

Section 172(1) Statement

The Directors of the Company are required to give an annual statement which describes how the Directors have had regard to the matters set out in section 172(1) of the Companies Act 2006 when discharging their duty under that section. Under section 172 of the Companies Act 2006, the Directors of a Company must act in the way that 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. In doing so, they should have regard to other factors, including but not limited to: (a) the likely consequences of any decision in the long term; (b) the interests of the Company's employees; (c) the need to foster the Company's business relationships with suppliers, customers and others; (d) the impact of the Company's operations on the community and the environment; (e) the desirability of the Company maintaining a reputation for high standards of business conduct; and (f) the need to act fairly as between members of the Company.

The Directors of the Company are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006. The Board considers key stakeholders as part of the process for setting strategy and making decisions. Considerations relating to stakeholders are included, where relevant, in board papers and other information provided to the Board.

The Directors acknowledge that effective and meaningful engagement with stakeholders and high standards of business conduct, consistent with the Company's values, are key to promoting the success of the Company especially as the Company's business model extended from January 2023 to include the provision of investment management services to other Group entities. As the Company's scope of activities increases so do the stakeholders in the Company, these are currently MSI, the sole shareholder (MS AIHL), the Toro Prism Trust, MSI's subsidiaries to whom the Company provides investment management services, its employees, its suppliers, its regulators, the community and the environment.

The Directors consider the likely consequences of any decision in the long term and identify the stakeholders who may be affected. They consider their interests and any potential impact as part of the decision-making process. This is explained further below.

Shareholder

The Company's shareholder is represented by attendance of board meetings by a shareholder liaison manager. These representatives are regularly consulted by management on key strategic decisions and other operational matters.

MSI subsidiaries to whom the Company provides services

The Directors regularly engage with the senior management of the MSI subsidiaries that receive the Company's services to ensure that those services meet agreed levels and are appropriate to the long-term success of those companies. The Directors engage their clients through various committees that enhance collaboration in the best interests of the Group.

Employees

The Directors recognise that the Company's employees are fundamental to its long term success and seek to promote the interests of all employees. Through employee surveys and other engagement actions, the interests of employees are regularly evaluated by Directors. In addition, the Employee Assistance Programme provides expert and confidential support to employees in difficult circumstances and a comprehensive learning and development programme supports the different development needs of employees. A Speak Up policy and process is utilised as well as a talent management programme to support staff and to complement all of the above. A Diversity & Inclusion hub is operational with several employee-led networks, as part of a commitment to an inclusive approach.

Suppliers

The Directors recognise the importance of the Company's suppliers to the delivery of its strategy. As such, the Directors seek to build long term relationships with suppliers through a fair procurement process and regular engagement. Terms of trade are agreed which are considered appropriate to the supplier's size and industry sector.

The following paragraphs explain how these interests were considered in key strategic decisions during 2024.

During 2024, the Company continued to operate its workplace strategy as a hybrid model of home and office working, thereby optimising flexible ways of working, together with a consolidation of office space. Under the hybrid working strategy, the amount of time an employee works from the office will depend on the nature of the employee's work, as well as employee wellbeing considerations. This approach has been formulated in light of extensive employee feedback. In conjunction with this, the Company has been reassessing its property requirements, reflecting the new operating model and the new ways of working, and cost remediation activity. As such, from February 2025, the Company's staff moved to a London serviced office space, consistent with the Company's hybrid working strategy.

In 2024 the Company began implementation of a project to evaluate how it can further reduce operational risks. Stakeholders such as shareholders, management, employees, customers, and regulatory bodies all stand to gain from smoother, more predictable operations, greater quality of services resulting in better customer satisfaction, and stronger partnerships. This work is intended to be undertaken throughout 2025 and beyond.

The Directors believe that the above decisions are in the long term interests of the Company and its stakeholders through building value across MSI and its subsidiaries by increasing efficiency, using talent to greater effect and ultimately driving improved financial performance and growth.