Creating sustainable value for the benefit of our shareholders

Chairman

Simon Miller
Chairman

Simon Miller was appointed Chairman in March 2013. He joined the Board in 2005 and became Deputy Chairman and Senior Independent Director in 2012. He read law at Cambridge and was called to the Bar. He subsequently worked for Lazard Brothers and County NatWest. He is also chairman of Blackrock North American Income Trust PLC and JPMorgan Global Convertibles Income Fund and a non-executive director of STV.

Executive Directors

David Nicol, CA, Chartered FCSI
Chief Executive

David Nicol joined the Board as a Non-Executive Director in March 2012 and was subsequently appointed Chief Executive in March 2013. He trained and qualified in 1980 as a chartered accountant with EY and spent two years working for KPMG in Hong Kong. He joined Morgan Stanley in 1984, where he worked for 26 years in a number of operations and finance roles. He was a director and CAO of Morgan Stanley International PLC from 2004 to 2010. David was a non-executive director of Euroclear plc from 1998 to 2010 and was on the board of the Chartered Institute of Securities and Investments until September 2015. He is on the Council of the Institute of Chartered Accountants of Scotland and is chairman of the appointment committee of the Hermes Property Unit Trust.

Andrew Westenberger, FCA
Finance Director

Andrew Westenberger joined the Board in January 2013. He was group finance director of Evolution Group PLC from 2009 until August 2011 and a director of its principal subsidiary, Williams de Broe Limited. Andrew qualified as a chartered accountant with Coopers & Lybrand. From 2000 to 2008, he held various senior finance roles in London and New York with Barclays Capital. He is a non-executive director of the Chartered Institute of Securities and Investments and was appointed as a non-executive director of Schroder UK Growth Fund plc in May 2017.

Non-Executive Directors

Kath Cates
Senior Independent Director

Kath Cates was appointed as a Non-Executive Director on 18 December 2014 and became Chair of the Risk Committee on 1 September 2015. At the February 2017 AGM, she was appointed as the Senior Independent Director. Kath has over 20 years' experience in international financial services, latterly as chief operating officer, wholesale banking for Standard Chartered Bank. She is currently a non-executive director and chair of the risk committee for RSA Insurance Group plc and a non-executive director of Threadneedle Investment Services Limited.

Paul Wilson
Non-Executive Director

Paul Wilson was appointed as a Non-Executive Director in December 2013. Paul has over 25 years' experience of the financial services industry. Until February 2014, he was an advisory partner at Bain & Company, previously being responsible for their financial services practice. Paul is the senior independent director of XL Catlin UK and chair of their risk and reserving committee. He is also CEO of the World Platinum Investment Council and is a group board independent director at Unigestion Holding SA, based in Geneva. Paul is chairman of Action Against Hunger (UK). He holds an MBA from Harvard Business School.

Caroline Taylor
Non-Executive Director

Caroline Taylor was appointed as a Non-Executive Director in May 2014 and is the Non-Executive Board member responsible for Corporate Responsibility within Brewin Dolphin. Caroline has over 25 years' experience in the financial services sector with a strong background in investment management and in-depth knowledge of all aspects of investment management operations, compliance and legal issues. Caroline was a director of Goldman Sachs Asset Management International from 2005 to 2012 and is currently a non-executive director of Ecclesiastical Insurance Office PLC.

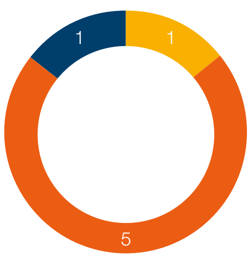
Ian Dewar, FCA
Non-Executive Director

Ian Dewar was appointed as a Non-Executive Director in November 2013. He retired from KPMG in 2012 after a 32-year career, including 19 years as a partner. During that time, he performed a wide variety of roles, both within KPMG and as a non-executive trustee in the charity sector. An accountant by training, his experience has been in audit, advisory, client relationship and practice management roles. He has spent the last 28 years working in the financial services sector. Ian is a non-executive director of Manchester Building Society, Arbuthnot Banking Group PLC and The Aldenham Foundation.

Key to our committees

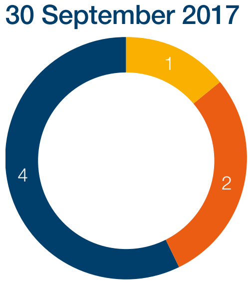
- (A) Member of the Audit Committee
- (N) Member of the Nomination Committee
- (R) Member of the Remuneration Committee
- (RK) Member of the Risk Committee
- (D) Member of the Disclosure Committee
- (E) Member of the Executive Committee
- ● Denotes Committee Chairman

Length of tenure of Directors at 30 September 2017



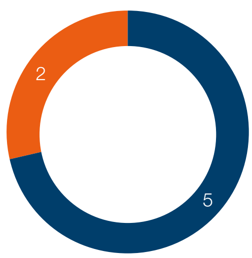
- 0-3 years
- 3-6 years
- Over 6 years

Balance of Executive and Non-Executive Directors at 30 September 2017



- Chairman
- Executive
- Independent Non-Executive

Balance of male and female Directors at 30 September 2017



- Male
- Female

Corporate values at the heart of governance

Chairman's overview

We rely on our values to guide how we govern ourselves at every level of the organisation. By doing so, we make every effort to behave as our clients, employees, shareholders and regulators would expect.

We apply good practice to all aspects of Board leadership and governance, just as we do to providing clients with the best possible financial advisory and portfolio-management services.

As a result, the desire to behave ethically and act for the benefit of clients, employees and shareholders is firmly entrenched in our culture at every level of the organisation. Brewin Dolphin's values – Genuine, Expert and Ambitious – provide the foundations of our approach to governance.

In this brief introduction to corporate governance at Brewin Dolphin we highlight some of the Board's most significant actions and initiatives taken during 2017. These are designed to ensure our growth strategy is driven by our culture and values.

Leadership for growth

During the year, we continued to ensure that the Board collectively has the skills and experience to guide and advise our executive management as they pursue an ambitious growth strategy.

At our AGM in February 2017, Kath Cates became our Senior Independent Director. This followed the retirement of Angela Knight, who served the Board with great distinction for nine years.

As announced on 15 November 2017, Mike Kellard will join the Board as a Non-Executive Director with effect from 1 December 2017. Mike has over 25 years' experience in the life, pensions and wealth management markets and we look forward to his contribution. We continue the search for an additional Non-Executive Director with experience to complement the Board's existing skill set.

Effective succession planning ensures that we can identify and develop those individuals with the talent, cultural awareness and ambition to assume senior positions.

Following last year's review of our leadership pipeline, we have strengthened our emphasis on developing talent at every level of the organisation. Exemplifying this approach at one end of the spectrum was the launch during the year of an apprentice scheme, the Brewin Dolphin Financial Planning Academy. At the other, we created and introduced an Executive Leadership Programme which aims to equip those who have been identified as future leaders of the business with the necessary skills to enable their development. Further information on both initiatives can be found on page 39.

Improving engagement

For the third year in a row, we have undertaken an all employee engagement survey across the organisation. For the second successive time, this has shown substantial improvements in engagement under almost every measure.

These results enable the Board and senior management to understand and act on those areas of the business where there is room for improvement. The Board was pleased this year to see significant growth in employee satisfaction with our career-development and internal communications programmes, two areas on which we have focused considerable attention. See page 38 for more information.

We believe that the engagement survey enables Brewin Dolphin to create, sustain and improve the working environment.

Board effectiveness

In last year's Annual Report, I said that there would be an externally facilitated performance evaluation during 2017. We appointed the London-based corporate advisory firm, Lintstock Ltd ('Lintstock'), to carry this out. We have subsequently engaged them to work with us for a three-year period. See page 47 for more information.

The next few pages contain our Corporate Governance Statement and detailed reports from our Board Committees.

Simon Miller
Chairman

28 November 2017

Corporate Governance Report

Leadership

The Board has a majority of independent Non-Executive Directors. Further information on the Directors' range of skills and expertise can be found on pages 42 and 43. In order for the Directors to discharge their responsibilities as set out in the Matters Reserved for the Board, the Board meets at least eight times a year (a full list of Matters Reserved for the Board can be found on our website). In addition to this, the Board attends a strategy day to discuss in depth the Group's direction with executive management.

Key areas of discussion that took place during the year:

Routine

- Reports from the Chief Executive
- Reports from the Finance Director
- Reports from the Group Risk & Compliance Director
- Group strategy review
- Broker reports on shareholder feedback
- Medium-term plan and ICAAP
- Board and Committee evaluations
- Management presentations
- Training

Non-routine

- People strategy
- Corporate Responsibility strategy
- Duncan Lawrie Asset Management Limited ('DLAM') acquisition
- Deep dive on Investment Governance

Board composition and roles

The Board is collectively responsible for the long-term success of the Group, in accordance with the UK Corporate Governance Code, there is a clear division of roles and responsibilities as shown below:

Chairman

- Provides leadership to the Board, promoting constructive debate and challenge between the Executive and Non-Executive Directors.
- Ensures that there is good information flow to the Board, and from the Board to its key stakeholders.
- Supports and advises the Chief Executive, particularly in the development of strategy.
- Builds an effective and complementary Board, regularly considering its composition and balance, diversity and succession planning.

Chief Executive

- Provides leadership to the Group.
- Develops strategy proposals for recommendation to the Board and is accountable for business performance.
- Maintains a dialogue with the Chairman on all important matters and strategic issues facing the Group.
- Ensures that there is an effective framework of internal controls, including risk management, covering all business activities.
- Ensures that the Board is fully informed of all key matters.

Finance Director

- Supports the Chief Executive in developing and implementing strategy.
- Oversees the financial delivery and performance of the Group and provides insightful financial analysis that informs key decision making.
- Leads investor relations activities and communication with investors alongside the Chief Executive.
- Works with the Chief Executive to develop budgets and medium-term plans to support the agreed strategy.

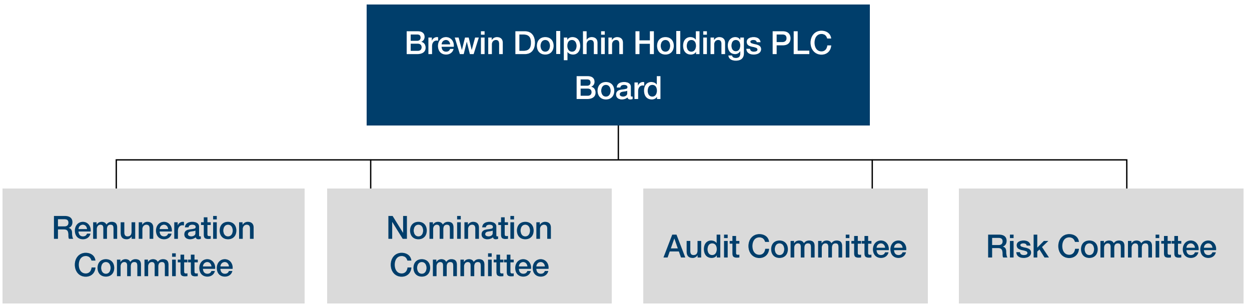
Senior Independent Director

- Acts as a sounding board for the Chairman and serves when required as an intermediary for the other Directors.
- Meets with the Non-Executive Directors (without the Chairman present) at least annually and leads the Board in the ongoing monitoring and annual evaluation of the Chairman's performance.
- Available to meet with major shareholders and acts as a point of contact for shareholders and other stakeholders.

