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Financial Services Strategy
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12 December 2024

Dear Treasury Colleagues,

HM Treasury – Financial Services Growth and Competitiveness Strategy

We welcome the opportunity to respond to your Financial Services Growth and Competitiveness Strategy consultation.

The Quoted Companies Alliance *Primary Markets Expert Group* and *Investor Working Group* have examined the proposals and advised on this response from the viewpoint of small and mid-sized quoted companies. A list of Expert Group members can be found in Appendix A.

If you would like to discuss our response in more detail, please do not hesitate to contact us.

Yours sincerely,

James Ashton

James Ashton
Chief Executive

Introduction

We welcome the Government's plans for a Financial Services Growth and Competitiveness Strategy as part of its broader Industrial Strategy. The Government has correctly identified financial services as a key sector in the UK economy and fundamental to its future growth prospects, and we share its view that within financial services, capital markets are a priority growth opportunity for the UK.

We recognise that this strategy covers the entire financial services sector and have therefore limited our responses to the consultation questions related to our key areas of concern and expertise (Q3.3, Q4.6, Q5.8 and Q5.9).

In our response, we provide our perspective on the necessary components of a successful financial services growth and competitiveness strategy from the perspective of the UK's small and mid-cap companies and with a focus on the UK capital markets that support them.

In Part A we outline the size and contribution of the UK's small and mid-cap sector and discuss trends impacting the UK's capital markets including a shrinking public market, increasing global competition and critical investment challenges.

In Part B, we provide a set of recommendations to the UK's regulatory environment and capital markets infrastructure that we believe the Government should consider when proceeding with its Strategy. For a full list of recommendations, please see page 8 of this response.

Part A

The UK's Small and Mid-cap Sector

At the Quoted Companies Alliance, we represent the UK's 1,000+ small and mid-sized quoted companies and the firms that advise them. Collectively, small and mid-sized quoted companies represent 80% of companies on the UK's public markets (see figure 1) [1].

