

Governance Report

Overview

Compliance with the Code

The Company has assessed itself with reference to the Code. The Board confirms that the Company applied the principles and complied with the provisions of the Code throughout FY23 and up to the Last Practicable Date. The Board is actively considering the implications of the FRC consultation on changes to the UK Corporate Governance Code on the Company’s governance framework and the operation of its committees and governing documents.

Directors’ independence

The Board has determined that all of the Non-Executive Directors other than Morgan Seigler are free from any business or other relationship that could impair their independent judgement and are therefore “independent Non-Executive Directors” within the meaning of the Code. The Non-Executive Directors holding shares in the Company are not, nor do they represent, a significant shareholder.



The Directors believe that the appointment of Morgan Seigler to the Board by TA Associates, pursuant to the Relationship Agreement, is assisting the Group with the implementation of its growth strategy, particularly given Morgan’s familiarity with the business, transactional experience and network of contacts through TA Associates, which the Directors believe will assist the Group in sourcing acquisition opportunities. The Directors further believe that the terms of the Relationship Agreement enable the Group to function independently of TA Associates notwithstanding TA Associates’ appointment of Morgan Seigler to the Board.

The Board is mindful that the Code lists that where Non-Executive Directors hold cross-directorships or have significant links with other Directors through involvement in other companies or bodies, this is likely to impair, or could appear to impair, a Non-Executive Director’s independence. Accordingly, the Board has assessed the independence of Scott Forbes and Suzanne Baxter, given that Scott serves as independent Chair, and Suzanne as an independent non-executive director of Ascential plc, a UK listed company. They are not involved in executive duties for Ascential plc and each have a similar obligation to be independent for Ascential plc as they do for the Company. The Board does not consider that Scott Forbes’ and Suzanne Baxter’s positions as independent Non-Executive Directors of the Company are adversely impacted by their roles on the board of Ascential plc and is satisfied that, notwithstanding these appointments, they are to be regarded as independent.

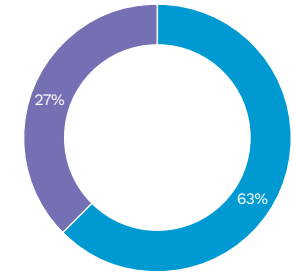
Board composition

At the date of this report, our Board comprises eight members: the Chair, the CEO, the CFO, four independent Non-Executive Directors and one non-independent Non-Executive Director. Over half the Board (excluding the Chair) comprises independent Non-Executive Directors and the composition of all Board Committees complies with the Code.

Governance at a glance

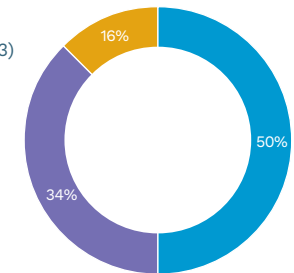
Board gender diversity

Male (5)
Female (3)



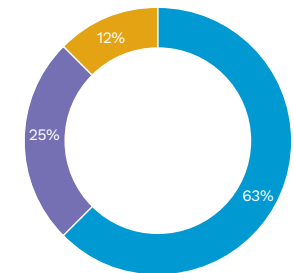
Board independence

Independent (4)
Non-independent (3)
Chair (1)



Length of tenure

0-3 years (5)
3-6 years (2)
6-9 years (1)



Governance Report continued

Operation of the Board and its Committees

The Board

The Board is responsible for leading and directing the Company and has overall authority for the management and conduct of its business, strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal controls and risk management (including financial, operational, compliance and controls relating to cyber and digital security) and for reviewing the overall effectiveness of systems in place as well as for the approval of any changes to the capital, corporate and/or management structure of the Company.

Division of responsibilities

The Board currently comprises the Chairman, two Executive Directors and five Non-Executive Directors. There are clear written guidelines around the division of responsibilities and, in accordance with the Code, the roles of Chairman and Chief Executive Officer are held by separate individuals.



