

IP Group plc - Stakeholder engagement manifesto

Purpose of stakeholder engagement

IP Group plc and its group companies (“**IP Group**”) interact with many stakeholders who influence, and are influenced by, its business and its activities. IP Group recognises that meaningful engagement with its stakeholders is critical to its long-term success and that successful relationships with stakeholders enable its Board to make informed decisions by taking stakeholder views into account.

IP Group understands that engagement is a two-way process and not only involves seeking feedback from stakeholders on issues which are important and relevant to them but also ensures that stakeholder views are properly reported to the Board.

This manifesto details how IP Group approaches stakeholder engagement, the processes it has in place around stakeholder engagement and the principles IP Group adopts in connection with such engagement.

Responsibility for engagement

The ultimate responsibility for successful stakeholder engagement lies with the Board. Engagement enables the Board to be aware of the key issues that matter most to its stakeholders and their views on such issues. This in turn allows the Board to understand and consider these issues in its decision-making process which results in informed decisions being made.

On a day-to-day level, engagement with different stakeholders is managed by the individual or team most relevant to the stakeholder group. For example, IP Connect, an employee forum at IP Group (“**IP Connect**”) along with Aedhmar Hynes, the non-executive director responsible for workforce engagement, is responsible for reporting internally on engagement with IP Group’s employees. Each individual or team responsible for a stakeholder reports internally on a regular basis to the Board.

Identifying stakeholders

IP Group carries out an annual analysis to ensure it is engaging with and seeking feedback from all of its key stakeholders. This is done by creating a list (without screening) of any groups who have or might possibly have an interest in IP Group, its business, purpose and its objectives. IP Group then analyses each potential stakeholder to assess their relevance to the Group and the perspective that they can offer. In particular, the following factors are considered:

- contribution;
- legitimacy;
- willingness to engage;
- influence;
- necessity of involvement; and
- legal and/or moral responsibility to engage.

IP Group has identified the following as its current priority stakeholders:

- Shareholders;
- Employees;
- Portfolio companies;
- Portfolio company co-investors;
- Universities, academics and other research institutions;
- Inventors, founders and entrepreneurs;
- Third party fund investors;
- Governance bodies including proxy advisors;
- Brokers and Advisors (including analysts);
- the Environment and wider community;
- Debt holders;
- Regulators; and
- Media.

Although IP Group has identified its list of priority stakeholders, it is aware that there may be other groups of people whose interests may be considered on a specific issue. Examples might include Group's suppliers or the Governments in the countries in which IP Group operates or invests.

Methods of engagement

IP Group engages with its stakeholders in different ways in order to meet the specific needs of each stakeholder group. Examples of engagement include:

- Direct meetings;
- RNS and RNS Reach announcements;
- Annual General Meeting;
- Annual Report and Accounts;
- IP Group's website and its intranet;
- IP Group's employee forum IP Connect;
- Capital market conferences;
- Designated non-executive director responsible for employee engagement;
- Newsletters;
- Annual review meetings;
- Joining the boards of portfolio companies; and
- Offering business building expertise.

Further detail of how IP Group engages with each of its stakeholders can be found on page 99 of IP Group's 2022 annual report ([Annual Report 2022 \(ipgroupplc.com\)](https://www.ipgroupplc.com/Annual-Report-2022)).

Conflicting stakeholder interests

IP Group recognises that there may be occasions where its directors have to consider and balance conflicting stakeholder interests in the exercise of their duties. Differing interests may exist between various stakeholder groups (for example between shareholders and employees) or between individuals and/or groups within the same group (for example between shareholders who may have different priorities or agendas).

When considering decisions which have the potential to adversely affect one or more stakeholder groups, IP Group will always try to ensure that such groups are treated as fairly as possible.

Feedback and measurement of engagement

IP Group provides feedback to those stakeholders with whom it has engaged, which is tailored to the different stakeholder groups (at all times bearing in mind any confidentiality obligations which may exist). For example, feedback to shareholders is done via a combination of direct meetings with major shareholders, the annual general meeting (which is typically accompanied by a presentation to shareholders on the performance of the business and the opportunity for shareholders to ask questions to IP Group's directors), the annual report and accounts, Group capital market events and via announcements on IP Group's website.

Stakeholder engagement is measured in different ways depending on the stakeholder group. For example, for employee engagement, IP Group uses employee surveys and engagement via IP Connect. For shareholders, IP Group records details of shareholder interactions and identify key themes that are important to shareholders.

For further information, please see the IP Group 2022 annual report ([Annual Report 2022 \(ipgroupplc.com\)](https://www.ipgroupplc.com/Annual-Report-2022)) or the IP Group website at <https://www.ipgroupplc.com/>.

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