Independent Non-Executive Directors

- Constructively challenge management and decisions taken at Board level.
- Oversee the performance of management in meeting agreed goals.
- Support the Chairman and Executive Directors in instilling appropriate culture, values and behaviours in the boardroom and across the Group.
- Challenge the adequacy and quality of information received prior to Board meetings.

Governance Framework



The Board delegates certain responsibilities to formal Board Committees whilst maintaining an appropriate level of oversight through regular reports from the Committee chairs. Further information on the individual committees' composition and activities in the year can be found throughout this section of the Annual Report and Accounts.

Executive Committees

Responsibility for the Group's day to day management is delegated to the Chief Executive, who chairs an Executive Committee. The purpose of this Committee is to support the Chief Executive in the implementation and formation of strategy, as well as overseeing the day to day running of the Group. Further, it agrees operational decisions that are otherwise not reserved for the Board. The Committee consists of eight members of senior management from different areas of the business and meets monthly.

There is a Disclosure Committee which is a delegated Committee of the Board. It focuses on discharging the Company's duties in accordance with the EU Market Abuse Regulation. It comprises the Chief Executive, Finance Director, either the Group Risk and Compliance Director or the Head of Compliance (as alternate), and either the Company Secretary or Head of Legal (as alternate).

Effectiveness

Composition

A review of the Board composition is conducted by the Nomination Committee and since Angela Knight's retirement at the 2017 AGM, the Committee has been searching for potential Non-Executive Directors based on merit against objective criteria. More information on this search can be found in the Nomination Committee Report on page 48.

Induction of Directors

All new Directors receive a tailored induction programme designed to broaden their understanding of the Group's operations, strategic aims and culture. This involves meetings with the Directors and members of the senior management team and the provision of any relevant training.

Time commitment

The expectation of the Non-Executive Directors' time commitment is set out in their letters of appointment. Copies of which are available for inspection at the Company's Registered Office and will also be available at the AGM. Their attendance, along with Executive Directors, at meetings during the year is set out in the table below.

Board and Committee attendance record

Member	Independent	Board	Nomination Committee	Risk Committee[3]	Audit Committee[3]	Remuneration Committee
Executive Director						
David Nicol	N	8/8	n/a	n/a	n/a	n/a
Andrew Westenberger	N	8/8	n/a	n/a	n/a	n/a
Non-Executive Director						
Simon Miller	N	8/8	3/3	n/a	n/a	5/5
Kath Cates[1]	Y	8/8	2/2	5/5	8/8	n/a
Paul Wilson	Y	8/8	3/3	5/5	n/a	5/5
Caroline Taylor	Y	8/8	3/3	n/a	8/8	5/5
Ian Dewar	Y	8/8	n/a	5/5	8/8	5/5
Angela Knight[2]	Y	3/3	1/1	n/a	5/5	n/a

1. Kath Cates was appointed as a member of the Nomination Committee following Angela Knight's retirement.
2. Angela Knight attended all meetings until her retirement at the 2017 AGM.
3. The Risk Committee and the Audit Committee held one joint meeting during the year to discuss the ICAAP.

Directors' conflicts of interest

The Board has a policy in place for managing and, where appropriate, approving conflicts or potential conflicts of interest. All Directors are provided with an opportunity to disclose any changes in conflicts at the start of every meeting.

Independence of Directors

All Non-Executive Directors are considered to be independent in character and judgement and do not hold any positions that will conflict with their responsibilities with the Group.

Information flow

As part of the annual cycle, all Board Committees forward plan their agendas for the year to ensure that important issues are addressed. The Chairman of each Committee works closely with the Company Secretariat and other relevant members of senior management to agree areas of discussion or approval.

Board evaluations

The Board and its Committees undertake an annual evaluation of their performance. The appraisal process provides an opportunity for the Board to appraise its own effectiveness and identify areas of development as well as follow up on the actions raised from the previous review.

In 2017 Lintstock Ltd were appointed as a retained adviser, for a three year programme to facilitate Board evaluations and to provide continuity. Lintstock designed a set of questionnaires for this year's review, focusing on areas of specific relevance to the Group. Topics included the composition of the Board and its Committees, board dynamics, risk management, strategy oversight, board efficiency, board training and priorities for change. It is intended that an interview exercise will be conducted next year followed by a questionnaire only approach in the final year.

Lintstock produced anonymised reports from the online questionnaires and these were discussed by the Board and its committees at their relevant meetings. Overall the results were positive and a number of actions were agreed. Progress against these actions will be reviewed during the year. Lintstock has no other connections to the Company.

Evaluation topic	Action
Board composition	Review of skills matrix to ensure the correct balance of skills and experience. Continuing succession discussions for Executive, Non-Executive and senior management roles.
Board support and efficiency	Improvements to be made to length and focus of Board papers. Improved clarity to avoid duplication between Board and Committee agendas.
People	Increased opportunities for Board members to meet with senior management and wider employee population to enhance challenge and improve evaluation.
Strategic oversight	Redesigned agendas to ensure more meeting time focused on strategy, mergers and acquisitions and other key issues.

Director evaluation

During the year, the Chairman evaluated the performance of the Directors in one-to-one meetings and the Senior Independent Director evaluated the performance of the Chairman. It was confirmed that each Director continued to deliver the required commitment to their role and made an effective and valuable contribution to the Company.

Accountability

Please see pages 26 to 29 in the Strategic Report for an overview of the Group's Principal Risks and Uncertainties and a description of the risk management framework.

Please see page 71 of the Directors' report for a description of how the Board has discharged its responsibilities in relation to internal controls and risk management.

Shareholder relations

The Chairman, Chief Executive and Finance Director meet regularly with the Group's major shareholders. The Chairman communicates the shareholder feedback at the following Board meeting. The Board also receives regular broker reports which detail shareholder feedback.

Following the release of our annual results, an analysts and investor presentation is held. The presentation is available on our website for those unable to attend.

This year's AGM will be held in Haberdashers' Hall, 18 West Smithfield, London EC1A 9HQ on 2 February 2018 at 11.30am. Further details can be found in the Notice of AGM, a copy of which can be found on the Company's website (www.brewinmedia.co.uk/investor-relations).

UK Corporate Governance Code Compliance statement

We have complied with all principles and provisions of the 2016 UK Corporate Governance Code ('the Code') throughout the financial year ended 30 September 2017. The Corporate Governance Statement and the cross referenced reports within set out our approach to applying the Code.

Nomination Committee Report

Chairman’s overview

The main focus of the Nomination Committee is to consider the composition of the Board and to review and manage succession planning.

The Company has in place succession plans for the Board, and for senior management, to ensure there is the appropriate balance of skills and experience within the Board.

During the year we strengthened further our focus on developing talent throughout the Group. This included the launch of our Group Executive Leadership Programme, which draws upon our values to ensure its relevance to our growth strategy and culture.

Angela Knight retired at the AGM last year and Kath Cates became the Senior Independent Director. During the summer we commissioned external consultants to help identify non-executive candidates and Mike Kellard will join the Board on 1 December 2017. A copy of his biography will be included in the Notice of AGM. The external search consultancy retained by the Board in respect of the appointment of Mike Kellard was Odgers Berndtson, who have no connection to the Company. We are presently conducting a search for an additional non-executive director and we have asked our external adviser to focus on candidates who will ensure that the Board continues to represent a diversity of views.

During the year there was an externally facilitated performance evaluation of the Board by a London based board consultancy, Lintstock. This evaluation looked at the workings of both the Board and the Board Committees and formed the basis for the annual Board appraisals. In overall terms the outcomes of these assessments confirmed that progress was being made.

Simon Miller
Chairman of the Nomination Committee

28 November 2017

Committee composition

The Committee comprises the Board Chairman, Simon Miller, and three independent Non-Executive Directors. The Chief Executive and Group Human Resources Director are standing attendees at Committee meetings; the Chief Executive will exclude himself from discussions relating to his own appointment. Angela Knight was a Committee member in her capacity as Senior Independent Director and was succeeded by Kath Cates during the year. Details of membership and attendance can be found on page 46.

The role of the Committee

The purpose of the Committee is to ensure that the Board retains an appropriate balance of skills to support the strategic objectives of the Group and that there are appropriate procedures in place for the nomination, selection, training and evaluation of Board members as well as to ensure that there is an effective framework for succession planning.

The responsibilities of the Committee are defined in the Committee’s Terms of Reference, a copy of which can be found at www.brewinmedia.co.uk/investor-relations.

Risk Committee Report

Chairman's overview

The Committee's key roles are to oversee the Group's identification of its principal risks, the setting of risk appetite and to recommend these to the Board. The Committee provides oversight of the Group Risk Management Framework to ensure that the risks are appropriately managed within the Group.

During the year the Committee attended a risk workshop which was hosted by the Risk Management Committee, an Executive forum. At the meeting the current key risks were reviewed and discussed at length and in light of our strategy and risk appetite. Emerging risks were also discussed to determine whether any of these risks should now be considered as a key risk to the Group. The results of the risk workshop helped the Group to refresh and update its key risks. For further information please refer to the Principal Risks and Uncertainties section on page 26.

The Committee regularly receives updates from management on risk management practices and this year particular areas of focus were IT risk, including change management and cyber risk.

The Committee also receives regular updates on regulatory changes, and how the Group plans and implements these to ensure compliance. Throughout the year special focus has been on MiFID II to ensure the Group is ready for the January 2018 implementation date.

In addition, we continued to examine the key risks which are relevant to the Group's strategic objectives.

Kath Cates
Chairman of the Risk Committee

28 November 2017

Committee composition

The Committee is made up of three independent Non-Executive Directors. There is cross-membership between the Committee and the Audit and Remuneration Committees to ensure that agendas are aligned and key information is appropriately shared across the Board Committees. The Chairman of the Risk Committee is also a member of the Audit Committee. Standing attendees at Committee meetings include the Chief Executive, Finance Director and the Group Risk & Compliance Director. Further details on membership and attendance can be found on page 46.

The role of the Committee

The purpose of the Committee is to provide oversight of the Risk Management Framework of the Group and assist the Board with its responsibilities for ensuring the integrity of the Group's internal control and risk management systems.

The responsibilities of the Committee are outlined in the Committee's Terms of Reference, a copy of which can be found at www.brewinmedia.co.uk/investor-relations.

Committee activities during the year

Risk Management and Investment Governance Frameworks

– The Committee reviewed and challenged key components of the Risk Management Framework and monitored the implementation of the updated Investment Governance Framework, and enhancement to client money controls.

16%

Regulatory change

– The regulatory changes in relation to MiFID II, GDPR and SMCR and the implications they will have on the Group were assessed. The management responses to these were discussed to ensure the Group adopts the regulations and that the right behaviours will be embedded in the business.

