

Governance Arrangements Disclosure



Purpose

Killik & Co LLP (the firm) is a limited liability partnership. The principal activities of the firm are the provision of investment management and wealth planning services to retail customers. The purpose of this document is to provide an overview of the firm's governance arrangements towards ensuring effective and prudent management of the firm.

Summary of Governance Structure

The partners of the firm delegate responsibility for direction and control to its governing body, the Killik & Co Executive Board, which meets quarterly. The Executive Board comprises partners from different parts of the business to ensure a diverse range of knowledge, experience and points of view. The Board also comprises two independent non-executive directors (NEDs) who supply additional insights and challenge to Board decision-making. All Board decisions require a quorum of three members.

The Killik & Co Executive Board has ultimate responsibility for all activities undertaken by the business and risk management objectives and policies are a key driver within the overall business strategy to ensure effective and prudent management of the firm. Our strategy is about being the best wealth manager for families, which puts our clients' needs at the centre of everything we do, ensuring we have a service for every generation, technology that makes it easy for people to access us and our services, and using our branches and House of Killik locations to be present in the communities and places where families live and meet. The strategy is reviewed every 6 months. In implementing the strategy, we give careful consideration to:

- Identifying the risks to which the capital of the business is exposed
- Articulating the impact and probability of specific risk types (harm to clients, harm to the firm, harm to markets) as well as appropriate risk mitigation methods

- Ensuring our approach is appropriate to the size, nature and complexity of transactions entered into by the Firm and services delivered to clients and reflects the quality and sophistication of the Firm's monitoring capabilities, systems and processes.

Certain matters are delegated by the Executive Board to three other Killik Committees, each with their own terms of reference defining their decision-making powers and/or the areas for which they have oversight; these are expected to advise the Executive Board concerning issues and actions. Each of these Committees - Audit & Risk Committee, Adviser Committee and Operations Committee - and the Executive Board have formal Agendas and receive a suite of management information for analysis, discussion and challenge. Actions agreed at Committees are escalated to the Board where necessary. All Committee and Board meeting actions are assigned to senior individuals and tracked to resolution.

A subset of the Killik Partners are Senior Managers under the FCA's Senior Managers Regime. Each of them has a Statement of Responsibility defining the areas of the business directly under their control and for which they are accountable. There is appropriate segregation of duties amongst the Senior Managers, as well as throughout the organisation, to prevent conflicts of interest and improve oversight. We invest in training and continuous professional development to ensure adequate knowledge and skills of each individual to perform their duties (including oversight of others) to a high standard.

At Killik & Co we seek to avoid conflicts of interest wherever possible. For this reason we do not conduct any Proprietary Trading, we do not operate a Corporate Finance function; and we do not operate our own funds (Collective Investment Schemes). Therefore, all of our trading activity and investment recommendations are free from bias and based upon what is suitable and in the best interests of our clients. Further information about how we manage or avoid conflicts is provided in our Conflicts Policy: www.killik.com/wp-content/uploads/2021/06/KillikCo_Conflicts-of-interest_2021.pdf.

Additional Directorships

To ensure that members of the Executive Board can devote sufficient attention to the management of the firm, the number of other commercial directorships (outside those of the Killik Group) that they can hold is limited and is permitted only where there is no conflict with their duties to the firm and our clients and where they are permitted under FCA rules. These are disclosed in the table below:

Members of Management Body(all are Partners or NEDs)	Number of disclosable non-Killik directorships held
Paul Killik, Senior Partner	Zero
Georgiana Killik, Business Development	Zero
Clem MacTaggart, Chief Strategy Officer	Zero
Craig Manning, Chief Finance Officer	Two
Penny Rooney, Chief Risk Officer	Zero
Richard O'Neill, Chief Operations Officer	Zero
Sarah Threadgould, Chief Marketing Officer	Zero
Michael Pate, Head of Advisers	Zero
Simon Haslam, NED	Two non-executive directorships
Rupert Dickinson, NED	Two non-executive directorships

Only directorships for commercial enterprises in companies outside of the Killik Group are shown in this table.

Diversity of the Executive Board

With respect to diversity, we focus on 'diversity of thought', aiming to bring together a range of different styles of thinking among members of the Executive Board with a view to this aiding better decision-making. Therefore we seek to ensure that the Executive Board comprises people with different perspectives, abilities, knowledge, attitudes, information styles, and demographic characteristics.

Board representation comes from across the business, providing subject matter expertise in the following areas:

- Investment management
- Investment advice
- Compliance
- Risk management
- Finance
- Operations
- Brand & Marketing
- Business Strategy
- New business development.

The natural result of this has been a degree of gender diversity, Board members who represent various age brackets and people who come from different social, economic and geographical backgrounds (e.g. first member of a family to have entered higher education; a range of socio-economic backgrounds; non-UK nationals brought up overseas).

We seek to identify, nurture and retain talent by approaching recruitment and promotion with an open-mind and using our existing Board diversity to challenge potential bias or blind spots in decision making. We also offer equal opportunities for all staff to train, develop and receive mentoring throughout their Killik career and progress people with talent and commitment ensuring there is a pipeline of diverse individuals progressing through the organisation who can become the Board members of the future.

Audit & Risk Committee

Killik & Co is not required by FCA rules to have a risk committee as we fulfil the exemption set out in MiFIDPRU 7.1.4R. However, for reasons of good governance we have long maintained a risk committee, more recently expanded to an Audit and Risk Committee, which is chaired by one of our non-executive directors.

Reference: FCA Handbook, MiFIDPRU 8.3 Governance Arrangements.