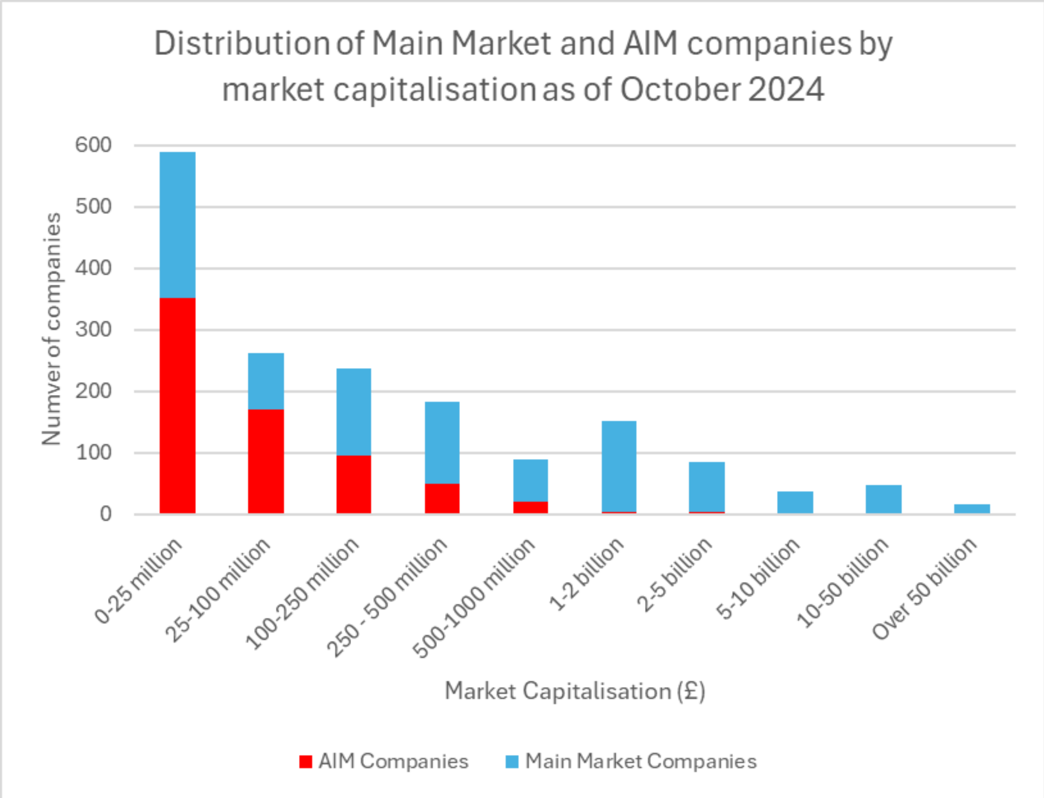

Figure 1: Source: London Stock Exchange October 2024

They are a vital source of job creation and tax revenue. In 2023, companies on AIM provided £68 billion Gross Value Added (GVA) to UK GDP; contributed £5.4 billion in corporation tax, and employed 778,888 people[2]. The smaller companies sector is also a highly productive sub-sector of an already productive financial services sector as the consultation paper highlights. For example, AIM companies are more productive than the national average at £87,100 GVA per employee (compared to £58,327)[3], and support regional growth: as of September 2024, only one English county lacked a small company headquarters[4].

[1] Companies with a market capitalisation of £1 billion or less is the widely accepted definition of small and mid-cap. Source: London Stock Exchange Main Market Factsheet October 2024 and AIM Factsheet October 2024.
[2] Grant Thornton. *The Economic Impact of AIM Companies.* (2024). p. 6. Source: https://www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/publication/2024/aim-economic-impact-report_final.pdf
[3] Ibid. p.10.
[4] New Financial. *The Future of Smaller Company Capital Markets in the UK. (*2024). p.6.

Small and mid-caps are a crucial part of the growth escalator. For example, one-third of listed UK companies with a market value of more than £2bn in 2024 were once a smaller company in the past 20 years and subsequently have more than doubled in value in real terms[5].

More broadly, the public markets have wide-reaching benefits for society including spreading wealth through shareholder ownership. For example, 43% of quoted shares are held domestically across a range of beneficial owners including pension funds, insurance companies, charities and individuals[6]. While becoming quoted/listed provides a range of benefits for companies, not least, access to a continuous source of funding (equity) and the corresponding possibility of sustainably growing the company.

Trends in Capital Markets

Q3.3 What do you consider to be the most important trends or changes likely to affect the financial services industry over the next 10 years?

We will focus our response on trends taking place across capital markets both domestically and globally.

There are broader trends affecting the UK's capital markets which have been well-documented. IPOs have been stubbornly low and delistings consistent. There has been a 24% drop in the average number of companies on AIM over the last three years compared to the 20-year average[7], and a dramatic reduction in IPO activity - where companies typically raise money to pursue growth opportunities - with a 65% decrease in the average number of IPOs on AIM over the last three years compared to the average over 20 years[8].

From 2013 – 2023, the UK's public markets had a net loss of 613 companies (see figure 2). If that trend continues at the same rate over the following 10 years, the UK's public markets will have shrunk by 50% over a twenty-year period from a figure of 2448 companies in 2013, to 1222 in 2033.

