward and retain participants as well as align their interests with those of stakeholders. Vesting of awards is subject to continued employment and performance conditions based on Total Shareholder Return ('TSR'), Earnings Per Share ('EPS'), fund performance and other operational conditions, all measured over a three-year performance period.

During the year the Group granted 2,651,034 LTIP awards (2022: 4,182,569), of the total award 811,541 (2022: 1,991,700) were awarded to Executive Directors.

The issuance of LTIP awards constitutes a share-based payment under IFRS 2. The cost of the awards is the estimated fair value at the date of grant of the estimated entitlement to ordinary shares. At each reporting date the estimated number of ordinary shares that may be ultimately issued is assessed.

The fair value of these awards was estimated using a Monte Carlo simulation ('MCS') and the prepaid forward share price, adjusting the loss of dividends over the vesting period. The following table lists the inputs to the model used for the year ended 30 September 2023.

	13 January 2023
Dividend yield (%)	**2.24**
Nominal risk-free rate (%)	**3.27**
Expected share price volatility (%)	**40.00**
Discount for lack of marketability ('DLOM') (%)	**12.00**
Share price (£)	**1.19**
Performance period (months)	**36**
Holding period post vesting (months)	**24**

The share price volatility was calculated by reference to the Company's historic share price over the past three years.

The table on page 130 details the movements in the LTIP awards and the maximum number of ordinary 0.02p shares in the Company that could ultimately be issued under the award.

At 30 September 2023 the fair value of the estimated entitlement to ordinary shares for this tranche was £1,701,396 (2022: £485,178). The charge to the Consolidated Statement of Comprehensive Income for the LTIP awards in the year to 30 September 2023 was £635,326 (2022: 69,311).

(d) Legacy schemes

(i) Management Equity Incentive ('MEI')

The MEI was a legacy scheme created in 2011, there were no movements during the year (2022: none).

At 30 September 2023 there were 981,045 (2022: 981,045) outstanding MEI awards of which 981,045 (2022: 981,045) had vested.

(ii) Management Incentive Plan ('MIP')

The MIP was a legacy scheme created in 2011.

There were no movements during the year, the outstanding award over 60,372 ordinary shares of 0.02p in the Company continues to be subject to the terms of the Miton Management Incentive Plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

22. Share-based payments continued

(d) Legacy schemes continued

The following table details the movements in the Group's share option schemes in the year:

2023	MIP awards Number	MEI awards Number	NCCSR awards Number	LTIP awards Number	Total equity incentives Number
At 1 October 2022	**60,372**	**981,045**	**9,974,161**	**4,182,569**	**15,198,147**
Granted during the year	**–**	**–**	**1,577,500**	**2,651,034**	**4,228,534**
Exercised during the year	**–**	**–**	**(3,268,329)**	**–**	**(3,268,329)**
Outstanding at 30 September 2023	**60,372**	**981,045**	**8,283,332**	**6,833,603**	**16,158,352**
Vested at 30 September 2023	**60,372**	**981,045**	**–**	**–**	**1,041,417**

2022	MIP awards Number	MEI awards Number	NCCSR awards Number	LTIP awards Number	Total equity incentives Number
At 1 October 2021	60,372	981,045	9,699,945	–	10,741,362
Granted during the year	–	–	1,902,500	4,182,569	6,085,069
Exercised during the year	–	–	(1,628,284)	–	(1,628,284)
Outstanding at 30 September 2022	60,372	981,045	9,974,161	4,182,569	15,198,147
Vested at 30 September 2022	60,372	981,045	–	–	1,041,417

The following table details the exercise dates of outstanding equity incentives:

2023 Exercise dates and exercise price per award	Vested	MIP awards Number	MEI awards Number	NCCSR awards Number	LTIP awards Number	Total Number
Exercisable up to 06/04/2024 @ 115.95p	**Yes**	**60,372**	**–**	**–**	**–**	**60,372**
Exercisable up to 10/05/2024 @ 109.32p	**Yes**	**–**	**513,162**	**–**	**–**	**513,162**
Exercisable up to 10/05/2026 @ 116.61p	**Yes**	**–**	**30,186**	**–**	**–**	**30,186**
Exercisable up to 10/05/2026 @ 162.99p	**Yes**	**–**	**181,116**	**–**	**–**	**181,116**
Exercisable up to 10/05/2027 @ 208.71p	**Yes**	**–**	**256,581**	**–**	**–**	**256,581**
Granted on 09/03/2020, vests on 09/03/2024	**No**	**–**	**–**	**530,000**	**–**	**530,000**
Granted on 09/03/2020, vests on 09/03/2025	**No**	**–**	**–**	**530,000**	**–**	**530,000**
Granted on 10/03/2021, vests on 10/03/2024	**No**	**–**	**–**	**2,440,004**	**–**	**2,440,004**
Granted on 10/03/2021, vests on 10/04/2025	**No**	**–**	**–**	**619,997**	**–**	**619,997**
Granted on 10/03/2021, vests on 10/03/2026	**No**	**–**	**–**	**383,331**	**–**	**383,331**
Granted on 17/03/2021, vests on 17/03/2024	**No**	**–**	**–**	**300,000**	**–**	**300,000**
Granted on 10/03/2022, vests on 10/03/2024	**No**	**–**	**–**	**125,000**	**–**	**125,000**
Granted on 10/03/2022, vests on 10/03/2025	**No**	**–**	**–**	**1,777,500**	**–**	**1,777,500**
Granted on 01/06/2022, vests on 30/09/2024	**No**	**–**	**–**	**–**	**4,182,569**	**4,182,569**
Granted on 14/12/2022, vests on 14/12/2024	**No**	**–**	**–**	**220,000**	**–**	**220,000**
Granted on 14/12/2022, vests on 14/12/2025	**No**	**–**	**–**	**862,500**	**–**	**862,500**
Granted on 14/12/2022, vests on 14/12/2026	**No**	**–**	**–**	**395,000**	**–**	**395,000**
Granted on 14/12/2022, vests on 14/12/2027	**No**	**–**	**–**	**100,000**	**–**	**100,000**
Granted on 13/01/2023, vests on 13/01/2026	**No**	**–**	**–**	**–**	**2,651,034**	**2,651,034**
Outstanding at 30 September 2023		**60,372**	**981,045**	**8,283,332**	**6,833,603**	**16,158,352**
Vested at 30 September 2023		**60,372**	**981,045**	**–**	**–**	**1,041,417**

22. Share-based payments continued

(d) Legacy schemes continued

2022 Exercise dates and exercise price per award	Vested	MIP awards Number	MEI awards Number	NCCSR awards Number	LTIP awards Number	Total Number
Exercisable up to 06/04/2024 @ 115.95p	Yes	60,372	–	–	–	60,372
Exercisable up to 11/05/2024 @ 109.32p	Yes	–	513,162	–	–	513,162
Exercisable up to 10/05/2026 @ 116.61p	Yes	–	30,186	–	–	30,186
Exercisable up to 10/05/2026 @ 162.99p	Yes	–	181,116	–	–	181,116
Exercisable up to 10/05/2027 @ 208.71p	Yes	–	256,581	–	–	256,581
Granted on 09/03/2020, vests on 09/03/2023	No	–	–	1,015,000	–	1,015,000
Granted on 09/03/2021, vests on 09/03/2023	No	–	–	236,668	–	236,668
Granted on 14/04/2020, vests on 14/04/2023	No	–	–	2,016,661	–	2,016,661
Granted on 09/03/2020, vests on 09/03/2024	No	–	–	530,000	–	530,000
Granted on 09/03/2020, vests on 09/03/2025	No	–	–	530,000	–	530,000
Granted on 10/03/2021, vests on 10/03/2024	No	–	–	2,440,004	–	2,440,004
Granted on 10/03/2021, vests on 10/03/2025	No	–	–	619,997	–	619,997
Granted on 10/03/2021, vests on 10/03/2026	No	–	–	383,331	–	383,331
Granted on 17/03/2021, vests on 17/03/2024	No	–	–	300,000	–	300,000
Granted on 10/03/2022, vests on 10/03/2024	No	–	–	125,000	–	125,000
Granted on 10/03/2022, vests on 10/03/2025	No	–	–	1,777,500	–	1,777,500
Granted on 01/06/2022, vests on 30/09/2024	No	–	–	–	4,182,569	4,182,569
Outstanding at 30 September 2022		60,372	981,045	9,974,161	4,182,569	15,198,147
Vested at 30 September 2022		60,372	981,045	–	–	1,041,417

23. Own shares held by Employee Benefit Trusts ('EBTs')

Premier Miton Group plc established an EBT on 25 July 2016 to purchase ordinary shares in the Company to satisfy share awards to certain employees.

During the year 364,525 (2022: 3,037,500) shares were acquired and held by the Group's EBTs at a cost of £380,804 (2022: £4,491,605).

At 30 September 2023 9,452,500 (2022: 12,356,304) shares were held by the Group's EBTs, of which 9,324,749 (2022: 11,015,578) shares relate to outstanding MIP, MEI and NCCSR awards (see note 22).

At 30 September 2023, the cost of the shares held by the EBTs of £12,667,262 (2022: £16,743,916) has been disclosed as own shares held by an EBT in the Consolidated Statement of Changes in Equity and the Consolidated Statement of Financial Position.

All administrative expenses connected with the EBTs are charged to the Consolidated Statement of Comprehensive Income.

The EBTs have waived their rights to dividends. Shares purchased and held by the EBTs are deducted from equity and classified as own shares held by an EBT.