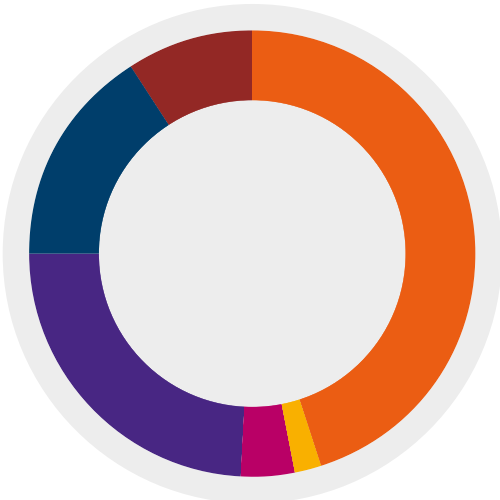
9%

Key risks

– The Committee reviewed and recommended the risk appetite statements and tolerance for key risks to the Board. These were monitored on an ongoing basis to ensure they remained relevant and appropriate, adding any emerging risks if necessary.

– In depth discussions on cyber risk and change management took place.

45%



Internal Capital Adequacy Assessment Process ('ICAAP')

– The key components of the ICAAP were challenged in a six monthly review, exploring scenarios and stress tests to determine an appropriate regulatory capital requirement. This was at a joint meeting with the Audit Committee prior to recommendation to the Board.

24%

Training

– Training sessions were held on the ICAAP and SMCR.

4%

Performance evaluation

– The Committee conducts a performance evaluation every year and this year Lintstock distributed a questionnaire for anonymous completion to all Committee members and those executives who regularly attend the Committee's meetings. The results were discussed by the Committee and helped to inform next year's forward-looking agenda.

2%

Audit Committee Report

Chairman's overview

As an Audit Committee, our focus throughout the year has been on quality: the quality of our financial reporting, the quality of our internal and external audits and the quality of our control environment.

We have taken note of the various papers issued by the Financial Reporting Council ('FRC') during the year and remain committed to ensuring that our Financial Statements are 'clear, balanced and understandable'. Our 2016 Financial Statements were subject to an in-depth review by the FRC and they had no points to raise. This year's Financial Statements are built on that firm base and reflect both changes in reporting requirements and the changes in our business.

Our internal audit is outsourced to BDO and Christian Bellairs, our partner, reports to the Audit Committee. We have a comprehensive programme of internal audit work and the Committee follows up on the actions taken by management in response to issues raised. The Committee recently held a workshop with BDO to review areas of risk and to finalise the internal audit plan for 2018. BDO have now completed two years as our Internal Auditor and we have recently completed a comprehensive assessment of their effectiveness.

As I mentioned last year, the FRC's Audit Quality Review team reviewed the audit of the 2015 Brewin Dolphin FInancial Statements as part of their 2015 annual inspection of audit firms. Following that review an action plan was agreed with Deloitte for changes to be made to the 2016 audit which included a change of partner. The 2016 audit was reviewed by the FRC and no matters arose from that review which required action. The Committee has also conducted a review of the effectiveness of the External Auditor and concluded that Deloitte LLP continues to provide an effective audit. It remains the intention of the Committee to hold a formal external audit tender during the course of Robert Topley's (audit partner) five-year term. He has just completed his second year.

The Audit Committee has worked closely with the Risk Committee on key risks and the control environment, reviewing areas in depth and receiving reports on issues raised by all three lines of defence: the business, the Risk Department and Internal Audit. We monitor those issues and the timeliness and effectiveness in which they are dealt with by management. During the year the Committee has received an in-depth report on how revenue is recognised as well as a presentation on the effectiveness of controls in the Group's new Order Management System. We took part in a whistleblowing training session during the year which was facilitated by our in-house Legal Department. The Committee approved a new Whistleblowing Policy during the year and training was provided to assist Committee members in discharging their duties under the policy.

Angela Knight stepped down from the Committee in February 2017 and I would like to thank her for her wise counsel, input and challenge at Committee meetings. I am also grateful for the enthusiasm and insight that Kath Cates and Caroline Taylor bring to the Committee.

Ian Dewar
Chairman of the Audit Committee

28 November 2017

Committee composition

The Committee comprises only independent Non-Executive Directors. There is always a cross-membership with the Risk Committee, to help ensure that agendas are aligned and key information is shared appropriately across the Board Committees. Further details on membership and attendance can be found on page 46. The Chief Executive, Finance Director and Group Risk & Compliance Director are invited to attend at the Committee's request and, in addition, all Non-Executive Directors including the Chairman are entitled to attend. The External Audit partner and our Internal Audit partner are standing attendees. We have considered the FRC requirement for the Committee to have competence relevant to the financial services sector and have concluded that the Committee as a whole satisfies this requirement.

Role and responsibilities

The Committee helps the Board meet its responsibilities for the integrity of the Group's financial reporting, including the effectiveness of its internal financial control system, and for monitoring the effectiveness and objectivity of the internal and external auditors.

The responsibilities of the Committee are outlined in the Committee's Terms of Reference, a copy of which can be found at www.brewinmedia.co.uk/investor-relations.

Committee activities during the year

Financial reporting

- Reviewed the Annual Report and Accounts, the Interim Management Statements, the Half-Year Report and the investor presentation to ensure that, taken as a whole, they were fair, balanced and understandable and that they provided the necessary information for shareholders to assess the Group's performance, its business model and strategy.
- Reviewed reports from the external auditor on both the Financial Statements; including the significant audit risks, areas of audit focus and the appropriateness of the significant management judgements used in preparing the accounts, and on the effectiveness of systems of internal financial control.
- Reviewed reports from management on the preparation of the Annual Report and Accounts and the Half-Year Report, including both the key judgements and accounting policies followed in their preparation, as well as updates on changes to guidance regarding financial reporting.
- Reviewed the Group's going concern assumption and Viability Statement.

37%

Internal Audit

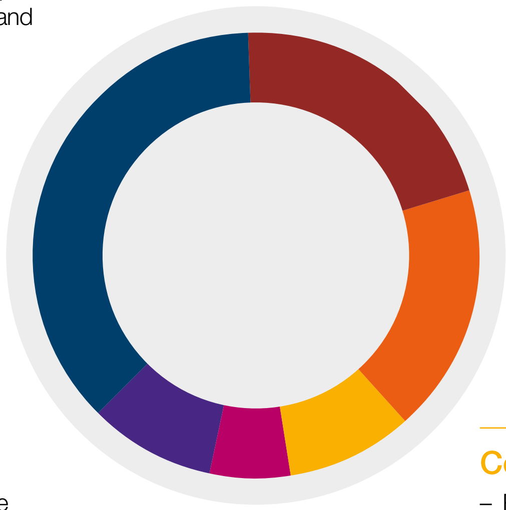
- Assessed the effectiveness of the Internal Auditor and reviewed and approved the new internal audit plan for the year.
- Received internal audit reports, challenged the robustness of their findings and agreed appropriate actions.
- Reviewed how issues identified for action, whether arising from internal audit reports or from internal control processes, are identified, progressed and reported; this ensures there is an effective framework for the management of issues within the Group.

21%

External Auditor

- Approved the plan, terms of engagement and fees to be paid to the External Auditor for the audit of the 30 September 2017 Annual Report.
- Assessed the independence, objectivity and effectiveness of the External Auditor.
- Enforced the policy relating to non-audit services provided by the External Auditor and approved non-audit services in accordance with the policy which can be found on our website.
- Reviewed a letter of recommendation from the External Auditor for improving the systems of internal control.

18%



ICAAP

- Reviewed the ICAAP jointly with the Risk Committee. After review and challenge of the ICAAP and its key components, recommended its approval to the Board.

9%

Financial Crime

- There was a formal report from the Group's Money Laundering Reporting Officer on the operation and effectiveness of systems and controls relating to anti-money laundering ('AML') and the prevention of financial crime.

6%

Control Oversight

- Reviewed year-end reports providing assurance on the effectiveness and robustness of the Group's system of internal controls.
- The Committee conducted a deep dive on the controls around the Order Management System.
- Participated in whistleblowing refresher training.
- Maintained oversight of regulatory requirements.

9%

Performance evaluation

The evaluation of the Committee's performance was captured as part of the wider, externally facilitated Board effectiveness review. The results of the Committee evaluation were discussed at the meeting in October 2017.

Ian Dewar met regularly during the year with the Board Chairman, Finance Director, Chief Executive, Head of Internal Audit and the external audit partner to review the Group's governance processes and discuss the effectiveness of the internal and external audit functions.

Key sources of estimation uncertainty related to the Financial Statements

We reviewed the significant issues set out below in relation to the Group's Financial Statements for the year ended 30 September 2017. We discussed these issues with management at various stages during 2016/17 and during the preparation and approval of the Financial Statements. Having reviewed the presentations and reports from management, we are satisfied that the Financial Statements appropriately address the critical judgements and key estimates, in respect both of the amounts reported and the disclosures made. We also reviewed these issues with the auditors during the audit-planning process and at the conclusion of the year-end audit. We are satisfied that our conclusions in relation to these issues are in line with those drawn by the auditors.

Issue	Key considerations	Role of the Committee	Conclusion
Business combinations (see notes 4.a.i and 4.b.i to the Financial Statements)	Appropriate application of IFRS in relation to the acquisition of DLAM, specifically: – establishing whether the acquisition of DLAM constituted a business or a group of assets; and – establishing the fair value of all the assets/liabilities acquired in the business combination.	We considered management's proposed accounting treatment of the DLAM acquisition (see note 27 to the Financial Statements) including the determining factors with regard to whether the transaction should be accounted for as a business combination or as a purchase of a group of assets under IFRS 3 and we satisfied ourselves as to the fair value attributed to the client relationships shown in the Financial Statements as an intangible asset.	We concluded firstly, that it was appropriate to account for the acquisition as a business combination given a separate legal entity was acquired and all of the value of the business was transferred and secondly, that the determination of the fair value of the assets was appropriate.
Goodwill and client relationships (see note 4.b.ii to the Financial Statements)	Impairment review of goodwill and client relationships, including the valuation assumptions used in the calculation of the fair value of the relevant cash-generating units. Determination of the useful economic life of client relationships, which establishes the quantum of the amortisation expense.	We satisfied ourselves as to the valuation assumptions used in the calculation of the fair value of the cash-generating units. We considered the paper prepared by management on the average client tenure and useful economic life expectations.	We concluded that the assumptions and judgements used were reasonable and that the carrying values of goodwill and client relationships in the financial statements were appropriate.
Assumptions underlying the calculation of the defined benefit pension scheme asset/liability (see note 4.b.iii to the Financial Statements)	Determination of the actuarial assumptions such as discount rate, the life expectancy of scheme members and the inflation rate used when calculating the defined benefit pension scheme asset/liability.	We considered management's paper explaining the assumptions used in the calculation, the resulting impact on the Balance Sheet and the movement in the deficit during the period.	We concluded that the assumptions and judgements used in determining the defined benefit pension scheme asset were appropriate.