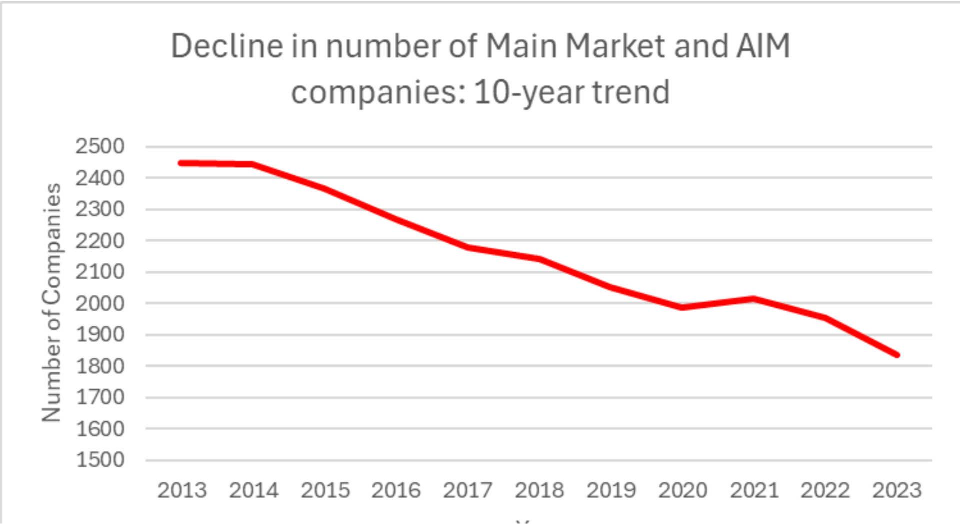

Figure 2: Source: London Stock Exchange Issuer List

[5] 'Smaller company' is defined here as a market capitalisation of less than £1bn. Source: New Financial. *The Future of Smaller Company Capital Markets in the UK. (*2024). p. 3.
[6] ONS. December 2022: https://www.ons.gov.uk/economy/investmentspensionsandtrusts/datasets/ownershipofukshares
[7] There was an average number of 916 companies on AIM over a 20-year period (2004-2023). From 2021 – 2023, the average number of companies on AIM was 697. Source: London Stock Exchange AIM Factsheet December 2023.
[8] The three-year average for IPOs on AIM was 29 (2021 – 2023), while the 20-year average (2004-2023) was 82. Source: London Stock Exchange Primary Markets New Issues and IPOs.

Delistings and a corresponding shrinking in size of the UK stock market directly harms the UK's competitiveness and status as a leading global financial hub. A shrinking stock market is also consequential for UK growth, productivity, employment, tax revenue and individual's savings.

Global trends

Globally, the UK's capital markets face competition from a range of other jurisdictions with a number of rival markets emerging in South East Asia, and not least from the US and EU.

The US has a clear global competitive advantage, with a large domestic market and deep pools of capital alongside the dominance of its Magnificent Seven tech stocks. However, the perceived boon for UK companies listing in the US often fails to materialise[9] and given the UK capital markets' relative strength, the flow of UK companies moving across the Atlantic is by no means inevitable.

The EU has undertaken an extensive capital markets reform agenda. This culminated in the European Council's adoption of the Listing Act in October 2024. The EU Listing Act aims to make listing in the EU more flexible and accessible for companies, and contains a number of provisions relating to Prospectus regulation, MiFID II, and Market Abuse Regulations (MAR), some of which align with reforms undertaken in the UK.

More broadly, Mario Draghi's report on European competitiveness makes clear the EU's intended reforms to its internal market to boost the bloc's international competitiveness and fund its extensive investment needs. The paper contains a number of recommendations aimed at retaining EU listed companies and increasing access to finance and investment for companies of all sizes, and in particular smaller, high growth companies. European Commission President, Ursula Von der Leyen, is creating a taskforce to facilitate the adoption of Draghi's recommendations[10].

Increasing investment needs

Domestically, the investment needs of the UK economy as a whole have been well-documented, with £1 trillion of investment required over the next 10-years, and an annual demand of £20-£30billion in VC capital alone according to research from the Capital Markets Industry Taskforce (CMIT)[11].

Ensuring there is sufficient access to scale-up finance for smaller growth companies, and broader investment in UK equities is a vital component to overturning the current delisting trend discussed above.

Fund outflows and the rise of passive

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[9] For example, the 20 largest UK companies that listed in the US in the previous 10 years have either delisted or are on average trading down by over -80%. Source: CMIT. *Capital Markets of Tomorrow.* (2024). p.6.
Also see London Stock Exchange research on comparisons of liquidity between the US market and UK. Source: *London Stock Exchange. Liquidity demystified.* (2023) https://images.communications.lseg.com/Web/LSEG/%7bc0ca4ff9-f3a3-42af-b395-9b06154595c4%7d_Liquidity_Discussion_Materials.pdf

[10] Politico. Website article: "Von der Leyen is creating a taskforce to turn Draghi report into reality". Source: https://www.politico.eu/article/ursula-von-der-leyen-mario-draghi-is-creating-a-task-force/ Date accessed: 02/12/2024.

[11] CMIT. The Capital Markets of Tomorrow. (2024). p.6.