The following table details the movements in the number and cost of the shares held by the Group's EBTs:

	2023 Number of shares	2023 £000	2022 Number of shares	2022 £000
At 1 October	**12,356,304**	**16,744**	10,947,088	15,790
Shares acquired in the year	**364,525**	**381**	3,037,500	4,492
Shares released in the year	**(3,268,329)**	**(4,457)**	(1,628,284)	(3,538)
At 30 September	**9,452,500**	**12,668**	12,356,304	16,744

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

24. Dividends declared and paid

	2023 £000	2022 £000
Equity dividends on ordinary shares:		
– Interim dividend: 3.0 (2022: interim 3.7) pence per share	**4,454**	5,427
– Final dividend for 2022: 6.3 (2021 final 6.3) pence per share	**9,147**	9,269
Dividends paid	**13,601**	14,696

The Directors recommend a final dividend of 3.0p per share (2022: 6.3p) payable on 16 February 2024 to shareholders on the register as at 19 January 2024.

25. Related party transactions

All companies forming part of the consolidated Group are considered to be related parties as these companies are owned either directly or indirectly by Premier Miton Group PLC. The Group manages, through its subsidiaries, a number of open ended investment companies and investment trusts which are considered to be structured entities. The subsidiary companies receive management fees from these entities for managing assets and in some instances receive performance fees.

The Group acts as investment manager, Unit Trust Manager ('UTM') and/or Authorised Corporate Director ('ACD') for 45 (2022: 46) funds as at 30 September 2023.

(a) Interests in structured entities

The Group provides investment management services for a number of collective investment schemes where Group companies are investment managers/advisers of underlying funds and which meet the criteria of related parties (note 2.6(r)). In return the Group receives management fees for the provision of these services.

IFRS 12 requires certain disclosures in respect of interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities.

A structured entity is defined as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements.

The Group has assessed whether the funds it manages are structured entities and concluded that funds managed by the Group are structured entities unless substantive removal or liquidation rights exist.

The Group has interests in these funds through the receipt of management and other fees and, in certain funds, through ownership of fund units. The Group's investments in these funds are subject to the terms and conditions of the respective fund's offering documentation and are susceptible to market price risk. The investments are included in financial assets at FVTPL in the balance sheet. Where the Group has no equity holding in a fund it manages, the investment risk is borne by the external investors and therefore the Group's maximum exposure to loss relates to future fees and any uncollected fees at the balance sheet date. Where the Group does have an equity holding, the maximum exposure to loss constitutes the future and uncollected management fees plus the fair value of the Group's investment in that fund.

	2023 £000	2022 £000
Number of funds managed (number)	**45**	46
AuM of funds managed	**9,235,972**	10,160,750
Management fees income during the year	**74,091**	90,221
Management fees outstanding at the year end	**5,145**	6,104
Financial assets at FVTPL	**1,207**	2,089

25. Related party transactions continued

(b) Key management compensation

The key management personnel compensation comprises 11 individuals (2022: 15 individuals), being the membership of the Group Board of Directors and the Executive Committee. The costs for employee and Director services for these memberships are reported below.

	2023 £000	2022 £000
Salaries and bonuses	**3,484**	4,349
Share-based payments	**1,770**	1,739
Pension benefits	**155**	186
Benefits in kind	**25**	31
Total key management compensation	**5,434**	6,305

There are no other long term benefits nor termination benefits.

26. Segmental reporting

The Group operates a single business segment of asset management for reporting and control purposes.

IFRS 8 'Operating Segments' requires disclosures to reflect the information which Group management uses for evaluating performance and the allocation of resources. The Group is managed as a single asset management business and as such, there are no additional operating segments to disclose.

Under IFRS 8, the Group is also required to make disclosures by geographical segments. As Group operations are solely in the UK and Channel Islands, there are no additional geographical segments to disclose.

27. Contingent liabilities

There were no contingent liabilities as at 30 September 2023 (2022: nil).

28. Subsequent events

On 1 November 2023 the Group agreed to acquire Tellworth Investments LLP ('Tellworth'), a leading UK equity boutique with AuM of £559 million as at 30 September 2023. The acquisition is subject to approval by the Financial Conduct Authority and is expected to complete in early 2024.

The initial consideration for Tellworth will be between £3.5 million and £6 million depending on the AuM at completion. Initial consideration will be payable 43.75% in cash and 56.25% in new ordinary 0.02p shares in the Company. Additional consideration of up to £3 million may be payable depending on AuM growth between completion and the first anniversary of completion with the maximum amount being payable if AuM at the first anniversary date exceeds £850 million. The additional consideration will be payable in new ordinary 0.02p shares in the Company or in cash at the Group's discretion.

COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Notes	2023 £000	2022 restated[1] £000	1 October 2021 restated[1] £000
Non-current assets				
Investment in subsidiaries	30	**138,258**	138,204	138,054
Deferred tax asset	31	**–**	–	–
Trade and other receivables	32	**8,673**	–	–
		146,931	138,204	138,054
Current assets				
Trade and other receivables	32	**238**	8,817	8,740
Cash and cash equivalents		**1,079**	1,707	732
Total current assets		**1,317**	10,524	9,472
Total assets		**148,248**	148,728	147,526
Current liabilities				
Trade and other payables	33	**(18,463)**	(18,515)	(12,898)
Total current liabilities		**(18,463)**	(18,515)	(12,898)
Total liabilities		**(18,463)**	(18,515)	(12,898)
Net assets		**129,785**	130,213	134,628
Equity				
Share capital	20	**60**	60	60
Merger reserve	11	**94,312**	94,312	94,312
Capital redemption reserve	21	**4,532**	4,532	4,532
Own shares held by employee benefit trust	29	**(8,744)**	(11,691)	(10,737)
Retained earnings		**39,625**	43,000	46,461
Total equity shareholders' funds		**129,785**	130,213	134,628

1 See note 29.

Company number 06306664.

The Company's net profit for the year amounted to £8,911,000 (2022 restated: profit £10,209,000).

The financial statements were approved on behalf of the Board of Directors on 4 December 2023.

Mike O'Shea
Chief Executive Officer

Piers Harrison
Chief Financial Officer

The notes on pages 137 to 141 form an integral part of these Financial Statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2023

	Notes	Share capital £000	Merger reserve £000	Capital redemption reserve £000	Own shares held by EBT £000	Retained earnings £000	Total equity £000
At 30 September 2021 (as previously reported)		60	94,312	4,532	–	46,531	145,435
Impact of change in accounting policy[1]		–	–	–	(10,737)	(70)	(10,807)
At 1 October 2021 (restated)		60	94,312	4,532	(10,737)	46,461	134,628
Equity dividends paid	34	–	–	–	–	(14,696)	(14,696)
Share-based payment expense	22	–	–	–	–	4,564	4,564
Exercise of options	23	–	–	–	3,538	(3,538)	–
Purchase of own shares held by EBT	23	–	–	–	(4,492)	–	(4,492)
Profit for the financial year		–	–	–	–	10,209	10,209
At 30 September 2022 (restated)		60	94,312	4,532	(11,691)	43,000	130,213
Equity dividends paid	34	–	–	–	–	(13,601)	(13,601)
Share-based payment expense	22	–	–	–	–	4,721	4,721
Exercise of options	23	–	–	–	3,328	(3,328)	–
Purchase of own shares held by EBT	23	–	–	–	(381)	–	(381)
Other amounts direct to equity		–	–	–	–	(78)	(78)
Profit for the financial year		–	–	–	–	8,911	8,911
At 30 September 2023		**60**	**94,312**	**4,532**	**(8,744)**	**39,625**	**129,785**

1 See note 29.

The notes on pages 137 to 141 form an integral part of these Financial Statements.

COMPANY STATEMENT OF CASH FLOWS

For the year ended 30 September 2023

	Notes	2023 £000	2022 restated[1] £000
Cash flows from operating activities:			
Profit after taxation		**8,911**	10,209
Adjustments to reconcile profit to net cash flow from operating activities:			
– Share-based payments		**4,589**	4,413
– Tax on continuing operations	31	**–**	(18)
– Increase in trade and other receivables		**(94)**	(76)
– (Decrease) / increase in trade and other payables		**(52)**	5,635
Net cash flow from operating activities		**13,354**	20,163
Cash flows from financing activities:			
Purchase of own shares held by EBT	23	**(381)**	(4,492)
Equity dividends paid	34	**(13,601)**	(14,696)
Net cash flow from financing activities		**(13,982)**	(19,188)
(Decrease) / increase in cash and cash equivalents		**(628)**	975
Opening cash and cash equivalents		**1,707**	732
Closing cash and cash equivalents		**1,079**	1,707

1 See note 29.

The notes on pages 137 to 141 form an integral part of these Financial Statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the year ended 30 September 2023

29. Significant accounting policies

The separate financial statements of the Company are presented in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The principal accounting policies adopted are the same as those set out in the Group's financial statements disclosures. In addition, note 30 sets out the accounting policy in respect of investments in subsidiary undertakings.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The Company Financial Statements have been prepared on a going concern basis as detailed on page 105 and explained in greater detail in the Financial Review on pages 24 to 27.

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the Consolidated financial statements at note 5.

The Company has changed its accounting policy for Employee Benefit Trusts ('EBT'). Previously the amounts receivable from the EBT were accounted for as a financial asset and presented within trade and other receivables in accordance with IFRS 9. The balance should be assessed and accounted for as FVTPL. In the comparative period the market value of shares held by the EBT was £3.6m lower than the loan value. This would have resulted in an impairment of that amount of the receivable in the prior period.