Board balance and independence

Chairman	<ul style="list-style-type: none"> • Leadership and governance of the Board • Ensures constructive relationships between the Executive and Non-Executive Directors • Ensures appropriate engagement with key stakeholders • Sets the agenda and tone of the Board meetings • Reviews the Board's effectiveness and monitoring the Non-Executive Directors' independence • Oversees the succession and composition of the Board
Chief Executive Officer	<ul style="list-style-type: none"> • Day-to-day responsibility for managing the business • Reviews and recommends the Group's strategy to the Board and ensures its implementation • Provides regular updates to the Board on all significant matters • Delivers the Group's sustainability strategy • Delegation of authority to the Group's Senior Management Team • Responsible for effective and ongoing communication with shareholders
Senior Independent Director	<ul style="list-style-type: none"> • Acts as a sounding board to the Chairman • Acts as an intermediary for the other Board members and/or shareholders and other key stakeholders • Evaluates the Chairman's performance as part of the annual Board effectiveness review
Non-Executive Directors	<ul style="list-style-type: none"> • Provide independent judgement, knowledge and commercial advice • Constructively challenge the Executive Directors and monitor their performance against strategy • Manage agendas and provide input into key matters and issues through the Board Committees

Senior Independent Director

As set out above, the Code recommends that the board of directors of a company should appoint one of the independent non-executive directors to be the Senior Independent Director in order to provide a sounding board for the chair and to serve as an intermediary for the other directors when necessary. The Senior Independent Director has an important role on the Board in leading on corporate governance issues and being available to shareholders if they have concerns which have not been resolved through the normal channels of the Chair, Chief Executive Officer or other Executive Directors. Scott Forbes has been appointed as the Senior Independent Director of the Board.

The Committees

The Board has established a number of Committees, whose terms of reference are documented formally and updated as necessary and can be found on the Company's website at www.auctiontechnologygroup.com. The Committees report back to the Board on their activities at the Board meeting following the respective Committee meeting. The composition of each Committee is designed to ensure common membership between Committees with shared responsibilities.

Audit Committee

The Audit Committee is chaired by Suzanne Baxter and other members are Scott Forbes and Tamsin Todd.

The Audit Committee meets at least four times a year, and more frequently if required. The quorum necessary for the transaction of business at any meeting of the Audit Committee is two members.

Appointments to the Audit Committee are made by the Board, on recommendation by the Nomination Committee and in consultation with the Chair of the Audit Committee.

Governance Report continued

The Audit Committee's role is to assist the Board with the discharge of its responsibilities in relation to financial reporting, including reviewing the Group's Annual and Interim Consolidated Financial Statements and accounting policies, including climate-related financial disclosures, the internal control framework, internal and external audits, reviewing and monitoring the scope of the annual audit and the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors and reviewing the effectiveness of the risk management framework, internal audit, internal controls, whistleblowing and fraud systems in place within the Group.

There is further detail on the Audit Committee's activities on pages 82 to 89.

[→ Audit Committee Report page 82](#)

Remuneration Committee

The Remuneration Committee is chaired by Scott Forbes and its other members are Breon Corcoran, Suzanne Baxter and Tamsin Todd. The Remuneration Committee meets at least twice a year, or more frequently if required. The quorum necessary for the transaction of business at any meeting of the Remuneration Committee is two members.

The Remuneration Committee has delegated responsibility from the Board for determining the policy for Executive remuneration and setting remuneration for the Chair, the Executive Directors and the Senior Management Team. It reviews the remuneration of our people and related policies and the alignment of incentives and rewards with culture, taking them into account when setting the policy for Executive Directors' remuneration. The responsibilities of the Remuneration Committee are covered in its terms of reference, which include determining and monitoring the strategy and policy on remuneration, termination, performance-related pay, pension arrangements, share incentive plans, and remuneration reporting and disclosure.

There is further detail on the Remuneration Committee's activities on pages 94 to 112.

[→ Remuneration Committee Report page 94](#)

Nomination Committee

The Nomination Committee is chaired by Breon Corcoran, and its other members are Scott Forbes and Pauline Reader. The Nomination Committee meets at least twice a year, or more frequently if required. The quorum necessary for the transaction of business at any meeting of the Nomination Committee is two members.

The responsibilities of the Nomination Committee include reviewing the size, structure and composition of the Board and ensuring that the Board comprises the right balance of skills, knowledge, diversity and experience; identifying and nominating for approval candidates to fill any vacancies on the Board; giving full consideration to the organisation and succession planning for the Group; and making recommendations to the Board concerning membership of the Audit Committee and the Remuneration Committee in consultation with the Chairs of those Committees.

There is further detail on the Nomination Committee's activities on pages 90 to 93.

