

THE SCOTT TRUST LIMITED

Corporate governance

The Scott Trust (STL or the Company) Board has in place corporate governance processes and procedures for the Company in conjunction with the recently reviewed corporate governance statement of Guardian Media Group plc (GMG), which can be seen [here](#).

The Board

The STL Board currently comprises the STL Chair (Ole Jacob Sunde), the editor-in-chief (Katharine Viner) and chief executive of Guardian Media Group (Annette Thomas until 30th June), a director drawn from among Guardian journalists (Nils Pratley), a member of the Scott family (Russell Scott) and eight independent directors. There is a reciprocal arrangement whereby the chair of the STL Board attends and observes GMG Board meetings and in turn the chair of the GMG Board is invited to attend and observe STL Board meetings.

Ole Jacob Sunde, Senior Independent Director, was appointed Acting Chair following Alex Graham stepping down as chair in March 2021.

Annette Thomas was appointed chief executive of GMG on 2nd March 2020 and appointed to the Board with effect from 27 March 2020. Keith Underwood, GMG's CFOO, was appointed as interim chief executive officer with effect from the 1st July 2021.

The directors and the company secretary have a wide range of business and other relevant experience and their details can be viewed [here](#).

The STL Board meets five times each year, or more frequently if required. Board papers are circulated to the directors by the company secretary in advance of Board meetings to ensure Board members are supplied in a timely manner with the information they need. Board meetings are minuted and minutes are circulated to all Board members.

On appointment to the Board, directors receive appropriate briefings on Guardian Media Group and its activities and follow a tailored induction programme which includes meeting Guardian Media Group senior management.

All directors have access to the company secretary who is responsible for ensuring that board procedures and applicable rules and regulations are observed. A procedure exists for directors to take independent professional advice, at the Group's expense, if necessary, in the furtherance of their duties.

Effectiveness reviews of the Board are undertaken at appropriate intervals determined by the Board.

The Company maintains an appropriate level of directors' and officers' insurance in respect of legal action against the directors. In accordance with the Company's articles of association, the directors and officers of the Company are indemnified out of the assets of the Company, to the extent permitted by law, in respect of liabilities incurred as a result of their office. No cover is provided in the event that a director or officer has acted fraudulently.

Investment committee

The purpose of the Investment committee (IC) is, on behalf of and under delegation from, the Scott Trust, to exercise its powers and take decisions in respect of all investment related matters with a view to enabling the Scott Trust to fulfil its purpose of securing and preserving the financial position of the Guardian in perpetuity.

Its functions include defining the financial objectives of the Endowment Fund, approval of changes to asset allocation and of certain additions or withdrawals from the fund. The committee makes recommendations to the Scott Trust Board on the level of funding and risk allocation and on the advisers to the Endowment Fund and managers in respect of each asset class selected. The committee reports to the Scott Trust on the performance of the Fund and other assets and on other investment-related matters. In addition, the committee exercises certain powers and responsibilities in relation to certain assets owned by GMG which have been delegated to it.

The committee comprises four STL directors (Mary Ann Sieghart, Catherine Howarth, Ole Jacob Sunde and Nils Pratley) and two GMG Board non-executive directors (Neil Berkett and Coram Williams). There are also two external independent members of the committee (Chris Hitchen and Gayle Schumacher). The committee was chaired by Neil Berkett until June 2020 when Mary Ann Sieghart took over as Chair of the committee. The chief executive, chief financial and operating officer and head of investments normally attend meetings of the committee, with invitations extended also to the Editor-in-chief and Scott Trust Chair. The committee meets at least four times per year. The long term investment fund advisers provide regular reports on the performance of the long term investment fund and attend the committee's meetings at appropriate intervals. Following a review, Cardano were selected to be principal advisers from June 2020.

Nominations committee

The objective of the Nominations committee is to ensure that the STL Board has the appropriate skills and experience, including relevant financial, commercial and investment experience. The committee comprises the senior independent director (Ole Jacob Sunde held this role until March 2021) and such other directors as are appointed by the Board (currently David Olusoga, Emily Bell, Russell Scott, Vivian Schiller and Catherine Howarth). The committee is co-chaired by David Olusoga and Vivian Schiller.

The committee is responsible for agreeing and leading the process for identifying individuals with the potential to become Board members and recommending, for the Board's approval, Board appointments, including nominees for each Board committee.

The committee's proceedings are minuted and circulated to all Board members by the company secretary. The nominations committee co-chairs report to the Board on the outcome of the committee meetings.

Governance & Reputation Committee

The objective of the committee is: (i) to have oversight of all matters relating to corporate governance; and (ii) to have oversight over the development of strategy and principles relating to reputation.

The Committee is responsible for providing appropriate guidance and periodic evaluation of the governance arrangements of the Trust.

In relation to reputation, the remit includes: (i) the Guardian's reputation among stakeholders (including readers, employees and customers) and more broadly; (ii) the Group's approach to monitoring and supporting the values and desired behaviours that form its corporate culture, including diversity; (iii) the approach to reputational risk and its management; (iv) the approach to environmental sustainability; and (v) the approach to the ethical use of data.

The committee comprises the senior independent director and such other directors as are appointed by the Board (currently Vivian Schiller, Stuart Proffitt and Nils Pratley). The chair of the committee currently is Stuart Proffitt. One GMG director (Coram Williams) attends the committee in relation to the governance component of the committee's remit.

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Corporate governance (continued)

The number of meetings of the Board held in the financial year ended 28 March 2021, with details of individual attendance by directors, is set out in the table below.

| Director | Board Meetings |
|--------------------------------|----------------|
| Alex Graham | 6 |
| Emily Bell | 7 |
| Catherine Howarth | 6 |
| David Olusoga | 6 |
| Nils Pratley | 7 |
| Stuart Proffitt | 7 |
| Matthew Ryder | 7 |
| Vivian Schiller | 7 |
| Russell Scott | 7 |
| Mary Ann Sieghart | 7 |
| Ole Jacob Sunde | 7 |
| Annette Thomas | 7 |
| Katharine Viner | 7 |
| Number of meetings held | 7 |

Notes:

1. Alex Graham stepped down from the Board with effect from 26th March 2021.
2. Neil Berkett, chair of GMG, attended 6 meetings throughout the year.