Consistent outflows from UK equity funds[12] are in part responsible for the declining numbers of UK listed companies[13], with UK pension funds drastically reducing their exposure to UK equities to the current level of less than 5%[14].

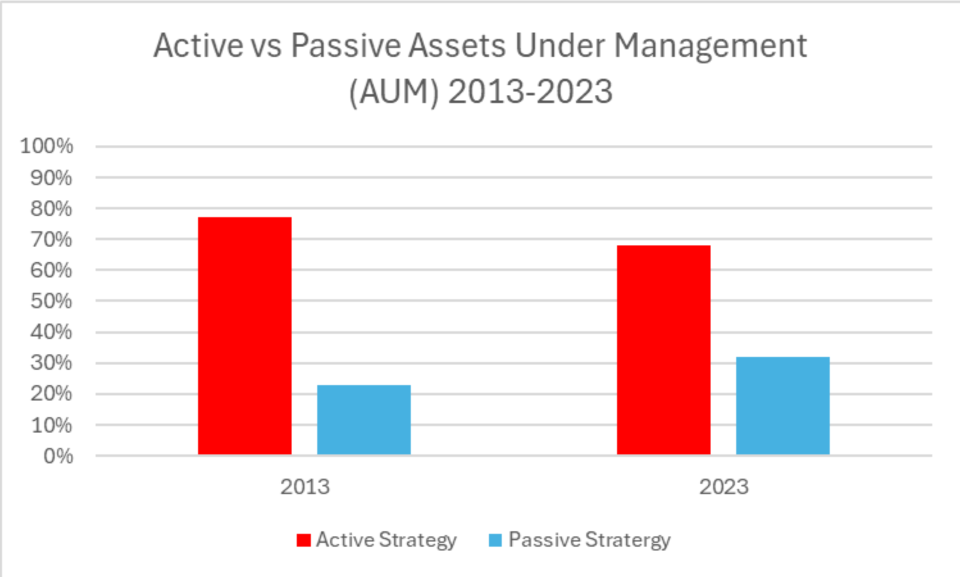

Figure 3: Source: Investment Association

Another significant area of development is the rise of passive investing. From 2013 to 2023 there has been a 9% increase in UK assets under management held passively with 32% of assets now held in passive funds (see figure 3)[15].

While it could be argued that outflows from UK equity funds are offset by the rise of passive strategies[16], this has little to no impact on the UK's smaller high growth companies as these companies have market capitalisations that are too small to enter into the main UK focused indices that track the funds, leaving smaller companies excluded from a vital source of potential funding.

While there may be sound economic reasons for investing in passive tracker funds due to their relatively low cost, they contribute little to UK growth and tax revenues[17], nor aid fundraising activities (IPOs, or further issues). Their continued prominence, and the extent to which they draw investors away from actively-managed funds, will have funding implications for UK smaller companies, and capital markets more broadly, over the next ten years.

[12] Calastone. *Investors cash in bond market profits but grow more gloomy about UK equities.* October 2024: https://www.calastone.com/insights/investors-cash-in-bond-market-profits-but-grow-more-gloomy-about-uk-equities/

[13] It is estimated that around £5 billion in smaller company funds has been closed down or reallocated between 2021 and 2023. Source: New Financial. *Future of Smaller Companies.* (2024) p. 15.

[14] New Financial. *Comparing the asset allocation of global pension systems*. (2024). p.3: https://9075c432-8d38-4fcf-8025-d4433c9ea618.usrfiles.com/ugd/9075c4_e0e4863c058642b88aa61ce56bad5f79.pdf

[15] Investment Association. *Investment Management in the UK 2023-2024*. (2024) p.47. Source: https://www.theia.org/sites/default/files/2024-10/Investment%20Management%20in%20the%20UK%202023-2024.pdf

[16] CMIT. *The Capital Markets of Tomorrow.* (2024). p.16.

[17] Peel Hunt. *UK equity markets are vital, but need to be revitalised.* (2023). Source: https://www.peelhunt.com/news-insights/articles/uk-equity-markets-are-vital-but-need-to-be-revitalised/

Reversing the negative trend

The UK's capital markets, and its smaller company sector, are well-placed to overturn this negative trend. UK smaller companies, and UK listed equities more broadly, have delivered very attractive returns over the long-term[18], while fee rates remain modest (relative to private equity) and most listed funds lack financial gearing.