[→ Nomination Committee Report page 90](#)

Sustainability and ESG Committee

The Sustainability and ESG Committee was established in FY22 as the Sustainability and Climate Risk Committee primarily to support the implementation of the TCFD recommendations for corporate reporting, but more widely to cover climate-related developments and wider sustainability topics as may be required. The terms of reference of the Committee were expanded in FY23 to encompass corporate responsibility, environmental and wider ESG matters and its name changed to the Sustainability and ESG Committee. The Committee is chaired by Richard Lewis, Chief Operating Officer, and membership comprises Suzanne Baxter, Tom Hargreaves, and representatives from Finance, Investor Relations, Internal Audit and HR. The Committee meets at least twice a year.

[→ Sustainability Report page 44](#)

Disclosure Committee

The role of the Disclosure Committee is to ensure timely and accurate disclosure of all information that is required to be disclosed to the market to meet the legal and regulatory obligations and requirements arising from the listing of the Company's securities on the London Stock Exchange, including the Listing Rules, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation framework.

The Disclosure Committee will meet at such times as shall be necessary or appropriate, as determined by the Chair of the Disclosure Committee or, in his or her absence, by any other member of the Disclosure Committee. The Disclosure Committee is chaired by John-Paul Savant and its other members are Tom Hargreaves, the Company Secretary, and any one Non-Executive Director.



Governance Report continued

Composition, succession and evaluation

Board appointments

The Nomination Committee is responsible for the appointment of new Directors to the Board and the Committees, in conjunction with the Chair of each Committee, to ensure that any new appointment provides the right balance of capabilities in line with the Board's policy on diversity. The Nomination Committee is also responsible for ensuring succession plans are in place at Board and senior management level. The Nomination Committee will consider the time commitment of any potential new appointment to the Board to ensure they are able to dedicate sufficient time to fulfil their role. The Chairman considers new external appointments which may impact existing time commitments and the Board must approve them. There are no Directors whom the Nomination Committee consider to be over-extended or unable to fulfil their duties to the Board. All Directors are expected to attend all Board and relevant Committee meetings.

Election and re-election

In accordance with the Company's Articles of Association and the Code, the Directors intend to stand for re-election at the Company's forthcoming AGM and for annual re-election at each subsequent AGM of the Company. In addition, prior to recommending their re-election to shareholders, the Nomination Committee, on behalf of the Board, carried out an annual re-assessment of each of the Non-Executive Directors.

Taking account of the recommendations of the Nomination Committee and the results of the Board evaluation carried out during the year under review, the Board considers that all the current Directors continue to be effective, are committed to their roles, and have sufficient time to perform their duties. The Board therefore recommends the re-election of all Directors. Directors' biographies can be found on pages 79 to 81 and in the Notice of Meeting.

Induction and continuing development

The Company Secretary in conjunction with the Chair is responsible for ensuring that newly appointed Directors receive appropriate induction training, in accordance with the Code and the Board's own induction policy. Any newly appointed Director will also be invited to participate in a range of meetings with members of the Senior Management Team to familiarise themselves with the business, its strategy and goals. Board meetings generally include one or more presentations from the Senior Management Team on areas of strategic focus.

Board evaluation

In early 2023 the Board conducted an effectiveness review of its performance and that of its Committees, led by the Chair and the Company Secretary. The Senior Independent Director led a review of the Chair. The focus of the internal review was to obtain feedback on progress so far, to seek recommendations for improvement and to consider the key priorities for the business and the Board in the second half of FY23 and beyond. The overall conclusion was that the Board and its Committees comprised high-quality, experienced individuals and that they were engaged in meetings and the quality of debate was high and centred on the right issues. Most review areas were scored as either good or excellent. Common outputs emerging from this exercise were as follows, along with agreed actions:

Finding: Increase Board focus on strategic discussion with less reliance on operating updates, framing the key strategic issues for debate and input from the Board.

Action: Board agendas have been re-focused to ringfence strategic items and stimulate strategic discussion. Board papers frame the key issues for debate and sufficient time is allocated at each Board meeting for each Director to reflect and contribute. Each Board meeting includes a strategic update by key members of the Senior Management Team, which stimulates Board discussion and challenge.

Finding: More consistent communication to the Board on risk-related outputs from each Board Committee, in particular the Audit Committee.

Action: Each Board agenda has an item dedicated to reporting from each Board Committee and risk-related outputs are formally captured in the minutes.

Finding: Regularly review the composition of the Board in terms of any skills gaps and diversity in the context of key markets and regulatory obligations.