The Company has chosen to adopt the new accounting policy for ease of understanding and comparability with standard market practice and the Group's consolidated Financial Statements. Under this the EBT is now aggregated into the Company's financial statements, the cost of shares purchased and held by the EBT is deducted from equity and the amounts receivable from the EBT is eliminated on aggregation and so no gain or losses are recognised. The following tables summarise the impacts on the Company's financial statements.

i Company statement of financial position

	Restatement		
At 1 October 2021	**As previously reported £000**	**Adjustment £000**	**As restated £000**
Investment in subsidiaries	138,054	–	138,054
Current trade and other receivables	19,640	(10,900)	8,740
Cash and cash equivalents	639	93	732
Total liabilities	(12,898)	–	(12,898)
Net assets	**145,435**	**(10,807)**	**134,628**
Share capital and other capital	98,904	-	98,904
Own shares held by employee benefit trust	–	(10,737)	(10,737)
Retained earnings	46,531	(70)	46,461
Total equity	**145,435**	**(10,807)**	**134,628**
At 30 September 2022	£000	£000	£000
Investment in subsidiaries	138,204	–	138,204
Current trade and other receivables (note 32)	20,679	(11,862)	8,817
Cash and cash equivalents	1,654	53	1,707
Total liabilities	(18,515)	–	(18,515)
Net assets	**142,022**	**(11,809)**	**130,213**
Share capital and other capital	98,904	–	98,904
Own shares held by employee benefit trust	–	(11,691)	(11,691)
Retained earnings	43,118	(118)	43,000
Total equity	**142,022**	**(11,809)**	**130,213**

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

29. Significant accounting policies continued

ii Company statement of cash flows

For the year ended 30 September 2022	Restatement: As previously reported £000	Restatement: Adjustment £000	Restatement: As restated £000
Cashflows from operating activities:			
Profit after taxation	10,257	(48)	10,209
Share-based payments	4,564	(151)	4,413
Tax on continuing operations	(18)	–	(18)
Increase in trade and other receivables	(1,189)	1,113	(76)
Increase in trade and other payables	5,635	–	5,635
Purchase of own shares held by EBT	–	(4,492)	(4,492)
Equity dividends paid	(14,696)	–	(14,696)
Exercise of options	(3,538)	3,538	–
Increase in cash and cash equivalents	**1,015**	**(40)**	**975**
Opening cash and cash equivalents	**639**	**93**	**732**
Closing cash and cash equivalents	**1,654**	**53**	**1,707**

30. Investments in subsidiaries

Investments held by the Company in subsidiary undertakings are held at cost less any provision for impairment.

	2023 £000	2022 £000
Cost:		
At 1 October	**138,204**	138,054
Additions	**132**	150
SIP Scheme	**(78)**	–
At 30 September	**138,258**	138,204
Amortisation and impairment:		
At 1 October	**–**	–
Amortisation during the year	**–**	–
At 30 September	**–**	–
Carrying amount:		
At 30 September	**138,258**	138,204

The value of the Group's net assets attributable to shareholders as at 30 September 2023 of £121.1m were higher than the Group's market capitalisation of £97.1m. This was considered to be an indicator of impairment of the Company's investments in subsidiaries. A full impairment review of investments held by the Company was undertaken at 30 September 2023. The net asset value of each subsidiary was compared to the carrying value of the investment held. Additional recoverability analysis was performed by using the value-in-use ('ViU') methodology (long-term cash flow projections) as the recoverable amount and comparing it with carrying value. Any surplus cash held at the balance sheet date was included. The overall ViU was greater than the carrying value. The most material assumptions used in determining this conclusion were the discount rate, the compound annual AuM growth rate, and the surplus cash attributable to the Company.

30. Investments in subsidiaries continued

The Group's fair value less costs of disposal ('FVLCD') was also considered relevant, this was calculated by applying a bid premia from recent financial transactions within the sector. Costs of disposal were estimated as incremental costs directly attributable to such a hypothetical transaction, excluding finance costs and income tax expense. The FVLCD figure calculated was above both the carrying value of the Company's investments in subsidiaries and the Group's overall ViU. No impairment charge was raised.

Sensitivity analysis was conducted as at 30 September 2023 noting a smaller headroom between the Company's carrying value of investments in subsidiaries and the Company's ViU. An increase in the discount rate to over 15.6% would be required before an impairment would be considered necessary. The base case annual growth rate specified in note 11 for AuM would need to remain under 8% per annum over the entire five-year period before any impairment was identified. We conclude no reasonable changes in assumptions would trigger an impairment to the cost of investment.