Audit Committee Report continued

Issue	Key considerations	Role of the Committee	Conclusion
Likelihood of meeting performance conditions for the Long Term Incentive Plan (see note 4.b.iv to the Financial Statements)	Determining the likelihood of meeting the performance conditions which impact the quantum of the expense in the period.	We considered management's paper explaining the assumptions for the likelihood of meeting the performance conditions.	We concluded that the assumptions used in calculating the expense were appropriate.
Assumptions underlying the estimation of the provision relating to onerous leases (see note 4.b.v to the Financial Statements)	Appropriate application of IFRS and underlying recognition principles. Determining the best estimate of the likely cash flows and other assumptions.	We reviewed management's paper explaining the assumptions and calculation methodologies applied in the determining provisions. This included ensuring that the provisions represent present obligations arising from past events. We satisfied ourselves that the procedures performed by management to identify the requirement for provisions were robust and comprehensive.	We concluded that the provisions were appropriate and complete for obligations that existed at the year end. We also confirmed that there had been no new information following the year end that would result in an adjustment to the provision.

External Auditor

The Audit Committee is responsible for developing, implementing and monitoring the Group's policy on external audit. The policy sets out the categories of any pre-approved non-audit services which the External Auditor is authorised to undertake. It also provides an approval process for the provision of any other non-audit services. This policy is available to view on the Investor Relations section of the Group's website, under the Board Committees subsection.

The Board generally only uses the auditor for audit and related activities. If there is a business case to use the External Auditor to provide non-audit services, prior permission is required from the Committee. In such an instance, the Committee will review the proposal to ensure that it will not impact the auditor's objectivity and independence. The majority of tax advisory and similar work is carried out by another major accountancy firm. An analysis of the auditor's remuneration is provided in note 8 to the Financial Statements.

The Committee assesses the effectiveness of the External Auditor on an annual basis, taking account of the following factors:

Factor	Assessment
The role of management	That information provided by management to the External Auditor is timely and correct, that it has proper supporting papers and that accounting systems and internal controls work effectively.
The audit partner	The extent to which the partner demonstrates a strong understanding of the business, the industry and the challenges faced by the business. The length of time the partner acts as the lead engagement partner.
The audit team	The extent to which the audit team understands the business and industry and is properly resourced and experienced.
The audit approach	That the audit approach is discussed with management, targets the significant issues early, is communicated properly, is appropriate for the business and industry and includes an appropriate level of materiality.
The communications and formal reporting by the auditor	That management and the Committee are kept appropriately informed as the audit progresses and that the formal report is appropriate and contains all relevant material matters.
The independence and objectivity of the auditor	That the auditor complies with the FRC's ethical standards, has the required degree of objectivity (including their arrangements to identify, report and manage any conflicts of interest), and that the overall extent of non-audit services provided by the External Auditor does not compromise independence.

The Committee is satisfied that Deloitte LLP has conducted an effective audit for the 2016/17 financial year. The Committee has therefore recommended to the Board that Deloitte be reappointed at the 2018 AGM.

The Committee has considered the Competition and Markets Authority ('CMA') and EU requirements for mandatory tendering and rotation of the audit firm. As previously stated, the Committee had previously intended to initiate a re-tendering process during 2017/18 in line with the previous audit partner's rotation. However, as we changed the audit partner during 2015/16, we did not believe that a re-tendering process would be beneficial during 2017/18. As stated last year, the intention remains to re-tender prior to the end of the Robert Topley's five-year term. This will be kept under review and the Committee will use its regular reviews of auditor effectiveness to assess the most appropriate time for re-tendering during that period.

The Committee has considered the likelihood of the External Auditor withdrawing from the market and has noted that there are no contractual obligations to restrict the choice of replacement external auditor.

The External Auditor meets privately with the Committee at least twice a year without senior executive management being present and regularly with the Audit Committee Chairman.

Internal Audit

BDO was appointed Internal Auditor in January 2016. The Committee approves an internal audit plan at the start of the financial year and then receives quarterly reports on all internal audits. The plan is reviewed every six months to ensure it fully covers the Group's key risks. The Committee appraises the Internal Auditor's processes to determine the effectiveness of their findings.

Fair, balanced and understandable Report and Accounts

The Committee has performed a review of the Group's Annual Report and Accounts to ensure that it is fair, balanced and understandable. What is meant by these terms, and the questions that the Committee considers as part of this review, are shown below:

Term:	Description:	Questions:
Fair	Not exhibiting any bias. Reasonable or impartial. Performed according to the rules.	Is the whole story being presented? Have any sensitive material areas been omitted?

Term:	Description:	Questions:
Understandable	Having a meaning or nature that can be understood. Able to be accepted as normal.	Is there a clear and cohesive framework for the Annual Report? Is the report written in accessible language? Are the messages clearly drawn out?

Term:	Description:	Questions:
Balanced	Even-handed. Taking account of all sides on their merits without prejudice or favouritism.	Is there a good level of consistency between the front and back sections of the Annual Report? Does the reader get the same message from reading the two sections independently? Are the key judgements referred to in the narrative reports and the significant issues reported in the Audit Committee Report consistent with the disclosures of key estimates and uncertainties and critical judgements set out in the financial statements?

This report has been prepared in compliance with the CMA Order in relation to mandatory audit tendering and the responsibilities of the Audit Committee.

Directors' Remuneration Report

Chairman's overview

On behalf of the Board, I am pleased to present the 2017 Directors' Remuneration Report. The report comprises this overview, the Annual Report on Remuneration, and the Directors' Remuneration Policy ('the Policy') that was approved at the 2017 AGM and is included for information. We were very pleased to receive the support of nearly 99% of shareholders who voted for the Policy, which was largely unchanged from the Policy initially approved in 2014. The Policy is designed to help drive sustainable performance for shareholders, through annual bonus and long term incentive plans. It also maintains long term shareholder alignment through a three-year deferral of part of the annual bonus into shares, and a three-year Long Term Incentive Plan ('LTIP') vesting followed by a two year post-vesting sale restriction period, and ongoing Executive Director shareholding requirements.

Base salary

The Committee reviewed the Executive Directors' base salaries at the 1 October 2017 review date, and decided that no increases should be awarded. It is also important to note that the Executive Directors do not receive a pension allowance.

Pay for performance

Performance relative to annual financial targets was very strong with adjusted profit before tax ('adjusted PBT') of £70 million, 14.8% higher than the prior year, operating margin of 23% compared with 21.6% last year, and discretionary funds inflows of 8% compared with 4.4% in the prior year. There was also good progress against strategic non-financial targets. This strong performance resulted in an annual bonus award of 124% of base salary for the Chief Executive and Finance Director. 36.6% and 36.2% of the awards, respectively, will be deferred into options over shares under the Deferred Profit Share Plan ('DPSP') and will become exercisable after three years.

Annual bonus for the year to September 2018 will be related to adjusted PBT (30% weighting), net inflows of discretionary funds (30% weighting), and key non-financial performance indicators (40% weighting).

Performance for the 2014 LTIP grants has been assessed, covering the three financial years to September 2017. The targets set in 2014 were especially demanding; 16.2% of the award will vest. The number of shares that vested (net of tax) will be subject to a further two year holding period.

Although not an LTIP performance metric, it is worth noting the Group's strong TSR performance. In the nine years to September 2017, Brewin Dolphin has delivered over 300% TSR, compared with just 55% for the FTSE All Share Index for the financial services sector.

LTIP awards to be granted in 2018 will be based on adjusted Earnings Per Share ('EPS') (50% weighting) and growth in discretionary net funds inflows (50% weighting), which are key drivers of growth and value creation for shareholders.

Other activities

During 2017, we have received updates on trends in executive pay in the wider market, forthcoming changes to corporate governance requirements and continued to keep abreast of the developing regulatory landscape in financial services.

We will also be reporting on the Gender Pay Gap, in accordance with regulatory requirements.

Paul Wilson
Chairman of the Remuneration Committee

28 November 2017

The role of the Committee

The purpose of the Committee is to exercise competent and independent judgement on remuneration policies and practices, and the incentives to manage risk, capital and liquidity as well as directly overseeing personal objectives, performance appraisal and individual compensation packages for the Chairman, Executive Directors, members of the Executive Committee and any other employees designated as material risk takers ('MRTs') under the FCA Remuneration Code.

The responsibilities of the Committee are defined in the Committee's Terms of Reference, a copy of which can be found at www.brewinmedia.co.uk/investor-relations.

Committee composition

The Committee is made up of independent Non-Executive Directors and the Non-Executive Chairman of the Board, who was independent upon his appointment. There is cross-membership with the Risk Committee to help ensure that there is alignment between the Group's key risks and its Remuneration Policy. Further details on membership and attendance can be found on page 46.

Annual Report on Remuneration

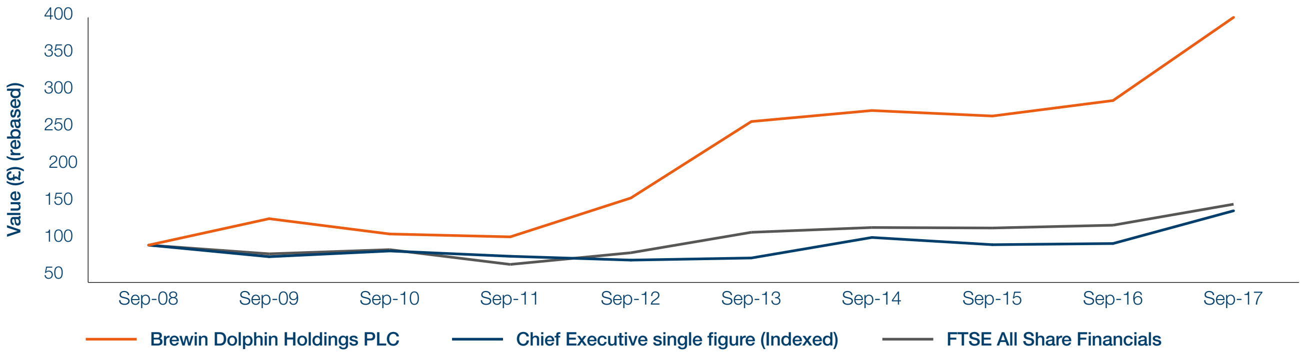
This part of the Directors' Remuneration Report has been prepared in accordance with Part 3 of the revised schedule 8 set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, and 9.8.6 of the Listing Rules. The financial information in this part of the Directors' Remuneration Report has been audited where indicated. The Annual Report on Remuneration will be put to shareholder vote at the 2018 AGM.

Committee activities during the year

During the year the Committee focused on the following items:

- Considered and reviewed reward structures.
- Assessed and approved 2017 annual bonuses based on previously agreed criteria and vesting of 2017 awards for Executive Directors.
- Reviewed Chairman fees and Executive Directors' fixed remuneration.
- Approved 2018 annual bonus and LTIP performance criteria.
- Received a report in relation to conduct risk from the Group Risk & Compliance Director.
- Approved the Remuneration Policy Statement and Pillar III disclosures.
- Received updates on changes in regulation and trends in remuneration reporting.
- Identified and approved individual compensation for Material Risk Takers ('MRTs').
- Reviewed the Committee's Terms of Reference.
- Reviewed the outcomes of the Committee performance evaluation.
- Assessed the effectiveness of our External Adviser (New Bridge Street).