Action: The Nomination Committee, on behalf of the Board, undertook a comprehensive Board skills assessment in FY23. The purpose of this assessment was to ensure appropriate future strategic direction of the Board and its alignment with strategic objectives, as well as its ability to monitor the key and emerging risks facing the Group. Further details on the methodology and output of the Board skills assessment can be found on page 91.

Finding: Review the size and content of Board papers to streamline Board reporting.

Action: The Company Secretary works with the management team to guide and advise on the nature and content of papers, ensuring that the purpose of each paper is clearly identified and the Board's time is optimised. Background information is provided in appendices if not essential for Board discussion and decision-making.

The Board intends to comply with Code Provision 21 whereby an externally facilitated evaluation will take place at least every three years. The Board intends to commission an externally facilitated board performance review in FY24.

Board leadership and Group purpose

The Company is led by an effective Board, which is responsible for leading and directing the Company and has overall authority for the management and conduct of its business, strategy and development. The strategy is intended to drive long-term sustainable growth and meet the interests of our key stakeholders.

The Board has established an effective governance and risk framework. The framework ensures that our people are able to raise any matters of concern, and that all policies and practices are consistent with the Company's values.

Governance Report continued

The Group's purpose, as detailed throughout the Annual Report, is to unlock the value of the secondary goods market and, in doing so, to accelerate growth of the circular economy. Through our eight online marketplaces we enable a large, diverse and fragmented buyer base to bid on a wide range of assets curated by expert auctioneers. In turn, auctioneers are able to access a global buyer base in a cost-efficient way, through our specialised marketplace technology. Every year our marketplaces ensure that millions of used items are resold for re-use or repurpose, preventing waste and carbon emissions from the manufacturing of new items. By extending the lives of millions of items, we are accelerating the growth of the circular economy and creating a new global channel of sustainable commerce. Our employees come to work each day to make their piece of the auction ecosystem better by making buying or selling second-hand goods easier and faster. Their efforts lead to more auctioneers selling more assets, in more categories, online, and more buyers from around the world placing more bids. This generates a virtuous circle of growth between auctioneers and bidders searching across an incredible range of specialised and unique second-hand items; all reducing the need to buy new. Our goal of unlocking this value underpins our entire business strategy as we continue to commit to leading the structural transformation of the auction industry as a trusted partner to auctioneers, bidders, our people and our community.

Our purpose informs our business strategy and commitment to being a supportive and trusted partner to the industry, our people and our community. Our strategy, which is to lead the evolution of the auction industry from offline to online by providing auctioneers with the most complete and impactful set of integrated online services and capabilities in the world, sets the direction the Group takes in order to help it achieve its purpose. The strategy and the purpose set out above are the key drivers to the Board's decision-making and actions and ensuring these are implemented successfully; this is particularly key when integrating a new business into the Group as part of the Group's M&A strategy. Further information on the Group's strategy can be found in the Strategic Report on pages 16 to 20.

The following table details how the Company has applied each of the five principles underpinning Board leadership and Company purpose. The Company has complied with the provisions of the Code for the financial year.

	Pages
Board leadership and Company purpose	
The Board is responsible for setting and delivering the Group's strategy and monitoring how it is performing against the agreed strategy for the benefit of all its stakeholders. The Board is also responsible for defining, monitoring and overseeing the Group's culture and ensuring it is aligned to the purpose and strategy. Further information on how opportunities and risks to the future success of the business have been considered and addressed, the sustainability of the Company's business model and how its governance contributes to the delivery of its strategy can be found as follows:	Chairman's Statement 08 Chief Executive Officer's Statement 09 Business Model 13 Six Strategic Growth Drivers 16 Key Performance Indicators 21 Principal Risks and Uncertainties 30 Sustainability Report 44 Governance, Board and Group purpose 70 Committee Reports 82
Division of responsibilities	
The Chair leads the Board which includes an appropriate combination of Executive Directors and Non-Executive Directors. The Non-Executive Directors provide constructive challenge, strategic guidance and advice, and have sufficient time to meet their Board responsibilities. The Board has identified certain 'reserved matters' that only it can approve. Other matters, responsibilities and authorities have been delegated as appropriate, and there are relevant policies and processes in place for the Board to function effectively and efficiently. The Board has clear written guidelines on the division of responsibilities between the Chair, Chief Executive Officer, Senior Independent Director, Board and Committees. Further information on the application of these principles can be found as follows:	Division of responsibilities 71 Board attendance 77 Board independence 70 Board Committees 71
Composition, succession and evaluation	
A rigorous, effective and transparent appointment process is in place, which, together with the effective succession plans, promotes diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. A comprehensive and tailored induction programme is in place for new Directors joining the Board. The induction programme facilitates their understanding of the Group and the key drivers of the Group's performance. The Board has delegated responsibility to the Nomination Committee to keep under regular review the composition of the Board and its Committees. The Nomination Committee is also responsible for succession planning and the Group's policy on diversity and inclusion. Further information on the application of these principles can be found as follows:	Board biographies 79 Board composition 70 Nomination Committee Report 90 Sustainability Report 44