The additions to investments in subsidiary undertakings relate to the share-based payment charge for the SIP. This scheme is available to all employees through their services to Premier Asset Management Limited.

The share-based payment charge for the NCCSR and the LTIP is recognised by the Company for services provided by the participants to the Company. These schemes are outlined in note 22.

At 30 September 2023 the Company held (directly and indirectly) 100% of the allotted share capital of the following subsidiary undertakings, all of which are incorporated in Great Britain:

	Class of share held	Proportion of voting rights and shares held	Nature of the business
(a) Directly held			
Premier Asset Management MidCo Limited[1]	Ordinary	100%	Holding company
Miton Group Limited[2]	Ordinary	100%	Holding company
(b) Indirectly held			
Premier Asset Management Holdings Limited[1]	Ordinary	100%	Holding company
Premier Asset Management Limited[1]	Ordinary	100%	Holding company
Premier Investment Group Limited[1]	Ordinary	100%	Holding company
Premier Portfolio Managers Limited[1]	Ordinary	100%	Investment manager/ACD
Premier Miton Limited[1]	Ordinary	100%	Dormant
Premier Offshore Asset Management Limited[1]	Ordinary	100%	Dormant
Eastgate Court Nominees Limited[1]	Ordinary	100%	Nominee company
Premier Fund Managers Limited[1]	Ordinary	100%	Investment manager
Premier Investment Administration Limited[1]	Ordinary	100%	Dormant
Premier Discretionary Asset Management Limited[1]	Ordinary	100%	Dormant
Premier Fund Services Limited[1]	Ordinary	100%	Dormant
PremierConnect Nominees Limited[1]	Ordinary	100%	Dormant
Eastgate Investment Services Limited[1]	Ordinary	100%	Dormant
Miton Group Service Company Limited[2]	Ordinary	100%	Holding company
Miton Asset Management Limited[2]	Ordinary	100%	Operating company
Miton Holdings Limited[2]	Ordinary	100%	Holding company
Miton Trust Managers Limited[2]	Ordinary	100%	Operating company

1 The registered office is Eastgate Court, High Street, Guildford GU1 3DE.

2 The registered office is 6th Floor, Paternoster House, 65 St Paul's Churchyard, London EC4M 8AB.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

For the year ended 30 September 2023

31. Taxation

(a) Tax charged in the Statement of Comprehensive Income

	2023 £000	2022 £000
Current income tax:		
UK corporation tax	–	–
Adjustments in respect of prior periods	–	(18)
Current income tax charge	–	(18)
Total current income tax	–	(18)
Deferred tax:		
– Origination and reversal of temporary differences	–	–
Total deferred tax charge	–	–
Tax charge reported in the Statement of Comprehensive Income	–	(18)

(b) Reconciliation of the total tax charge

The tax expense in the Statement of Comprehensive Income for the year is lower than the standard rate of corporation tax in the UK of 22% (2022: 19%). The differences are reconciled below:

	2023 £000	2022 restated £000
Profit on ordinary activities before taxation	**8,911**	10,191
Tax calculated at UK standard rate of corporation tax of 22% (2022: 19%):	**1,960**	1,936
– Share-based payments	**1,010**	839
– Group relief surrendered	**(27)**	80
– Group income (dividends received from subsidiaries)	**(2,948)**	(2,864)
– Other differences	**5**	9
– Adjustments in respect of prior periods	–	(18)
Tax expense in the Statement of Comprehensive Income	–	(18)

(c) Change in corporation tax rate

In the spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25% from 19%. This was substantively enacted on 24 May 2021.

(d) Deferred tax

The deferred tax included in the Statement of Financial Position is as follows:

	2023 £000	2022 £000
Deferred tax asset:		
– Share-based payments	–	–
Deferred tax disclosed in the Statement of Financial Position	–	–

	2023 £000	2022 £000
Deferred tax in the Statement of Comprehensive Income:		
– Origination and reversal of temporary differences	–	–
Deferred tax expense	–	–

Deferred tax assets have not been recognised in respect of the following items:

	2023 £000	2022 £000
Unprovided deferred tax asset:		
– Excess management expenses	**29**	29
– Non-trade intangible fixed asset losses	**399**	399
Unprovided deferred tax asset	**428**	428

32. Trade and other receivables

Current	2023 £000	2022 restated[1] £000
Amounts owed by Group undertakings	**195**	8,776
Prepayments and accrued income	**43**	41
Total trade and other receivables	**238**	8,817
Non-current		
Amounts owed by Group undertakings	**8,673**	–

1 See note 29.

Trade and other receivables are all current and any fair value difference is not material. Trade and receivables are considered past due once they have passed their contracted due date. The Group's intention is for current amounts due by Group undertakings are to be settled within 12 months.

