
PREQIN HOLDING LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Section 172(1) Statement

The revised UK Corporate Governance Code ('2018 Code') was published in July 2018 and applies to accounting periods beginning on or after January 1, 2019. The Companies (Miscellaneous Reporting) Regulations 2018 ('2018 MRR') require directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long- term success of the company. The Board welcomes the direction of the UK Financial Reporting Council (the 'FRC'). This S172 statement explains how Preqin directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and others, and the effect of that regarding decisions taken by the company during the financial year.

The S172 statement focuses on matters of strategic importance to Preqin, and the level of information disclosed is consistent with the size and the complexity of the business.

General confirmation of director's duties

Preqin's Board has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. Certain financial and strategic thresholds have been determined to identify matters requiring Board consideration and approval. Board powers are explained in greater detail in the articles of the company.

When making decisions, each director ensures that he/she acts in the way he/she considers, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

(a) the likely consequences of any decision in the long term;

- The directors understand the business and the evolving environment in which Preqin operates, each having decades of business experience or experience within the alternatives industry (or both). The strategy set by the Board is intended to strengthen Preqin's position as a leading data provider to the industry. Each year the Board refreshes the strategy to respond to the changing market dynamics and performance against the strategy is reported to them monthly.

(b) the interests of the company's employees;

- The directors recognise that Preqin employees are fundamental and core to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible. Directors responsibilities with regards to employees is also highlighted in the directors report.
- Preqin fosters strong alignment between shareholders and employees through its global option and share schemes whereby all employees have an opportunity to buy equity in the business following 12 months of service. There is also a broad based equity awards scheme.

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(c) the need to foster the company's business relationships with suppliers, customers and others;

- Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers, partners and the alternatives industry generally. Preqin seeks the promotion and application of certain general principles in such relationships as outlined in the company values.
- Customers are the core to Preqin's business and are engaged with daily through a number of channels, not least in our research efforts which means we have an in depth understanding of our customers businesses. Customer satisfaction results and feedback are reported on regularly to the directors.
- Certain supplier relationships are fundamental to the delivery of our core data service e. g. our offshore data operations partners or our technology partners. The directors receive information updates on these partnerships periodically which inform how these stakeholders have been engaged.

(d) the impact of the company's operations on the community and the environment;

- With respect to the alternatives community, Preqin provides an invaluable service to the industry and has been a crucial part of its growth. We dedicate resources every year to create thought leadership pieces utilizing our data for good to shed light on environmental and social issues. For example, our annual 'Women in Alternatives' report provides data-driven insights into the under representation of women in alternatives and thought-provoking content around how we can move the needle. Our climate research into greenwashing sheds light on the disparity between sustainability commitments and where the money is invested. We also engage in global discussions around regulations and standards that promote more consistent ESG data disclosure bringing about a more transparent financial system.
- We recognize the impact our operations can have on the environment and the communities in which we operate. Our Corporate Responsibility strategy supports Preqin's commitment to operating sustainably and with our stakeholders in mind. Recent examples include:
 - Publishing our first Impact Report to publicly disclose the commitments and progress of Preqin's sustainability strategy across material environmental, social and governance factors.
 - Finalization and approval of our ambitious carbon reduction commitment from the Science Based Target Initiative in line with a 1.5 degree warming scenario.
 - Supporting our communities through direct giving and employee matching gift donations to non-profits, partnering with organizations such as SEO London that align with our strategy to support opening doors for people historically underrepresented in the alternatives industry, and launching our inaugural Community Impact Month that invites our employees globally to donate their time in helping local non-profit efforts.

(e) the desirability of the company maintaining a reputation for high standards of business conduct; and

- The Board periodically reviews the Business Ethics Policy to ensure that its high standards are maintained within Preqin and the business relationships we maintain.
- Our customers 'trust is fundamental for Preqin to be able to operate its research function successfully. Integrity is therefore one of Preqin's core business values.
- The Board has established a set of distinctive corporate values which are tied to every employee's performance objectives, and ultimately compensation.

(f) the need to act fairly between members of the company.

- After weighing up all relevant factors, the directors consider which course of action best enables delivery of our strategy through the long-term, taking into consideration the impact on stakeholders.

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This report was approved by the board and signed on its behalf.



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B Fried
Director

Date: 31/05/2023