TSR vs Chief Executive and FTSE All Share - Financial Services Index
Source: Datastream (Thomson Reuters)



This graph shows the value, by 30 September 2017, of £100 invested in Brewin Dolphin Holdings PLC on 28 September 2008, compared with the Total Remuneration figures of the CEO, rebased to £100 on the same date, as well as the FTSE All Share – Financial Services Index.

The other points plotted are the values at intervening financial year-ends.

Total remuneration for the financial year to 30 September 2017 (Audited)

£'000		Salary & fees	Benefits[1]	Pension[2]	Annual bonus[3]	Long term incentive[4]	Compensation for loss of office[5]	Total
Executive Directors								
David Nicol	2017	425	1	–	527	68	n/a	1,021
	2016	375	1	–	337	–	n/a	713
Andrew Westenberger	2017	375	3	–	465	59	n/a	902
	2016	325	3	7	293	–	n/a	628
Non-Executive Chairman								
Simon Miller	2017	180	–	–	–	n/a	n/a	180
	2016	175	–	–	–	n/a	n/a	175
Non-Executive Directors								
Kath Cates	2017	78	–	–	–	n/a	n/a	78
	2016	62	–	–	–	n/a	n/a	62
Ian Dewar	2017	71	–	–	–	n/a	n/a	71
	2016	60	–	–	–	n/a	n/a	60
Caroline Taylor	2017	68	–	–	–	n/a	n/a	68
	2016	56	–	–	–	n/a	n/a	56
Paul Wilson	2017	68	–	–	–	n/a	n/a	68
	2016	60	–	–	–	n/a	n/a	60
Former Directors								
Angela Knight[a]	2017	21	–	–	–	n/a	n/a	21
	2016	70	–	–	–	n/a	n/a	70
Stephen Ford[b]	2016	80	1	–	81	–	162	324
Total	**2017**	**1,286**	**4**	**–**	**992**	**127**	**n/a**	**2,409**
Total	2016	1,263	5	7	711	–	162	2,148

Note 1: Executives can elect to use part of their total fixed remuneration to fund benefits including Permanent Health Insurance and these amounts are disclosed as part of the 'salary and fees' figure. Benefits relate to death in service insurance and private medical insurance.

Note 2: Executives can elect to sacrifice part of their annual bonus into the Group's defined contribution pension scheme. Where employees choose to do this, the Company contributes 13.8% of the sacrificed amount, equal to the employer's national insurance that would have been due had the amount been paid as salary. Sums sacrificed from bonus have been shown in the bonus column, with the related employer contribution of 13.8% shown in the pension column.

Note 3: This relates to the payment of the annual bonus for the year ending 30 September 2017. Annual bonus is subject to a mandatory deferral policy as set out on page 66.

Note 4: 16.2% of the 2014 LTIP has been treated as vested in the period. David Nicol will receive 19,605 shares and Andrew Westenberger will receive 16,804 shares. For the purpose of this table, the average Q4 market price (£3.49) was used to determine the value of the awards vested. Options granted under the Deferred Profit Share Plan are included in the bonus amount disclosed in the year.

Note 5: Stephen Ford received a payment of £148,404 in relation to his notice period to 6 July 2016 following his departure from the Board on 7 January 2016. He also received a statutory redundancy payment of £9,738 and a contribution towards legal fees of £3,500. The information is being used solely as a comparator.

Note a: Stepped down from the Board on 3 February 2017. In addition to the fees set out above in relation to her Brewin Dolphin Holdings PLC directorship, Angela Knight continues to receive an annual fee of €30,000 in relation to her capacity as Chairman of TBD, the Group's Irish subsidiary.

Note b: Stepped down from the Board on 7 January 2016.

Base salary review (Audited)

The Committee decided not to award salary increases at the October 2017 review date.

	Salary as at 30 September 2017	Salary as at 30 September 2016	Change
David Nicol	**£425,000**	£425,000	0%
Andrew Westenberger	**£375,000**	£375,000	0%

Annual variable pay outcomes for 2017

Annual bonuses for the Executive Directors are determined by the Committee based on an assessment of performance relative to Key Performance Indicators ('KPIs'), which are selected to achieve a direct relationship between progress towards the Group's strategic goals and the bonuses that are awarded.

Performance against financial criteria

Key Performance Indicator	Weighting	Threshold 25% of total fixed pay	On-target 100% of total fixed pay	Maximum 150% of total fixed pay	Actual for year ending 30 September 2017	% of maximum bonus awarded	Comment
Adjusted PBT[1]	20%	£56.9m	£67.5m	£74.5m	£70.0m	78.6%	Targets set in relation to prior year performance and budget
Adjusted operating margin[1,2]	20%	20.3%	22.7%	24.0%	23.0%	74.4%	Targets set in relation to prior year performance and budget
Discretionary net fund inflow	20%	2.5%	5.0%	7.5%	8.0%	100.0%	Targets set in relation to prior year performance and budget
Outcome (straight average)						84.3%	

1. See explanation of adjusted performance measures on page 31.
2. Adjusted PBT margin.

Performance against non-financial criteria

Criteria (equally weighted)	Commentary on performance	% of maximum bonus awarded for this criteria
Strategy	Continued successful implementation of organic growth strategy. Successful integration of DLAM. Successful development of new business opportunities (eg. WealthPilot). Extensive work of investment solutions has been undertaken.	90.0%
Talent	Successful implementation of the Executive Leadership Programme and completed extensive work on succession planning for senior management. Enhanced delivery of business development training to enable strategic delivery. Continued development of training, guidance and systems to streamline processes and enhance efficiency. Introduction of the Brewin Dolphin Awards to focus on recognition and values. Enhanced Corporate Responsibility initiatives with charity fundraising.	80.0%
Client Service	Continued to ensure high quality, consistent client outcomes. Improved client retention. ARC measurement for MPS and bespoke discretionary funds management was maintained in the first and second quartiles for the peer group.	80.0%
Risk Management and Compliance	Improved engagement and relationship with the Regulators. Completion of several projects to enhance the Risk Management and Compliance Framework. Ongoing work to prepare for the impact of MiFID II, SMCR and GDPR.	70.0%
Outcome (straight average)		80.0%

Overall outcome

Criteria	% of maximum bonus awarded	Weighting
Financial	84.3%	60%
Non-financial	80.0%	40%
Total	82.6%	

Bonus outcomes (Audited)

Based on their assessment of performance, the Committee has awarded the following annual bonuses to Executive Directors, with the split between cash and deferred shares as indicated in the table below:

Name	Role	Cash	Deferred shares[1]	Total	% of base salary
David Nicol	Chief Executive	£334,000	£193,000	£527,000	124%
Andrew Westenberger	Finance Director	£296,667	£168,333	£465,000	124%

1. See deferral table below.

The maximum annual bonus for each individual Executive Director is 150% of base salary.

Annual bonus awards are delivered part in cash and part in deferred shares that vest after three years:

Portion of variable pay	Fraction deferred
Up to £50,000	None
Between £50,000 and 1 x fixed remuneration	One-third
Above 1 x fixed remuneration	Two-thirds

The Committee has the discretion to adjust the final outcome to take account of overall company performance and exceptional events.

Both cash and share elements of the bonus are subject to malus provisions. Please see the Directors' Remuneration Policy table for further details.

LTIP outcome in 2017

The Executive Directors received a conditional share award granted under the LTIP in December 2014. The performance period for the grant was three years to 30 September 2017 and performance against the criteria set is shown below:

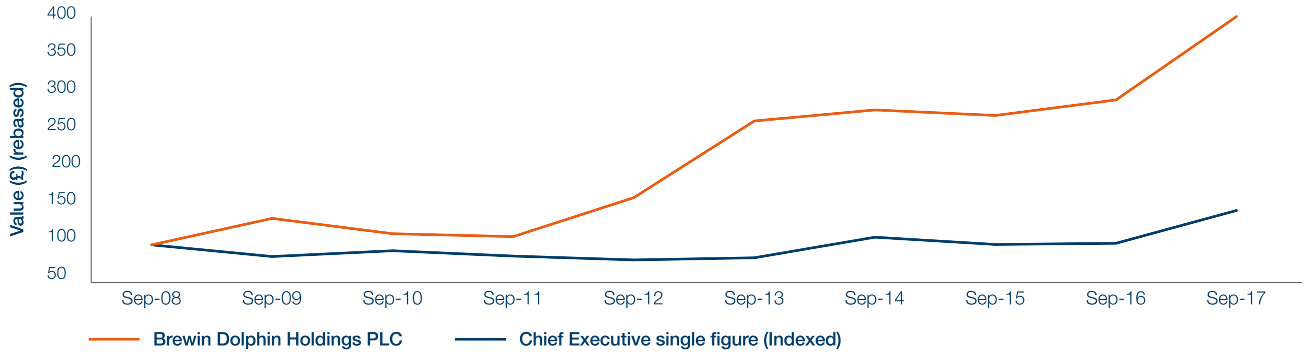
Criteria	Weighting	Threshold target	Full vesting target	Actual for year ending 30 September 2017	% of award to vest
Adjusted EPS CAGR[1]	50%	6%	16%	7%	16.2%
Adjusted PBT Margin[1]	50%	25%	27%	23%	0%

1. See explanation of adjusted performance measures on page 31.

Chief Executive pay for performance comparison

The graph below shows the value by 30 September 2017, of £100 invested in Brewin Dolphin Holdings PLC on 28 September 2008, compared with the Total Remuneration figures of the Chief Executive, rebased to £100 on the same date. The other points plotted are the values at intervening financial year-ends.

Chief Executive total pay vs TSR
Source: Datastream (Thomson Reuters)



The total remuneration figure for the Director undertaking the role of Chief Executive during each of the previous eight financial years is shown below. The total remuneration figure includes the annual bonus which was awarded based on performance in those years. Where this bonus was subject to deferral, it is shown in the year in which it was awarded. The annual bonus is shown as a percentage of the maximum for 2012 to 2017 only as there was no maximum amount for bonus in the preceding years. The LTIP awards granted in December 2014 have partially vested during the period.

	Year ending September								
	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total remuneration (£'000)	589	643	593	557	577	770	702	713	1,021
Annual bonus (% max)	n/a	n/a	n/a	39	63	80	67	60	82.6
LTIP vesting (% of award)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	nil	16.2

The movement in the salary and annual bonus for the Chief Executive, who is the highest paid Director, between the current and previous financial year compared to that for the average UK Group employee is shown below. Rather than having separate base salary, pension and benefit components, Executive Directors and other senior staff receive a total fixed pay sum which they can receive part as a defined pension contribution and/or benefits such as long-term illness/disability insurance. More junior employees receive a base salary plus pension contributions. As such, an analysis of the movement in benefits for the Chief Executive and the average employee was not considered to be practical or meaningful and has not been included in the below comparison.