Compared to other asset classes, smaller caps perform well. When assessing Compound Annual Growth Rate (CAGR) of revenue, AIM companies consistently outperform private companies across a number of key sectors including healthcare (17.2% vs. 10.8%), technology (14% vs. 10.8%), and industrials (10% vs. 8.3%)[19].

Companies quoted on AIM drive sustained growth across a number of metrics after initial public offering (IPO) including 12.7% employee growth and 40.8% operating profit growth five years after IPO, thereby contributing to national economic growth[20].

Globally, UK smaller caps are competitive with London possessing a preeminent growth market in AIM. For example, AIM has been responsible for 54% of all European growth market capital raised over the last 5 years while in 2024 alone, US companies AOTI and MicroSalt have opted for quoting on the AIM[21].

We commend the Treasury and FCA for its work on the capital markets reform agenda and welcome the changes to the Listing regime, upcoming prospectus reforms and the proposed PISCES platform. Taken as a whole, these modifications to the UK's capital market infrastructure should increase the attractiveness of listing in the UK, improve the international competitiveness of our public markets, and encourage more companies to list and remain listed here.

Notwithstanding, there needs to be a clear strategy for focusing on the demand-side alongside the supply-side reforms. Increasing investment in UK publicly listed companies must be a priority for this Government, and in particular, for smaller companies. Compared to their larger counterparts, smaller companies' exposure to investors is more limited and their funding needs more acute, yet their growth potential is vast.

[18] 69-year-CAGR of the Deutsche Numis 1000 is 15.6%; Deutsche Numis Smaller Companies 14.1%; Deutsche Numis Mid cap 12.8%. Source: Deutsche Numis, January 2024.
[19] Grant Thornton. *Economic Impact of AIM. (*2024). p.11.
[20] Ibid. p.10.
[21] CMIT. *Capital Markets of Tomorrow.* (2024). p.32.

Part B

Below, we summarise a list of recommendations that we believe should ensure the UK's capital markets remain globally competitive and can reverse some of the negative trends currently hindering the growth of companies that make up the UK's public markets. We also provide responses to Q4.6, Q5.8 and Q5.9

List of recommendations

The Government should:

1. **Expand the FCA's remit to include proportionality as part of its Secondary International Competitiveness and Growth Objective.**

2. **Grant the new Regulatory Innovation Office oversight over the FCA's adherence to its secondary objective and proportionate regulation.**

3. **Review its decision to cut BR in halve for AIM and Aquis shares and should:**
    a. Consider the inclusion of AIM and Aquis shares under the £1 million BPR allowance.
    b. As a minimum, guarantee the new 50% BR rate for AIM and Aquis shares until 2035.
    c. Reduce the rate of CGT for AIM and Aquis shares rate to boost investment in companies quoted on both markets.

4. **Proceed with the Mansion House Compact reforms and explore changes to pension tax reliefs to direct investment in UK smaller companies.**

5. **Take forward the Investment Research Review's recommendation for the creation of an Investment Research Platform.**

6. **Introduce a 'Tell Sid' campaign 2.0 to increase public interest in share ownership alongside a broader strategy for retail participation in the UK's capital markets.**

7. **Overhaul the ISA regime by:**
    a. Simplifying the regime through the creation of a single ISA product combining the Cash ISA with the Stocks and Shares ISA; and
    b. Reviewing the decision to withdraw the UK ISA proposal.

Regulatory environment

<u>Q4.6 What is your assessment of the UK's current regulatory environment?</u>

As mentioned in Part A, we welcome the capital markets reform agenda undertaken by the Treasury and FCA and believe that this will improve the regulatory environment. We also welcome the Chancellor's recent letter[22] to FCA CEO Nikhil Rathi outlining its remit on supporting the UK's competitiveness and growth. However, we believe this remit should be expanded to include proportionality as part of its secondary international competitiveness and growth objective.

Currently, the FCA focuses on proportionality insofar as regulation impacts growth and that the "regulatory costs or restrictions on firms are proportionate to the expected wider economic benefits"[23]. However, to ensure that regulatory changes do not disproportionately impact smaller companies, the FCA should adopt a more comprehensive principle of proportionality that factors in the impact of regulation on companies of different sizes and sectors (see figure 1 on page 3 for the distribution of market cap on the UK's public markets).