Non-current amounts owed by Group undertakings represent amounts not expected to be settled within 12 months,

33. Trade and other payables

	2023 £000	2022 £000
Amounts owed to Group undertakings	**18,451**	18,206
Other trade payables	**12**	309
Total trade and other payables	**18,463**	18,515

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

34. Dividends declared and paid

	2023 £000	2022 £000
Equity dividends on ordinary shares:		
– Interim dividend: 3.0 (2022: interim 3.7) pence per share	**4,454**	5,427
– Final dividend for 2022: 6.3 (2021 final 6.3) pence per share	**9,147**	9,269
Dividends paid	**13,601**	14,696

The Directors recommend a final dividend of 3.0p per share (2022: 6.3p) payable on 16 February 2024 to shareholders on the register as at 19 January 2024.

SHAREHOLDER INFORMATION

Financial calendar

Annual General Meeting	7 February 2024
2024 half year results announced	May 2024
2024 full year results announced	December 2024
Closing share price on 30 September 2023	61.5p
Stock code	PMI
Listing details	The Company's ordinary shares are quoted on the Alternative Investment Market ('AIM') of the London Stock Exchange.

CORPORATE INFORMATION

Directors
Robert Colthorpe, Non-Executive Chairman
Mike O'Shea, Chief Executive Officer
Piers Harrison, Chief Financial Officer
David Barron, Non-Executive Director resigned (7 July 2023)
Alison Fleming, Senior Independent Director
Sarah Mussenden, Non-Executive Director
Sarah Walton, Non-Executive Director

Company Secretary and Registered Office
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Registered number
06306664

Auditor
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15 Canada Square
London E14 5GL

Registrar
Link Group
Central Square
29 Wellington Street
Leeds LS1 4DL

Bankers
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33 Old Broad Street
London EC2N 1HW

Barclays Bank plc
1 Churchill Place
London E14 5HP

HSBC
165 Fleet Street
London EC4A 2DY

Lloyds Bank PLC
City Office
PO Box 72
Bailey Drive
Gillingham Business Park
Kent ME8 0LS

Nominated adviser and broker
Investec Bank plc
30 Gresham Street
London EC2V 7QP

GLOSSARY

ACD – Authorised Corporate Director

Adjusted profit before tax – Profit before tax excluding amortisation, share-based payments, merger related non-recurring costs and exceptional costs

AGM – Annual General Meeting

AIC – Association of Investment Companies

AIFM – Alternative Investment Fund Manager

AIFMD – Directive 2011/61/EU is a legal act of the European Union on the financial regulation of hedge funds, private equity, real estate funds, and other AIFM in the European Union

AIM – Alternative Investment Market

APM – Alternative Performance Measure (see page 25 for reconciliations)

AuM – Assets under Management

Board – The Board of Directors of the Company

bps – Basis Points

Brexit – The withdrawal of the United Kingdom from the European Union

Carbon emissions – Greenhouse gas emissions including carbon dioxide

CASS – The FCA's Client Asset Sourcebook rules

CDP (formally known as the Carbon Disclosure Project) – Global organisation which organises an annual climate assessment and reporting system for companies to use to support the reporting of climate risk

CGU – Cash-generating unit. The smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets

Climate risk – Risks from increasing levels of carbon emissions in the atmosphere (physical or financial)

CIO – Chief Investment Officer

Code – The Corporate Governance Code issued by the Quoted Companies Alliance for small and medium sized companies

Company – Premier Miton Group plc

DLOM – Discount for lack of marketability

DTR – Disclosure and Transparency Rules

EBT – Employee Benefit Trust (a vehicle used to hold shares allocated to an employee share scheme or to acquire shares/units on behalf of an employee of the Group)

ECLs – Expected credit losses

EDI – Equality, diversity and inclusion

EIR – Effective interest rate

EPS – Earnings per share

ESG – Environmental, Social and Governance

FCA – Financial Conduct Authority of the United Kingdom

FIL – Fidelity Worldwide Investments

Financed emissions – Scope 3 emissions that relate to investment portfolios

FMU – Fund management unit

FVTPL – Fair value through profit or loss

GAAP – Generally Accepted Accounting Principles

GDPR – General Data Protection Regulation

GHG – Greenhouse gas

Green Taxonomy – Defined and standardised economic activities that are categorised as green

Gross fund flows – total aggregate sales into Group funds

Group – The Company and all its subsidiaries

High carbon companies – Carbon intensive companies – PMI have defined as companies that are in the following GICS sector (Consumer Discretionary, Energy, Industrials, Materials, Utilities)

IA – Investment Association

ICARA – Internal Capital Adequacy Risk Assessment

IFRS – International Financial Reporting Standards

IIGCC (Institutional Investors Group on Climate Change) – European group that provides guidance to investment managers on managing risks and opportunities relating to climate change

