

# What are the Wates Principles?

## 6 Principles

### 1. Purpose & Leadership

An effective board develops and promotes the purpose of a company, and ensures that its values, strategy and culture align with that purpose.



### 2. Board Composition

Effective board composition requires an effective chair and a balance of skills, backgrounds, experience and knowledge, with individual directors having sufficient capacity to make a valuable contribution.



### 3. Director Responsibilities

The board and individual directors should have a clear understanding of their accountability and responsibilities. The board's policies and procedures should support effective decision making and independent challenge.



### 4. Opportunity and Risk

A board should promote the long-term sustainable success of the company by identifying opportunities to create and preserve value, and establishing oversight for the identification and mitigation of risks.



### 5. Remuneration

A board should promote executive remuneration structures aligned to the long-term sustainable success of a company, taking into account pay and conditions elsewhere in the company.



### 6. Stakeholder Relationships and Engagement

Directors should foster effective stakeholder relationships aligned to the company's purpose. The board is responsible for overseeing meaningful engagement with employees, and respect their views when making decisions.



The Wates Principles provide a corporate governance framework to help large & medium private companies and groups meet legal requirements while promoting long-term success.