Criteria	**2017**	2016	% change
Chief Executive			
Salary	**£425,000**	£375,000	13%
Bonus	**£527,000**	£337,500	56%
Average per employee			
Salary	**£51,106**	£49,347	4%
Bonus	**£33,358**	£27,759	21%

Directors' share interests (Audited)

Outstanding share options and conditional share awards

The tables below set out details of Executive Directors' outstanding share awards (which will vest in future years subject to performance and/or continued service).

Share options:

	Plan	Grant date	Exercise price	Number of share options as at 1 October 2016	Granted during year	Exercised during year	Lapsed during year	**Number of share options as at 30 September 2017**	End of performance period	Maturity date	End of exercise period
David Nicol											
	DPSP	05/12/2013	0.00p	29,584	–	29,584	–	–	n/a	05/12/2016	05/12/2019
	DPSP	04/12/2014	0.00p	50,714	–	–	–	**50,714**	n/a	04/12/2017	04/12/2020
	DPSP	03/12/2015	0.00p	37,174	–	–	–	**37,174**	n/a	03/12/2018	03/12/2021
	DPSP	01/12/2016	0.00p	–	33,344	–	–	**33,344**	n/a	01/12/2019	01/12/2022
Total				117,472	33,344	29,584	–	**121,232**			
Andrew Westenberger											
	DPSP	05/12/2013	0.00p	45,065	–	45,065	–	–	n/a	05/12/2016	05/12/2019
	DPSP	04/12/2014	0.00p	42,646	–	–	–	**42,646**	n/a	04/12/2017	04/12/2020
	DPSP	03/12/2015	0.00p	30,978	–	–	–	**30,978**	n/a	03/12/2018	03/12/2021
	DPSP	01/12/2016	0.00p		28,125	–	–	**28,125**	n/a	01/12/2019	01/12/2022
Total				118,689	28,125	45,065	–	**101,749**			

Conditional share awards:

	Plan	Grant date	Number of share awards as at 1 October 2016	Granted during year	Vested during year	Lapsed during year	**Number of share awards as at 30 September 2017**	End of performance period	Vesting date
David Nicol									
	LTIP	26/02/2014	104,916	–	–	104,916	–	30/09/2016	26/02/2017
	LTIP	04/12/2014	121,023	–	19,605*	101,418	–	30/09/2017	04/12/2017
	LTIP	03/12/2015	130,111	–	–	–	**130,111**	30/09/2018	03/12/2018
	LTIP	01/12/2016	–	147,877	–	–	**147,877**	30/09/2019	01/12/2019
Total			356,050	147,877	19,605	206,334	**277,988**		
Andrew Westenberger									
	LTIP	26/02/2014	89,928	–	–	89,928	–	30/09/2016	26/02/2017
	LTIP	04/12/2014	103,734	–	16,804*	86,930	–	30/09/2017	04/12/2017
	LTIP	03/12/2015	111,524	–	–	–	**111,524**	30/09/2018	03/12/2018
	LTIP	01/12/2016	–	130,480	–	–	**130,480**	30/09/2019	01/12/2019
Total			305,186	130,480	16,804	176,858	**242,004**		

The share price at 29 September 2017 was £3.49.

* Actual vesting date is 4 December 2017. Figures shown are the number of shares vested at the end of the three year performance period (30 September 2017).

Beneficial interests

To further align the interests of Executive Directors with shareholders, Executive Directors are required to build up a shareholding through the retention of shares vesting under the Group's share incentive plans within five years of appointment (January 2013 and March 2013 for Andrew Westenberger and David Nicol, respectively). The minimum shareholding requirement for the Chief Executive is 150% of base salary and the minimum shareholding requirement for the Finance Director is 100% of base salary. Shares that count towards these requirements include shares owned outright by the Executive Director, an amount equal to net of tax unvested awards granted under the DPSP as they are unfettered by performance criteria, and net of tax LTIP awards that have vested.

Director	Beneficially owned at 30 September 2017[1]	Percentage of shareholding target held as at 30 September 2017	Outstanding DPSP share options at 30 September 2017	Outstanding LTIP share awards as at 30 September 2017	Beneficially owned at 28 November 2017[1]	Beneficially owned at 30 September 2016
Kath Cates	5,587	n/a	–	–	5,587	2,500
Ian Dewar	6,358	n/a	–	–	6,358	6,358
Angela Knight	4,790	n/a	–	–	4,790	4,790
Simon Miller	75,000	n/a	–	–	75,000	75,000
David Nicol	98,651	95%[2]	121,232	277,988	98,651	83,000
Caroline Taylor	5,000	n/a	–	–	5,000	5,000
Andrew Westenberger	50,000	105%[2]	101,749	242,401	50,000	25,000
Paul Wilson	8,596	n/a	–	–	8,596	8,596

1. Or date of resignation if earlier.
2. Includes 53% of outstanding DPSP options and 53% of the 2014 LTIP award which will vest at 16.2% on 4 December 2017 but met its performance criteria on 30 September 2017. These are included on a net of tax basis.

Deferred bonus

The Executive Directors receive part of their annual variable pay under the DPSP as a deferred award in Company shares, normally in the form of a nil-cost option. The option vests and becomes exercisable three years from the date of grant.

Share Incentive Plan ('SIP')

Employees may use funds from their gross salary up to a maximum of 10% of their gross salary in regular monthly payments (being not less than £10 and not greater than £150) to acquire Ordinary Shares in the Company ('Partnership Shares'). Partnership Shares are acquired monthly. For every Partnership Share purchased, the employee receives one Matching Share up to a total value of £20, these shares are held in an employee benefit trust (the 'Trust'). Market purchase shares are used to satisfy all shares purchased under the SIP and it is the intention of the Directors to continue this practice for the forthcoming financial year.

Dilution

By agreement with shareholders, the aggregate number of shares which may be issued at any date of grant, when aggregated with shares issued or issuable pursuant to options or awards granted in the preceding 10 years under any employee share plan operated by the Group shall not exceed 10% of the issued share capital.

The current cumulative dilution level over the 10-year period to 30 September 2017 is 2.14%.

Material contracts with Directors

There were no material contracts between the Group and the Directors, except for their contracts of employment or letters of appointment. The Directors undertake transactions in stocks and shares in the ordinary course of the Group's business for their own account. The transactions are not material to the Group in the context of its operations. £nil was outstanding in respect of these transactions at 30 September 2017 and 30 September 2016.

Total pension entitlements

Executive Directors may opt to waive part of their aggregate fixed pay amount and receive an equivalent pension contribution instead. They may also receive part of their annual bonus in the form of pension contribution.

Defined Contribution Scheme

Executive Directors may join the Group Defined Contribution Scheme. Andrew Westenberger and David Nicol have not made contributions to the scheme and do not receive any benefit under the scheme.

Defined Benefit Scheme (Audited)

Entry to the Group Defined Benefit Scheme was withdrawn in 2004 for new employees.

Death-in-service benefits

Executive Directors are eligible for death-in-service benefit cover which is equal to six times their individual fixed remuneration.

Relative importance of the spend on pay (Audited)

	2017 '000	2016 '000	% change
Staff costs	**£147,043**	£141,217	4%
Dividends	**£41,048**	£35,309	16%

Average salary and bonus per employee has increased by 4% and 21% respectively (see page 61).

External advisers

The Remuneration Committee is advised by New Bridge Street ('NBS'), appointed by the Committee. NBS is a member of the Remuneration Consultants Group and abides by its Code of Conduct which requires its advice to be impartial and objective. NBS has no other connections with the Company. The total fees paid to NBS in respect of its services to the Committee during the year were £49,322.

External directorships

Details of external directorships held by the Executive Directors during the year and any fees that they received in respect of their services are shown below.

David Nicol

Company	Position	**2017**	2016
Hermes Property Unit Trust	Chair of appointment committee	**£30,762**	£27,500

The remuneration for 2017 increased following appointment as chairman of the committee with effect from 6 June 2017.

Andrew Westenberger

Company	Position	**2017**	2016
Schroder UK Growth Fund plc	Non-executive director	**£6,190**	n/a

The fee was a prorata amount for the year as the appointment took effect from 5 May 2017.

Statement of shareholder voting

The Directors' Remuneration Policy and the Annual Report on Remuneration received the following votes from shareholders:

	Remuneration Policy (2017 AGM)	%	Annual Report on Remuneration (2017 AGM)	%
Votes cast in favour	180,850,144	98.6%	145,976,316	86.8%
Votes cast against	2,547,005	1.4%	22,227,659	13.2%
Total votes cast	183,397,149		168,203,975	
Abstentions	12,019,257		27,212,432	

How the policy will be applied in 2018 onwards

Fees for the Chairman and the Non-Executive Directors

As detailed in the Policy, the Group's approach to setting Non-Executive Directors' remuneration is with reference to the market levels in comparable sized FTSE companies, levels of responsibility and time commitments. The Chairman's fee was last reviewed in October 2016 and there have been no recommendations made to increase the fee.

The Non-Executive Directors' fees were last reviewed in 2016, where it was agreed to increase the fees with effect from 1 January 2017. There has been no recommendation made by the Board to increase the fees for 2017/18.

	30 September 2017	30 September 2016
Chairman	**£180,000**	£180,000
Base fee	**£60,000**	£50,000
Senior Independent Director	**£10,000**	£10,000
Committee Chair	**£10,000 – £15,000**	£5,000 – £12,000

Performance targets for the 2017/18 annual bonus and LTIP awards to be granted in the 2018 financial year

For the 2018 financial year, the annual bonus will be based on performance against a balanced scorecard comprising three Key Performance Areas: adjusted PBT (30% weighting); discretionary net funds inflow (30%); and non-financial targets (40%).

The LTIP awards to be granted in the 2018 financial year will be subject to two separate performance metrics shown below, each accounting for one-half of the award.

These targets have been set with reference to market consensus and internal medium-term plans.

There is also a general underpin: the Committee will assess the overall health of the business and whether prudent risk management has been applied and may scale back the vesting level if it considers this to be appropriate.

Performance metric	Weighting (each measured independently)	Threshold (25% vesting)	Stretch (100% vesting)	Measurement period
Adjusted EPS Compound Annual Growth Rate ('CAGR')	50%	5%	15%	CAGR measured over the three financial years 2017/18, 2018/19, and 2019/20, using 2016/17 as the base year.
Average Annual Discretionary Net Funds Growth	50%	2.5%	7.5%	Average over the three financial years 2017/18, 2018/19 and 2019/20.

Directors' Remuneration Policy

This Policy describes the policies, principles and structures that guide the Remuneration Committee's decision making process in the area of executive remuneration. The Policy was approved by the shareholders at the 2017 AGM and will apply for a period of three years, unless a revised policy is proposed to shareholders before the end of this period.

Remuneration principles and objectives

The primary objectives of the Policy are:

- To attract, retain and motivate talented Directors and senior management of the calibre required to manage the business successfully, whilst seeking to avoid paying more than is necessary to meet this objective.
- To motivate and reward good performance.
- To meet relevant regulatory requirements, including the requirements of the FCA Remuneration Code so far as these apply to the Group.