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	Pages
Audit, risk and internal control	
The Board has established formal and transparent policies and procedures to ensure the independence and effectiveness of both internal and external audit functions. The Board satisfies itself on the integrity of financial and narrative statements. The Board presents a fair, balanced and understandable assessment of the Group's position and prospects. The Board has established procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks of the Group. The Board has delegated responsibility to the Audit Committee to oversee the Group's financial framework, financial controls and internal controls, and that policies and procedures are in place to manage risks appropriately. Further information on the application of these principles can be found as follows:	Principal Risks and Uncertainties 30
	Risk Management 28
	Audit Committee Report 82
Remuneration	
The Company has designed the remuneration policies and practices to support strategy and promote long-term sustainable success. Executive remuneration is aligned to the interests of our shareholders and to the Company's purpose and values and is clearly linked to the successful delivery of our long-term strategy. There is a formal and transparent procedure for developing executive remuneration policy and determining Director and Senior Management remuneration. Directors are able to exercise independent judgement and discretion when authorising remuneration outcomes, taking into account Company and individual performance and wider circumstances. The Remuneration Committee is responsible on behalf of the Board for determining and monitoring the strategy and policy on remuneration, termination, performance-related pay, pension arrangements, share incentive plans to support the Group's strategy, and remuneration reporting and disclosure. Further information can be found as follows:	Directors' Remuneration Report 94

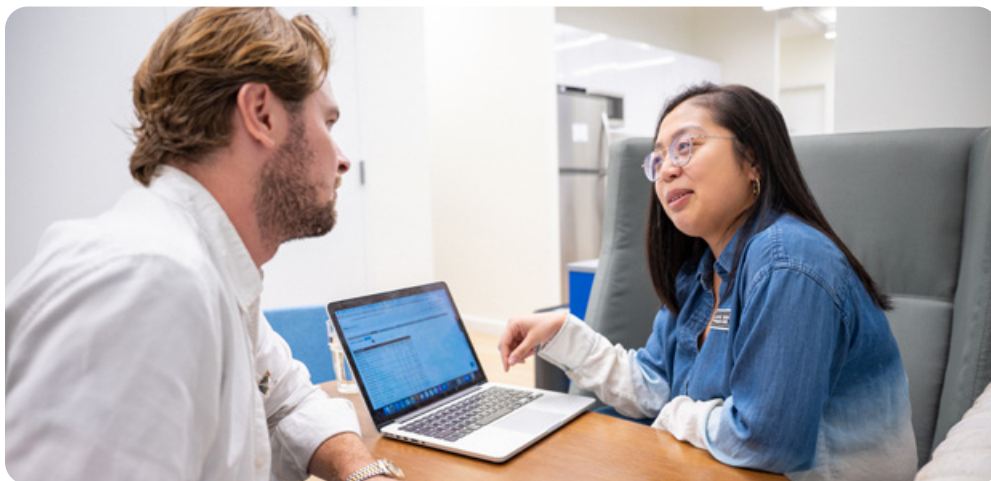
Board meetings

The Chairman, in conjunction with the CEO and Company Secretary, plans an annual programme of business prior to the start of each financial year, to ensure that essential topics are covered at the appropriate time and that space is built in advance to provide the Board with the opportunity to hold in-depth discussions and deep dives on key strategic issues.

Board papers are circulated electronically in advance of meetings to ensure sufficient time for the Board to absorb, thus facilitating robust discussion.

The Board schedules six meetings each year to allow the Board sufficient time to discharge its duties, with ad hoc meetings convened as and when required. There were six scheduled Board meetings during FY23, excluding ad hoc sub-committee meetings for time-sensitive approvals and matters approved via written resolution. Information on Directors' attendance at Board and Committee meetings is set out on page 77. Board meetings are held in person at our London offices. Given her location, Pauline Reader joins Board and Committee meetings via videoconference and attends at least one meeting per annum in person.