IMA – Investment Management Agreement

ISA – International Standards on Auditing

ISS – Institutional Shareholder Services

GLOSSARY continued

KPI – Key performance indicator

LTIP – Long-Term Incentive Plan

MEI – Management Equity Incentive, a legacy scheme

MiFID II – The second iteration of the Markets in Financial Instruments Directive

MIP – Management Incentive Plan

NAV – Net Asset Value

NCCSR – Nil cost contingent share right

Net fund flows – total aggregate sales into Group funds less total redemptions from Group funds

Net zero – net zero carbon emissions refers to balancing the amount of carbon emitted and the equivalent that is removed

NZAM – Net Zero Asset Managers initiative

Operational emissions – Scope 1 and 2 carbon emissions and relevant Scope 3 emissions where data is available

Paris Agreement – Global commitment agreed at the COP21 meeting in Paris in 2015 to limit the increase in global average temperature to below 2 degrees C above pre-industrial levels

PCAs – Persons closely associated

PRA – Prudential Regulation Authority

PRI (Principles for Responsible Investment) – Global investor initiative which is closely associated with the United Nations focused on promoting and support responsible investing

QCA – Quoted Companies Alliance

Renewable energy – Energy produced from resources that are naturally replenished such as sunlight, wind, water and geothermal

RIOC – Responsible investing Oversight Committee

ROU – Right-of-use

Scope 1 emissions – Direct carbon emissions from sources that are owned or controlled by a company such as emissions from the use of gas and oil and by company vehicles

Scope 2 emissions – Indirect carbon emission from sources that are owned or controlled by a company such as emissions from consumption of purchased electricity and gas

Scope 3 emissions – Indirect carbon emissions from sources not owned or controlled by a company such as emissions from business travel, supply chains, product usage and investment portfolios

SDGs – Sustainable Development Goals

SECR – Streamlined Energy and Carbon Reporting

SIP – Share Incentive Plan

SM&CR – Senior Managers and Certification Regime

TCF – Treating customers fairly

TCFD (Taskforce of Climate-related Financial Disclosures) – Globally recognised framework of company climate disclosure

tCO_2e – tonnes of carbon dioxide equivalent

TPI – Transition Pathway Initiative

Transition plan – Company strategy to reduce the company carbon emissions towards net zero

TSR – Total Shareholder return

UTM – Unit Trust Manager

UCITS – Undertakings for the Collective Investment in Transferable Securities. Regulatory framework of the European Commission that creates a harmonised regime throughout Europe for the management and sale of mutual funds

UKCGC – UK Corporate Governance Code

WACI (weighted average carbon intensity) – Metric which represents a portfolios exposure to carbon intensive companies and is calculated by allocating company carbon emissions on a basis of portfolio weight

WCU – Woodland Carbon Units

APPENDIX 3

Summary of the Data Challenges

PMI have subscribed to a carbon dataset from Institutional Shareholder Services ('ISS') which provides carbon emissions and other climate metrics across 8,000 companies, generally providing good data coverage of the major investable universes. Across the entire AUM, PMI have carbon metrics coverage from ISS for approximately 75% in value of the assets, dominated by equities and fixed income.

Where PMI invest in third-party funds, independently estimated fund level carbon data is considered and direct engagement with third-party fund managers is undertaken to request their fund level carbon data.

Current climate data challenges include:

- Smaller companies where regulations do not yet require carbon emissions reporting
- Emerging markets where data is generally less accurate due to a lack of regulatory requirements
- ESG data providers, as their coverage is often limited to stock market indices driven by index provider requirements
- Fixed income where outside of public listed issuers carbon data tends to be limited
- Third-party funds which are generally not covered by independent ESG data providers (who tend to confine their attention to listed equity investments). Post the implementation of TCFD product reporting requirements under PS 21/24 it is expected that the reporting will improve for UK products, however at this point of time it is uncertain how the data will be directly distributed or the level of standardisation. The market remains unsure about how the Carbon Emissions Template ('CET') will be used
- Products such as investment trusts which, similar to investment funds, do not generally report carbon metrics, partly due to lack of reporting requirements. Additionally, these products tend to include difficult to measure assets such as alternative investments and financial instruments such as derivatives
- Lag in data availability. Company emissions data can be up to 12 months out of date when published in an annual report. Most of the data providers – including ISS – tend to update their data on an annual cycle, which means that company data could be up to two years old by the time it is published

Data quality and data availability are market-wide issues. PMI will work with other market actors to improve data quality, including through:

- Working with industry peers in collaborative initiatives to support the delivery of methodologies to calculate data and improve disclosure in asset classes beyond equities
- Supporting policies and initiatives in emerging markets and with smaller companies to encourage company disclosure
- Supporting the investment sector, ESG data providers and policy makers to increase data coverage and reporting methodology in fixed income
- Engaging with the CDP (and associated data providers that consume this data) to increase the universe of assets where carbon reporting is both requested and reported

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