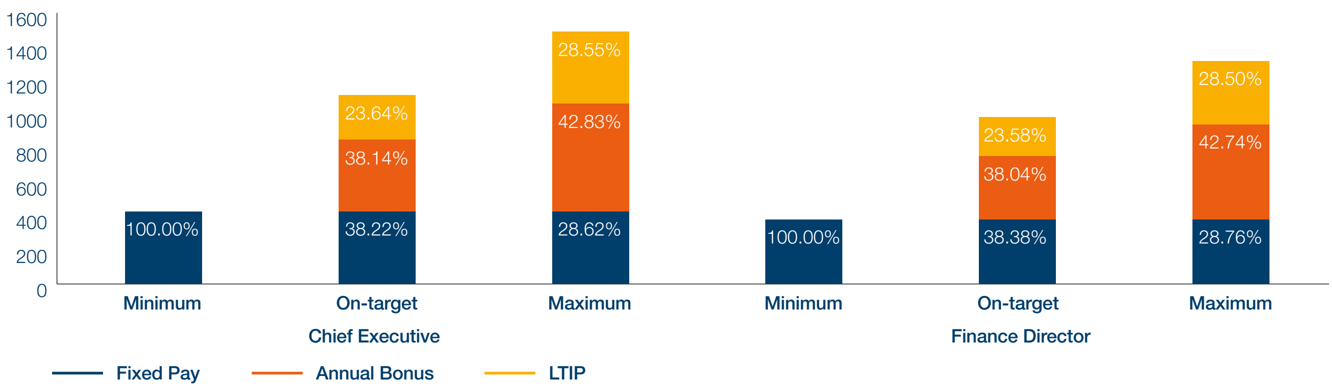
The main principles of the Policy are:

- To ensure that total remuneration is set at a level that is market competitive by benchmarking against relevant external comparators, taking account of size, complexity and sector, and to ensure that the overall package takes account of market practice.
- To maintain appropriate proportions of fixed and performance related pay, to help to drive performance over the short and longer term, maintain a flexible cost base, and avoid creating incentives for excessive risk taking.
- To align incentive plans with the business strategy, prudent risk management and shareholder interests.
- To achieve consistency with the general remuneration philosophy applied to the Group's employees as a whole.

Summary of remuneration elements for Executive Directors

Element	Purpose and link to short and long-term strategy	Operation, performance measures and periods, deferral and clawback	Maximum opportunity
Fixed pay (Discretionary)	Provides a level of fixed remuneration sufficient to recruit and retain necessary talent, and to permit a zero variable pay award should that be appropriate.	Executive Directors receive a base salary and can elect to benefit from life insurance at a level of six times annual salary and private medical insurance. Executive Directors can choose to sacrifice salary into the Group's defined contribution pension scheme. The Company does not make any other pension contributions to the Executive Directors. Individual levels of total fixed pay are reviewed annually, with any increases normally effective from 1 January, unless there are exceptional reasons for an increase at another time of the year. Any increases are generally targeted at around the general level of salary inflation in the Group, but may vary from this for exceptional reasons such as a change in the individual's role or responsibilities, or a need to bring an individual's remuneration to a market competitive level.	Total Fixed Pay is benchmarked against relevant market levels of aggregate fixed pay (i.e. base salary+pension contribution+benefits, paid in the market), and is targeted to be not more than the approximate median of relevant comparators.
Annual variable pay (Discretionary)	Rewards annual Group and personal performance, and, through the use of deferral into shares, also aligns reward with longer-term performance.	Portion of variable pay / What fraction is deferred? Portion up to £50,000: None Portion between £50,000 and 1 x fixed remuneration: One-third Portion above 1 x fixed remuneration: Two-thirds The Remuneration Committee may seek to clawback annual variable pay in exceptional situations, such as misstatement of performance, failure of risk management or serious misconduct.	The maximum individual award of annual variable pay is currently 150% of base salary.
LTIP (Discretionary)	Rewards achievement of long-term performance objectives.	Executive Directors will be eligible to be considered each year for a conditional award over BDH shares, which will vest in one tranche, normally no earlier than three years from the date of award. Vesting will be subject to performance conditions and targets set prior to each grant by the Committee. These performance conditions will be related to financial performance (e.g. EPS growth and net discretionary funds flow) and will be aligned to the business strategy. For each performance metric used, there will be a threshold level of performance at which no more than 25% of the portion of the award relating to that KPI will vest, and a stretch level of performance, at which 100% of the portion of the award relating to that KPI will vest. Executive Directors will be required to hold net of tax vested shares for a period of two years following vesting. The Committee may seek to clawback LTIP in exceptional situations, such as misstatement of performance, failure of risk management or serious misconduct.	The normal maximum annual award under the LTIP rules is up to 100% of base salary (in face value of shares at grant), but may be up to 150% in exceptional circumstances.

Potential Reward Opportunities (£000)



The potential reward opportunities illustrated above were calculated using base salary effective from 30 September 2017. Illustrations are intended to provide further information to shareholders regarding the pay for performance relationship; however, actual pay delivered will be influenced by changes in share price and the vesting period of awards. The assumptions below have been made in compiling the above charts:

Assumptions	Minimum	Target	Maximum
Fixed pay	Total fixed remuneration	Total fixed remuneration	Total fixed remuneration
Annual bonus	No annual bonus payable	On-target annual bonus of 100% of base salary	Maximum annual bonus of 150% of base salary
LTIP	Zero vesting – threshold not achieved	Share award of 100% of base salary Median vesting (62% of award)	Share award of 100% of base salary Full vesting (100% of award)

Policy on share ownership

The Remuneration Committee has a policy of encouraging Executive Directors to acquire and retain a significant number of shares in the Company with the objective of further aligning their long-term interests with those of other shareholders. The Committee determines the requirement and reviews this periodically. The current limits are set out in the Annual Report on Remuneration.

How the views of shareholders are taken into account

The Remuneration Committee regularly compares the Policy with shareholder guidelines and takes account of the results of shareholder votes on remuneration. The Remuneration Committee Chairman will consult with major investors ahead of any material changes to the Policy and, along with the Company Secretary, is available to meet with institutional shareholders to discuss any of the policy related disclosures or outcomes contained in this Directors' Remuneration Report.

Details of votes cast for and against the resolution to approve last year's Remuneration Report and Remuneration Policy are provided on page 64.

Consideration of employment conditions elsewhere in the Group

A consistent remuneration philosophy for employees is applied at all levels and the aggregate rate of base salary increase for all employees is one of the factors considered when determining increases in fixed pay for Directors.

All employees are eligible for discretionary performance-related annual bonus and the principle of bonus deferral applies to annual bonuses for employees whose bonuses exceed certain thresholds.

A formal employee consultation on remuneration is not operated; however, employees are able to provide direct feedback on the Group's remuneration policies to their managers or the Human Resources department and as part of an annual employee engagement survey. The Group Human Resources Director is a standing attendee at Remuneration Committee meetings and presents regular reports on people strategy, including the effectiveness of the Group's remuneration policies and how they are viewed by employees.

Fixed ratios between the total remuneration levels of different roles in the Group are not applied, as this would prevent us from recruiting and retaining the necessary talent in a highly competitive employment market.

Benchmarking

The Remuneration Committee takes account of market benchmark data when setting total remuneration packages for Executive Directors and comparisons are made with other FTSE listed companies of similar size and business profile to the Group. Practices in the wealth management sector and other related sectors are also considered. Benchmark data is used as a reference point, alongside other factors such as the individual's role, experience and performance, rather than as a direct determinant of pay levels.

Differences in remuneration policy for Executive Directors compared to other employees

The approach to remuneration for the Executive Directors is generally consistent with that for employees across the Group as a whole. However, there are some differences which the Remuneration Committee believes are necessary to reflect the different responsibilities of employees across the Group, and the need to recruit, retain and motivate employees in a variety of roles. For example, below Executive Director level, the portion of annual variable pay that is deferred is structured differently and is capped at one-third rather than the two-thirds deferral that applies to Executive Directors. Awards of market purchased shares are made to selected individuals from time to time, excluding Executive Directors, which vest subject to continued service, to recognise individuals' value to the Group and to create further alignment with shareholders.

External non-executive director positions

Executive Directors are permitted to serve as non-executive directors of other companies, on the grounds that this can help to broaden the skills and experience of the Director, provided there is no competition with the Group's business activities and where these duties do not interfere with the individual's ability to perform his duties for the Group. The number of external directorships an Executive Director can hold is limited to two non-executive directorships.

Where an outside appointment is accepted in furtherance of the Group's business, any fees received are remitted to the Group.

If the appointment is not connected to the Group's business, the Executive Director is entitled to retain any fees received.

Approach to remuneration for new Executive Director appointments

The remuneration package for a new Executive Director would be set in accordance with the terms and maximum levels of the Group's approved remuneration policy in force at the time of appointment.

The Committee may also offer additional cash and/or share-based elements when it considers these to be in the best interests of the Group and shareholders, for the purpose of replacing awards or potential foreseeable earnings which are forgone by the individual on becoming an Executive Director. This includes the use of awards made under 9.4.2 of the Listing Rules. In considering any such payments the Remuneration Committee would take account of the amount of remuneration forgone and the nature, vesting dates and any performance requirements attached to the remuneration forgone. Shareholders will be informed of any such payments and the rationale for these.

For an internal appointment, any deferred pay element awarded in respect of the prior role may be allowed to pay out according to its terms, adjusted as relevant to take into account the appointment. In addition, ongoing remuneration obligations existing prior to appointment may be permitted to continue where this is considered to be in the best interests of the Group and shareholders.

For external and internal appointments, the Group may meet certain relocation expenses as appropriate.

Service contracts and loss of office payments

Service contracts normally continue until the Executive Director's agreed retirement date or such other date as the parties agree. The service contracts contain provision for early termination.

In summary, the contractual provisions are:

Provision	Detailed terms
Notice period	Six months
Termination payment in the event of termination by the Company without due notice	Total fixed pay in respect of the unexpired period of contractual notice, in addition to any amounts to which they are statutorily entitled. In certain cases, the Committee may also consider a discretionary award of annual variable pay, subject to performance, in respect of the portion of any financial year that the individual has been working with the Group, although not for the period of any payment in lieu of notice or 'garden leave'.
Change of control	Same terms as above on termination.

The Group has power to enter into settlement agreements with executives and to pay compensation to settle potential legal claims. Any outstanding share-based entitlements granted to an Executive Director under the Group's LTIP or other share plans will be determined based on the relevant plan rules. The default treatment is that any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, disability, redundancy, retirement or other circumstances at the discretion of the Committee (taking into account the individual's performance and the reasons for their departure), 'good leaver' status can be applied. In such cases, the normal practice, unless there are exceptional circumstances, is for any LTIP awards held to be pro-rated for the period of the performance period that has expired, and the performance conditions would continue to apply. Share awards under the DPSP will vest in full on the original vesting schedule. An Executive Director's service contract may be terminated without notice and without any further payment or compensation, except for sums accrued up to the date of termination, on the occurrence of certain events such as gross misconduct.