To ensure that the Board has good visibility of the key operations of the business, members of the Senior Management Team attend Board meetings regularly to provide presentations on areas of strategic focus and progress against our strategic growth drivers.



Governance Report continued

Board activities in FY23

The areas of focus discussed during the year under review included:

Board areas of focus	
Strategy	<ul style="list-style-type: none"> Acquisition of Vintage Software LLC (trading as EstateSales.NET ("ESN")) in January 2023 and subsequent integration into the Group Continuous oversight of the M&A strategy at every Board meeting Regular reports from the CEO at each meeting detailing the performance of the business against the strategic goals and six growth drivers Review and refreshment of the Group's strategy, priorities and budget at offsite Senior Management Team meetings, which were thoroughly scrutinised by the Board at meetings held in July and September 2023 Discussion and challenge of strategic updates from members of the Senior Management Team around the Group's two sectors, Industrial & Commercial and Arts & Antiques, and across the roll out of key strategic initiatives. These included atgPay, shipping, the transition to a single technology platform programme, cross-listing and the development of integrated bidding, the roll out of marketing initiatives, product development, milestone updates on people matters, IT strategy and future plans including IT security and resourcing Briefings from the CEO on the reorganisation of the North America business
Risk and risk management	<ul style="list-style-type: none"> A thorough review of the Group's risks and the potential impacts on the business was undertaken as part of the interim and annual results process A review of the risk register, principal and emerging risks and risk appetite statement, was conducted by the Audit Committee and reported to the Board Approval of the Group Financial Processes and Controls Manual and Group Accounting Manual, following recommendation by the Audit Committee
Financial performance	<ul style="list-style-type: none"> Approval of the full year results for FY22 and interim results for FY23 Receipt of reports from the CFO at each meeting detailing the Group's performance and progress against budget and against analyst consensus Implementation of the TCFD recommendations for corporate reporting in the FY22 Annual Report, with oversight from the Sustainability and ESG Committee and the Audit Committee Consideration of the FY24 annual business plan and budget Approval of amendments to bank facilities agreements reflecting the transition from USD LIBOR to SOFR Oversaw the Audit Committee's engagement with the Financial Reporting Council ("FRC") following the FRC's review of the FY22 Annual Report
Governance	<ul style="list-style-type: none"> Approval of the resolutions to be put to shareholders at the AGM and reviewed investor feedback received A review of the governance framework and consideration of the impact of regulatory changes, including the FRC consultation on changes to the UK Corporate Governance Code An internal evaluation of the Board, its Committees and the Chair's performance A review of all Committees' terms of reference Approval of the Modern Slavery Statement Completed the annual review of the Board's suite of governance policies
Stakeholders see s.172	<ul style="list-style-type: none"> Feedback from shareholders following the FY22 full year results and FY23 interim results and feedback from investor roadshows and evaluation of market guidance Considered reports on the integration of ESN into the business. Further details on the process and considerations of this decision are set out in the S.172 Statement on pages 35 to 43 Received share register analyses and movements within the register Engagement with major shareholders via the Remuneration Committee twice during the year regarding executive remuneration Received two updates from the designated Non-Executive Directors following formal engagement with employees and agreed outputs Consideration of the results of the employee engagement survey Provided experience and feedback on proposed changes to parental leave policies in the UK Approved new rental terms for the London office lease. Further details on the process and considerations of this decision are set out in the S.172 Statement on pages 35 to 43. Approved the change of presentational currency of financial statements from FY24 onwards from pound sterling to US Dollars

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Board and Committee meetings and attendance in FY23

As detailed on pages 71 to 72, the Board has in place a number of Committees that support the Board in providing oversight of specific areas of Audit, Remuneration, Nomination and Sustainability. The table below details the number of scheduled meetings held during the year under review and the attendance by each Director at the meetings they were eligible to attend.