In doing so, the FCA ought to publish their approach to proportionality and how they have taken into consideration the size, complexity and available resources of market participants prior to any regulatory action.

Increased oversight on the FCA's work on international competitiveness and growth and the extent to which it is pursuing proportionate regulation should also be implemented. One measure we believe deserves consideration is the Government's proposal for a Regulatory Innovation Office to occupy this role as proposed in its pre-election *Financing Growth* paper.

<u>Proportionality in other jurisdictions</u>

The need for proportionate regulation is well recognised in other jurisdictions. Mario Draghi's report on the EU's competitiveness provides recommendations for the implementation of proportionate regulatory reporting requirements specifically aimed at reducing the compliance costs and administrative burdens on the EU's SMEs and small and mid-caps[24].

The report also recommends the simplification of regulatory requirements and regulatory overlap across the EU's "whole legislative chain", prioritising economic sectors where the bloc is deemed particularly vulnerable to international competition[25].

A similar approach is being undertaken by the Department for Business and Trade as part of its non-financial reporting review, and the FCA's recent commitment to streamlining its Handbook is a step in the right direction.

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[22] HM Treasury. *Recommendations for the Financial Conduct Authority*. (2024). Source: https://assets.publishing.service.gov.uk/media/673712ee12f25d73081271e8/CX_Letter_-_Recommendations_for_the_Financial_Conduct_Authority__FCA__-_Nikhil_Rathi_14112024.pdf
[23] FCA. *Secondary International Competitiveness and Growth Objective (SICGO) report 2023-2024*. (2024). p.10.
[24] Draghi, M. *The Future of European Competitiveness – Part A.* (2024). p.65.
[25] Ibid.

A lack of proportionality has impacted a number of areas of capital markets regulation. Below we provide the example of liquidity constraints on fund managers to illustrate this point. Ultimately, reform to the regulatory environment will require a cultural reset on risk which will also discuss below.

Liquidity requirements

The collapse of the Woodford Equity Income Fund in 2019 and the FCA's response to it in the form of liquidity constraints has generated apprehension and reluctance among the asset management industry to invest in smaller, less liquid stocks. The FCA's letter on effective liquidity management in 2019 and the liquidity management multi-firm review in 2023 both adopted a one-size-fits-all approach to the issue and failed to consider some of the unintended consequences of its response.

For investment funds, the ability to allocate into AIM and FTSE small cap with a view to long-term capital growth is hindered by liquidity metrics that are geared towards large cap companies. Fund managers are required to set out their ability to service any potential redemptions on shares in their portfolio in order to comply with liquidity requirements. Given the relative illiquidity of smaller company stocks (as compared to larger stocks), this has resulted in asset managers moving up the market capitalisation scale and in-effect de-funding smaller listed companies or no longer considering investing in smaller companies. Limited consideration has been given by the FCA to the broader implications of these regulatory initiatives and the disproportionate impact they have had on smaller companies investment.

Cultural shift on risk

Underpinning all of these recommendations must be a reappraisal of risk within the economic system and capital markets specifically. Over the past decade or so, regulation has taken a risk-free approach seeking to eliminate almost all losses for consumers. This regulation is often well-intentioned with the aim of reducing levels of risk in the financial system, but it has evolved in a way that it has created a culture of risk aversion at all costs, with particularly damaging effects on smaller, high growth companies where the risk-reward nexus is more pronounced.

Recognition of this issue by the Chancellor in her 2024 Mansion House speech was encouraging in this respect and all market participants must work together to redress the current risk/reward imbalance in the system.

Demand-side reforms

Q5.8 Are there any barriers to growth in capital markets that are not being targeted by existing government reforms? How can private and public markets be grown so that they best support UK growth?

Yes – there are a number of areas the Government should target to unlock barriers to growth in capital markets, and particularly for smaller companies including: business relief for AIM and Aquis stocks, pension fund investment, and the creation of an Investment Research Platform.