Legacy arrangements

For the avoidance of doubt, the Directors' Remuneration Policy includes authority for the Group to honour any commitments entered into with current or former Directors that have been disclosed to shareholders in previous Remuneration Reports. Details of any payments to former Directors will be set out in the implementation section of this report as they arise.

Policy for the Chairman and other Non-Executive Directors

Element	Purpose and link to strategy	Operation	Maximum
Chairman fee	To pay a market competitive all-inclusive fee that takes account of the role and responsibilities.	The Chairman is paid a single fee for all his responsibilities. The level of the fee is reviewed periodically by the Committee, with reference to market levels in comparably-sized FTSE companies, without the Chairman being present.	The current maximum aggregate fee for Non-Executive Directors is £700,000 per annum. This is subject to change periodically though any increase in aggregate fee would be subject to approval by shareholders.
Non-Executive Director fees	To pay a market competitive basic fee, and supplements for significant additional responsibilities such as Committee Chairmanships.	The Non-Executives are paid a basic fee. There are also supplements for Committee Chairmanships and the Senior Independent Director. The fee levels are reviewed periodically by the Chairman and Executive Directors.	As above.

Non-Executive Directors are engaged under letters of appointment; they do not have contracts of service and are not entitled to compensation on early termination of their appointment. The Group can reimburse NEDs' reasonable business expenses (including tax thereon if applicable).

Compliance with the FCA Remuneration Code

The Remuneration Committee regularly reviews its Remuneration Policy's compliance with the principles of the Remuneration Code of the UK financial services regulator, as applicable to the Group. The Remuneration Policy is designed to be consistent with the prudent management of risk and the sustained, long-term performance of the Group.

Application of the Policy

The Policy took effect from 3 February 2017.

This Directors' Remuneration Report, including both the Policy and Annual Remuneration Report, has been approved by the Board of Directors.

Paul Wilson
Chairman of the Remuneration Committee

28 November 2017

Directors' Report

Index to principal Directors' Report and Listing Rule disclosures

Relevant information required to be disclosed in the Directors' Report and as set out in Listing Rule 9.8.4 R (information to be included in the Annual Report and Accounts) may be found in the following sections:

The above information is incorporated by reference and together with the information on pages 70 to 73 forms the Directors' Report in accordance with section 415 of the Companies Act 2006.

Strategic Report

The Strategic Report is set out on pages 1 to 41 and was approved by the Board on 28 November 2017. It is signed on behalf of the Board by David Nicol, Chief Executive.

Cautionary statement

The review of the business and its future development in the Annual Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for these strategies to succeed. It should not be relied on by any other party for any other purpose. The review contains forward looking statements which are made by the Directors in good faith based on information available to them up to the time of the approval of these reports and should be treated with caution due to inherent uncertainties associated with such statements. The Directors, in preparing the Strategic Report, have complied with s417 of the Companies Act 2006.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its Directors during the period and these remain in force at the date of this report.

Share capital

Details of the Company's authorised and issued share capital, together with details of the movements therein, are set out in note 24 to the Financial Statements. This includes the rights and obligations attaching to shares and restrictions on the transfer of shares.

The Company has one class of Ordinary Shares which carry no right to fixed income. There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

Employee share plans

Details of employee share plans are set out in note 29 to the Financial Statements. Under the rules of the Group's Share Incentive Plan ('SIP'), shares are held in trust for participants by Equiniti Share Plan Trustees Limited (the 'Trustee'). Voting rights are exercised by the Trustee on receipt of the participant's instructions; if no such instruction is received by the Trustee then no vote is registered. No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

Articles of Association

The Articles of Association may be amended by special resolution of the shareholders.

Substantial shareholdings

As at 30 September 2017, the Company had received notifications in accordance with the FCA's Disclosures and Transparency Rule 5.1.2 of the following interests of 3% or more in the voting rights of the Company.

Shareholder	Number of voting rights	% of voting rights
Royal London Asset Management	16,824,793	5.95
Henderson Group PLC	14,426,962	5.09
Aberforth Partners	14,390,759	5.08
FIL Investment International	12,477,394	5.00
BlackRock, Inc.	below 5%	below 5
FIL Limited	14,092,698	4.97
Kames Capital	13,730,787	4.85
Aviva plc and its subsidiaries	11,318,428	4.00
Legal & General	8,563,901	3.99
Kabouter Management, LLC	8,661,021	3.06
Norges Bank	8,577,245	3.03

Annual General Meeting

The AGM will be held at 11.30am on 2 February 2018 at Haberdashers' Hall, 18 West Smithfield, London EC1A 9HQ.

Purchase of own shares

At the AGM on 3 February 2017, shareholders approved a resolution for the Company to make purchases of its own shares to a maximum of 10% of its issued Ordinary Shares. This resolution remains valid until the conclusion of the next AGM in 2018. As at 28 November 2017 the Directors had not used this authority.

Employees

The average number of persons, including Directors, employed by the Group and their remuneration are set out in note 7 to the Financial Statements. Other information about the Group's employee engagement, diversity and inclusion policies is set out in the Corporate Responsibility report starting on page 38. The Group-wide gender diversity split as at 30 September 2017 was 44% female and 56% male.

Internal control and risk management

The Directors confirm that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. The Board considers that the information it receives enables it to review the effectiveness of the Group's internal controls in accordance with the FRC's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting. Areas where internal controls can be improved are identified and appropriate actions agreed as part of our internal controls systems. Senior Management, the Board and the Audit Committee regularly monitor progress towards completion of these actions. The Board considers that none of the identified areas for improvement constitutes a significant failing or weakness.

Greenhouse Gas Emissions ('GHG')

The Group recognises and and strives to minimise its impact on the environment. As a financial services provider, our main environmental focus is on our network of offices and employee travel.

Global GHG emissions for the period ended 30 September 2017

Emissions from:	Tonnes of CO_2e 2016/17	Tonnes of CO_2e 2015/16
Combustion of fuel and operation of facilities	308	327
Electricity purchased for own use	1,751	2,030
Fugitive emissions – refrigerant losses	12.7	–
Mobile combustion – business travel from leased assets	19.9	20.0
Company's chosen intensity measurement:		
Emissions per full time employee	1.3	1.5

Methodology and additional information

The table above reports the Group's annual GHG emissions from sources which fall within the consolidated financial statements. Included are most of the emission sources that the Group has responsibility for but some emission sources have been omitted based on a lack of data and materiality. Details of the emissions which have been omitted are given in the 'Emission sources not reported' section below. The Scope 2 emissions calculations for purchased electricity follow the location-based methodology of the GHG Protocol.

We have used SoFi software, from Think Step, to gather data on energy use (natural gas and electricity), hydrofluorocarbons and upstream leased assets. For the Group's international operations, Defra no longer includes the International Energy Agency's ('IEA') factors for international electricity consumption in their own dataset. Think Step negotiated an agreement with the IEA that allows them to continue to include IEA factors in the SoFi Impact libraries. These factors are the most up-to-date IEA overseas emission factors currently available which date back to country-specific physical consumption of electricity in 2014.

Regarding fugitive emissions, emissions from refrigerant losses occurred due to replacements of our Direct Expansion systems.

As in the previous reporting year, emissions from mobile combustion related to business travel and were estimated to be an average of 30% of total mileage. This is our own conservative assumption.

Emission sources not reported

This section of the report details the emission sources that we have not reported on and provides the reasons behind our decisions.

Only a minority of the buildings we operate directly make use of gas and we have included this in our emissions from combustion of fuel. We do not have distinct data on heat/steam for our other buildings as this is most likely embedded in the office service charges that we pay. As a result, we have not currently reported on purchased heat or steam. In future we will devise a methodology to estimate the emissions associated with heating requirements that we are responsible for.

Data quality for electricity and gas consumption

Our data for electricity as well as gas consumption comes from two main sources:

- consumption bills from suppliers/reports from property agents etc. (exact data); and
- our approximations based on exact data (estimated data).

We have used estimated data in some cases because we were unable to get complete data for all our buildings for the current reporting period. The section below details the approach that we have taken to fill the gaps in consumption data.

We identified that there were some buildings that had incomplete electricity or gas consumption figures for certain months over the current reporting period. In such situations, we chose a conservative approach to estimate the consumption data for the missing months. We did this by identifying the month in the dataset with the highest electricity consumption, calculated the worst case daily consumption figure and applied this daily figure to the months that had missing data as a worst case scenario.

In some other cases, there were buildings that we had no electricity and/or gas consumption data for. In these situations, we used either:

– last year's data as an approximation; or
– average consumption intensity per square metre across buildings with complete and exact data for each month in the current reporting period.

We then used these monthly average consumption per square metre intensities to estimate the monthly electricity/gas consumption of the buildings with no electricity/gas consumption data, based on individual floor areas.

Auditor

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

– so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
– the Director has taken all steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP has expressed its willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming AGM.

Approved for and on behalf of the Board.

Tiffany Brill
Company Secretary
Brewin Dolphin Holdings PLC
Company Number: 02685806

28 November 2017

Statement of Director's Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare such financial statements for each financial year. Under that law the Directors are required to prepare the Group Financial Statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union and Article 4 of the IAS and have also chosen to prepare the parent company Financial Statements under IFRSs adopted by the EU. 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 Company and of the profit or loss of the Company for that period.

In preparing the parent company financial statements, the Directors are required to:

– select suitable accounting policies and then apply them consistently;
– make judgments and accounting estimates that are reasonable and prudent;
– prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group Financial Statements, International Accounting Standard 1 requires that Directors:

– properly select and apply accounting policies;
– present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
– provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
– make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Directors' responsibility statement

We confirm that to the best of our knowledge:

– the Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;
– the Strategic Report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the Principal Risks and Uncertainties that they face; and
– the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 28 November 2017 and is signed on its behalf by

David Nicol
Chief Executive

Andrew Westenberger
Finance Director

Independent Auditor's Report

Report on the audit of the financial statements

Opinion

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 2017 and of the group's profit for the year then ended;**
- **the group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;**
- **the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union 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 and, as regards the group financial statements, Article 4 of the IAS Regulation.**

We have audited the financial statements of Brewin Dolphin Holdings PLC (the 'parent company') and its subsidiaries (the 'group') which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated and parent company cash flow statements; and,
- the related notes 1 to 34.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions 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 under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that non-audit services prohibited by the Financial Reporting Council's Ethical Standard were not provided to the group or the parent company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year which are consistent with the prior year were: – Revenue recognition; – Intangible assets: client relationships and goodwill; and – Assumptions underlying the calculation of the pension scheme liability.
Materiality	The materiality that we used in the current year was £2.880m which was determined on the basis of 5% of profit before tax from continuing operations and is consistent with our approach for the 2016 audit.
Scoping	The scope of our audit covered substantially the entire group, with the following entities in scope, in addition to the parent company: – Brewin Dolphin Limited; – Tilman Brewin Dolphin Limited; and – Brewin Dolphin MP.
Significant changes in our approach	There have been no significant changes in our audit approach in 2017.