Name	Board	Audit Committee	Remuneration Committee	Nomination Committee	Sustainability and ESG Committee
Breon Corcoran	5/6 (83%)	–	4/4 (100%)	2/2 (100%)	–
John-Paul Savant	6/6 (100%)	–	–	–	–
Tom Hargreaves	6/6 (100%)	–	–	–	1/2 (50%)
Scott Forbes	6/6 (100%)	5/5 (100%)	4/4 (100%)	2/2 (100%)	–
Suzanne Baxter	6/6 (100%)	5/5 (100%)	4/4 (100%)	–	2/2 (100%)
Pauline Reader	6/6 (100%)	–	–	2/2 (100%)	–
Tamsin Todd	6/6 (100%)	5/5 (100%)	4/4 (100%)	–	–
Morgan Seigler	6/6 (100%)	–	–	–	–

Notes

(i) The attendance above reflects the number of scheduled Board and Committee meetings held during FY23. The Board held four additional ad-hoc Board meetings during the reporting period to address urgent matters, which were attended by all Directors or at least the requisite quorum. This includes matters resolved by unanimous written resolution.

Each Director's attendance at Board and Committee meetings is considered part of the formal annual review of their performance. When a Director is unable to attend a Board or Committee meeting, they communicate their comments and observations on the matters to be considered in advance of the meeting via the Chair, the SID or the relevant Board Committee's Chair for raising, as appropriate, during the meeting.

Prior to each Board and Committee meeting, each member receives the agenda and associated Board papers to support those items on the agenda. The Chief Executive Officer provides an update on key commercial issues and projects across the Group on behalf of the Senior Management Team and the Chief Financial Officer provides updates on the current and forecast financial position at each meeting. The Committee Chairs also provide updates on the work of the Committees and highlight any areas which require consideration by the full Board. Other matters are added to the agenda of scheduled Board meetings, or Board meetings convened as and when necessary if a specific time-critical item needs consideration.

Board priorities for FY24

The key items proposed for FY24 are to:

- Review the progress and delivery of the Group strategy
- Continue to review any potential M&A opportunities
- Conduct an externally facilitated Board effectiveness review
- Review the composition of the Board to ensure progress to meeting diversity targets
- Review succession plans for the Board and the Senior Management Team
- Continue to develop our ESG and sustainability governance framework

Culture

Our innovation and collaboration-driven culture is core to our success. The Board plays a key role in ensuring that this culture is aligned with the strategy and that behaviours are maintained or adequately adapted to meet the needs of future and evolving operations. Over the last year, the Group has maintained its collaborative culture, successfully integrating LiveAuctioneers and ESN into our business and culture. Our collaborative approach has been demonstrated by the performance of the business during this time, successfully delivering its service to its customers, in a period of increased demand, largely due to the acceleration in auction activity migrating from offline to online.

As the Group expands, our international workforce has grown and the Board believes that it is important to ensure that the culture is embedded across the Group and adapted as necessary, to cater for differing regulations and requirements within different countries. The Board leads by example and ensures that the appropriate policies and procedures are in place to maintain the Group's culture.

The Board welcomed and supported the roll out of the refreshed ATG Values during the year, providing a 'North Star' for all at ATG. ATG and its companies have a diverse range of cultures and as well as maintaining some of the unique aspects of each of our companies, certain elements have been consolidated into common values across all of our businesses, an articulation of the environments our people work in and what it means to be part of 'OneATG'.

The Group monitors its culture through the use of employee surveys, employee engagement sessions, data on employee turnover and via any breaches of our codes of conduct and through our whistleblowing policy.

[→ Stakeholder Engagement page 35](#)

Diversity, equity and inclusion

The Board is committed to maintaining a Board with a diverse set of skills, experiences and backgrounds, as set out in the Board Diversity policy. The Board Diversity policy applies to the Board's Remuneration, Audit and Nomination Committees as well as the Board, and the Nomination Committee and the Board review the Board Diversity policy on an annual basis.

Governance Report continued

The Board Diversity policy has been expanded to cover wider diversity characteristics beyond gender and ethnicity, including disability, sexual orientation, socio-economic background and cognitive diversity, all of which are taken into account in the Board nomination and appointment process. Our Board Diversity policy can be found on our website.

During the year, the Committee considered the revised minimum target of 40% women on listed company boards and the provision that at least one of the positions of Chair, CEO, CFO or SID is filled by a woman, and aims to achieve this target by the end of 2025. Further details on the application of our Board diversity policy can be found in the Nomination Committee Report on pages 90 to 93. A description of our approach to diversity for our wider employee base is set out in our Sustainability Report on page 64.