Business Relief for AIM and Aquis

The Government's recent decision to halve the level of business relief (BR) on AIM and Aquis shares for Inheritance Tax (IHT) purposes will impact companies quoted on those markets' growth prospects. This change will result in an outflow of capital from IHT funds thereby cutting-off a significant source of funding for AIM and Aquis companies. The government's changes will incentivise investors into moving their capital into private businesses given the additional savings they will make as a private assets are included under the £1 million business property relief (BPR) allowance.

Our own research estimates that around £10billion of capital is deployed to these growth companies as a result of business relief[26], while the proposed reforms to the relief will amount to around £600m of outflows from IHT funds per year[27].

Furthermore, recent research from Peel Hunt suggests that as much as £2billion will be lost in tax revenue as a result of the Government's proposals, contrary to the stated £100 million tax raise that was announced by the Treasury[28].

AIM companies provide a positive contribution to UK growth and tax revenue (see page 6) and these changes will drain investment on the UK's premium growth markets at a time when it is most needed.

We recommend that:

1. The government consider the inclusion of AIM and Aquis shares under the £1 million BPR allowance.
2. As a minimum, the new 50% BR rate for AIM and Aquis shares is guaranteed until 2035, in line with VCT and EIS reliefs. This would provide certainty to companies and investors alike.
3. AIM and Aquis shares are given a reduced Capital Gains Tax (CGT) rate to boost investment in companies quoted on both markets. A similar approach is being proposed across the EU based on the Swedish example[29] whereby CGT is backloaded if the capital gains are reinvested in unlisted, innovative companies[30].

<u>Pension fund investment</u>

We support the work the Government is undertaking as part of its Pension Investment Review and recognise that this process is at an early stage. However, we are concerned that the main focus of the review has been on increased scale and consolidation as the primary means of securing increased investment in the UK's equities and its innovative high growth companies. However, on its own, increased consolidation offers no guarantee of additional capital being deployed to smaller companies. The experience of greater consolidation in the Wealth Management industry provides reasons for caution.

We believe that the review should consider creating a specific requirement for pension funds to invest in unlisted equities, in much the same way as was set out in the Mansion House compact whereby the 11 DC pension fund signatories would allocate 5% of their assets to unlisted equities by 2030. Progress towards this goal has been slow demonstrating the limitation of a purely voluntary scheme.

However, achieving this does not necessarily require direct mandation and the government could go even further. Incentivisation through specific tax credits could be achieved by focusing existing pension tax reliefs

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[26] Quoted Companies Alliance. *Building business backed by Business Relief.* (2024). Source: https://www.theqca.com/wp-content/uploads/2024/09/QCA-Report_Building-Business-back-by-Business-Relief_2024.pdf

[27] Peel Hunt. *AIMing for a future*. (2024). Source: https://www.peelhunt.com/news-insights/articles/aiming-for-a-future/#:~:text=Scaling%20up%20%E2%80%93%20AIM%20helps%20growing,over%20%C2%A313m%20in%202023

[28] Ibid.

[29] Sweden boasted a 344% increase in smaller company IPOs from 2013 to 2023. Source: New Financial. *Future of Smaller Companies.* (2024). p.14.

[30] Draghi, M. *The Future of European Competitiveness – Part B.* (2024). p. 248.

on investing in equities below the FTSE 100 and those on the UK's quoted SME markets (AIM and Aquis). One of the primary reasons Australia has a high domestic bias for equities is due to tax credits for investors on dividends paid by Australian companies[31].

The Government's *Financing Growth* paper signalled France's Tibi scheme as a possible framework for increasing investment in UK small cap: "*Labour will set up an opt-in scheme for DC funds to invest a proportion of their assets into UK growth assets – split between venture capital, small cap growth equity, and infrastructure investment*."[32]

Given the success of the Tibi scheme in increasing the amount of venture capital and small fund investors in France, this is an approach that is also worthy of consideration.

Investment research and smaller company liquidity

Low levels of liquidity for smaller company stocks is another barrier to growth on the UK's capital markets. Liquidity is an essential feature of a well-functioning market as it aids price discovery and valuations, and reduces the cost of raising capital for companies. Currently, half of AIM stocks have less than 10 trades a day and just 5% of AIM companies traded more than £1m a day in 2023[33].