Employee engagement

An employee engagement survey was conducted during the year, the results of which were shared with the Board in January 2023. The Board welcomed the 83% participation rate and the overall engagement score of 76%, as well as the high approval rate for the Senior Management Team. Overall results showed a high level of satisfaction amongst our employees and the areas of collaboration, passion and respect received high scores. Further details can be found in the Sustainability Report on page 62.

The Board recognises the importance of continuing to engage with the Group's workforce and considers employee perspectives as part of Board discussions and decision-making. Details of how the workforce has been consulted in relation to specific Board decisions, and the outcome of that engagement, is set out in the s.172 Statement on page 35 to 44. As signposted in the FY22 Annual Report, the Board reviewed the appointment of the designated Non-Executive Director for workforce engagement during the year and as a result, Tamsin Todd has taken over from Breon Corcoran as the Board's designated Non-Executive Director for workforce engagement, as defined in the Code. During FY23, both Breon and Tamsin met with a cross-section of the Group's employees, spread across operations in Europe and the US. These sessions are scheduled at least twice a year and cover topics such as culture, strategy, remuneration and any other key issues the employees wish to raise. At the scheduled Board meetings following these sessions, Breon and Tamsin reported on key themes, and the Board discussed issues and actions to be taken, delegating to Board

Committees and executives where appropriate. Outputs and actions arising from these sessions are set out on page 73. Further feedback is solicited from employees through the annual employee engagement survey, the results of which are reviewed by all teams and via feedback sessions in smaller focus groups. Actions are identified and progress and trends are tracked over time.

Shareholder engagement

The Board recognises the importance of engaging with existing and potential shareholders. The Director of Investor Relations has defined an investor relations programme that aims to ensure that existing and potential investors understand the Group's business model, strategy and performance. The Board ensures a clear understanding of the views of investors through the various methods set out in the Stakeholder Engagement section of this report on page 39. The Executive Directors made formal presentations on the full year and interim results (in December 2022 and May 2023), which were made available on the Company's website. The results presentations were followed by formal investor roadshows. A continuous programme of meetings with existing and potential investors, fund managers and sell-side analysts covers a range of topics including strategy, performance, outlook and ESG matters. The Chair is also available for meetings with major shareholders and the Chair of the Remuneration Committee consulted with shareholders twice during the year in relation to executive remuneration.

The Board is kept informed of shareholder and analyst feedback, via regular updates from the CFO, as well as share register analyses and market reports provided by the Company's brokers, J.P. Morgan Securities plc and Numis Securities Limited.

Private shareholders are encouraged to access the Company's website for reports and business information and to contact the Company via email with any queries. Contact information can be found on the inside back cover.

Whistleblowing

A whistleblowing policy has been adopted and is regularly reviewed by the Audit Committee and the Board. The policy, which was updated during the year and cascaded to all employees, includes access to a whistleblowing telephone service run by an independent organisation, allowing employees to raise concerns on a strictly confidential basis. The Audit Committee receives regular reports on the use of the service, issues that have been raised and the findings of any investigations and any actions arising. Our whistleblowing policy can be found on our website.

Conflicts of interest

In accordance with the Company's Articles of Association, the Board formally records any conflicts of interest and all Directors are given the opportunity to raise any conflicts of interest at the start of every Board meeting. Any conflicts that are raised will be considered for authorisation, assessed by the Board and a decision taken on the extent to which any such conflicts can be managed.

Any external appointments or other significant commitments of the Directors require the prior approval of the Board. Further details about the Board's external commitments are detailed on pages 79 to 81 of this report and details about the Directors' interests in the shares of the Company are detailed on page 107.

Independent advice

Directors can raise concerns at Board meetings and have access to the advice of the Company Secretary. There is a procedure in place, when needed, for Directors to obtain independent professional advice at the Company's expense. No such requests were made during this financial year.

Directors' and Officers' Liability insurance is maintained for all Directors.

Internal controls statement

The Board, assisted by the Audit Committee, has carried out a review of the effectiveness of the Group's systems of internal control during the year ended 30 September 2023 and the period up to the date of approval of the Consolidated Financial Statements contained in the Annual Report. Following this review, the Board concluded that although the Group is still on its journey in developing, rolling out and embedding its control and assurance framework no significant failings or weaknesses had been identified and plans were in place to address the issues flagged for improvement.

Compliance with the Disclosure Guidance and Transparency Rules

The disclosures required under DTR 7.2 of the Disclosure Guidance and Transparency Rules are contained in this report, except for those required under DTR 7.2.6 which are contained in the Directors' Report.