One key measure the Treasury could introduce to help stimulate liquidity in the UK's public markets would be to take forward Rachel Kent's recommendation to establish an Investment Research Platform as set out in her Investment Research Review.

The creation of an Investment Research Platform would ensure small cap research is once again affordable and investment houses train a new generation of equity analysts. The implementation of this proposal would contribute to increasing equity research coverage for smaller company stocks thereby improving their access to capital. If the UK through its Industrial Strategy is to nurture certain industries and ensure they can access the funding they require, the UK capital markets need to develop specialist knowledge through accessible equity research.

Q5.9 Are there any barriers to retail participation in UK capital markets? What more can be done to encourage consumers to invest in capital markets to a longer-term time horizon?

Some of the barriers to retail participation in UK capital markets include financial education and access to financial advice. This is borne out by the significant numbers of savers who hold savings in cash[34] rather than in equities, despite the superior long-term returns they could achieve.

Work currently underway by the FCA and Treasury to address the advice guidance boundary is an important step in solving access to financial advice. To address greater financial education and awareness across society, the implementation of a 'Tell Sid'-type campaign, such as the one proposed in the Government's *Financing Growth* paper, would likely generate increased interest in equity investment across society by educating British citizens on the benefits of investing in British businesses. This should be augmented by a broader Government strategy on boosting retail participation in the UK's capital markets.

[31] New Financial. *Comparing the asset allocation of global pension systems.* (2024). p.20.
[32] Labour Party. *Financing Growth: Labour's plan for financial services.* (2024). p.21.
[33] New Financial. *The Future of Smaller Company Capital Markets in the UK.* (2024). p.23.
[34] Around £1.5 trillion is held in cash according to the *FCA's Cash Savings Market Review* (2023). p.3.

Incentives for investing in equities, and in particular, UK equities should be reviewed. Specifically, the ISA regime requires an overhaul. We recommend the Government:

1) simplify the regime through the creation of a single ISA product combining the Cash ISA with the Stocks and Shares ISA; and

2) review the decision to withdraw the UK ISA proposal. A UK ISA would be a straightforward vehicle for increasing retail participation in domestic equities and could be achieved by increasing the current annual limit to £25,000 and allocating a minimum of 50% to UK equities. New Financial research estimates that this could direct an additional £8 billion to £10 billion a year into UK equities and could encourage over two million people into investing instead of saving[35].

As noted above, the creation of an Investment Research Platform providing information for retail investors on companies will also remove barriers to retail participation. One of the key elements here is to enable a retail investor to understand companies, their personal risk appetite and diversification strategy; enabling them to choose to invest in UK companies directly.

[35] New Financial. *The Future of Smaller Company Capital Markets in the UK.* (2024). p.30.

Appendix A

The Quoted Companies Alliance *Investor Working Group*

Paul Stevens (Chair)	**Business Growth Fund (BGF)**
Natalie Bell	Liontrust Asset Management
Fraser Elms	Herald Investment Management Ltd
James Goodman	Schroders Investment Plc
Judith MacKenzie	Downing LLP
Katie Potts	Herald Investment Management Ltd
Richard Power	Octopus Investments
Eustace Santa Barbara	Canaccord Genuity
Gervais Williams	Premier Miton Group Plc

The Quoted Companies Alliance *Primary Markets Expert Group*

Samantha Harrison (Chair)	**Grant Thornton UK LLP**
Colin Aaronson	Grant Thornton UK LLP
Mark Brady	Spark Advisory Partners Limited
Giles Balleny	Cavendish
Andrew Buchanan	Peel Hunt LLP
David Coffman	Novum Securities Limited
Dru Danford	Panmure Liberum Limited
David Foreman	Zeus Capital
Bobbie Hilliam	Canaccord Genuity
Nick McCarthy	Shoosmiths LLP
Katy Mitchell	Zeus Capital
Nick Naylor	Allenby Capital
Jeremy Osler	Cavendish
Niall Pearson	Hybridan LLP
Mark Percy	Shore Capital Group Ltd
Oliver Pilkington	Shoosmiths LLP
George Sellar	Peel Hunt LLP
James Spinney	Strand Hanson
Fred Walsh	Stifel