



**'the Company' or 'the Group'**

## **Corporate Governance Statement**

### **Overview**

As a company trading on AIM, the Company is not required to adopt a specific corporate governance code. However, it is required to provide details of the corporate governance code it has decided to adopt, state how it complies with that code and provide an explanation where it departs from compliance with that code.

The Directors support a high standard of corporate governance and have decided to comply with the QCA Code. The Directors believe that the QCA Code provides the Company with the framework to help ensure that a strong level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all of its stakeholders. The Company has complied with the QCA Code with effect from Admission.

### **QCA Principles**

#### **Principle 1: Establish a business strategy and business model which promote long-term value for shareholders**

The Group's business model and strategy was set out in Part I of the Admission Document and subsequently amended in a Company announcement dated 17 September 2019. The Directors believe that the Group's model and growth strategy help to promote long-term value for shareholders.

The principal risks facing the Group are set out in Part II of the Admission Document. The Directors take appropriate steps to identify risks and undertake a mitigation strategy to manage these risks.

#### **Principle 2: Seek to understand and meet Shareholder needs and expectations**

The Company's annual report and notice of AGM are sent to all shareholders and are available for download from the Company's website.

Shareholders are kept up to date via announcements made via a Regulatory Information Service on matters of a material substance and/or a regulatory nature. Updates are provided to the market from time to time and any expected material deviations to market expectations are announced via a Regulatory Information Service. The Company's AGM is an opportunity for shareholders to meet with the Non-Executive Chairman and other members of the Board. The meeting is open to all shareholders, giving them the option to ask questions and raise issues during the formal business or, more informally, following the meeting. The results of the AGM are announced via a Regulatory Information Service.

The Board is keen to ensure that the voting decisions of shareholders are reviewed and monitored; and the Company engages with Shareholders who do not vote in favour of resolutions at AGMs in order to understand their concerns.

**Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success**

The Group takes its corporate social responsibilities very seriously and is focused on maintaining effective working relationships across a wide range of stakeholders in order to achieve long term success.

The Directors maintain an open and ongoing dialogue with the Company's stakeholders to help promote the long-term success of the Group.

**Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation**

As noted under 'Principle 1', the Directors take appropriate steps to identify risks and undertake a mitigation strategy to manage these risks.

The risks involved and the specific uncertainties for the Company are regularly monitored and the full Board formally reviews such risks regularly at Board meetings. All investment proposals reviewed by the Board include a consideration of the issues and risks of the proposal. Where necessary, the Board draws on the expertise of appropriate external consultants to assist in dealing with or mitigating risk.

**Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chairman**

The Board currently comprises the following persons:

- the Non-Executive Chairman;
- the Non-Executive Director; and
- the Executive Director.

The biographies of the Directors are set out in the Leadership Team section of this website. Non-executive Chairman James Normand and Non-Executive Director Simon Grant-Rennick are considered to be independent and were selected with the objective of bringing experience and independent judgement to the Board.

The size of the Board, and the straightforward nature of the Company's business, mean that the functions that in larger businesses would be dealt with by committees of the Board (e.g. Audit, Remuneration and Nomination) are undertaken by the full Board. The Board keeps its composition under regular review, taking into account the relevant skills, experience, independence, knowledge and gender balance of the Board. The Directors are subject to retirement by rotation at every third AGM of the Company.

The Board meets regularly and at least quarterly. Processes are in place to ensure that each Director is, at all times, provided with such information as is necessary to enable each Director to discharge his or her respective duties.

**Principle 6: Ensure that between them the Directors have the necessary up to date experience, skills and capabilities**

The skills and experience of the Directors are summarised in the Leadership Team section of this website.

The Directors believe that the Board has the appropriate balance of diverse skills and experience in order to deliver on its core objectives. The Board regularly reviews its own composition to ensure it has the necessary depth of skills and experience to support the ongoing development of the Group.

**Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

The Directors consider seriously the effectiveness of the Board and the individual performance of each Director.

The Company has a formal process for the regular assessment of the individual contributions of each member of the Board to ensure that their contribution is relevant and effective.

**Principle 8: Promote a corporate culture that is based on ethical values and behaviours**

The Group promotes a culture of integrity, honesty, trust and respect. The Company has no employees in addition to the directors. All directors are expected to operate in an ethical manner in all of their internal and external dealings. The policies promote this culture (including such matters as whistleblowing, social media, anti-bribery and corruption, communication and general conduct) are addressed in all directors' letters of appointment.

The Board takes responsibility for the promotion of ethical values and behaviours throughout the Group and for ensuring that such values and behaviours guide the objectives and strategy of the Group.

**Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board**

The Non-Executive Chairman leads the Board and is responsible for its governance structures, performance and effectiveness. The Board retains ultimate accountability for good governance and is responsible for monitoring the activities of the executive team. The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions. The Executive Director is responsible for the operation of the business and delivering the strategic goals agreed by the Board.

The Board reviews the Group's governance framework on an annual basis to ensure it remains effective and appropriate for the business going forward.

**Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with Shareholders and other relevant stakeholders**

The Board views the Company's annual report and accounts as well as its half year report as key communication channels through which progress in meeting the Group's objectives and

updating its strategic targets can be given to Shareholders. Additionally, the Board uses the Company's AGMs as a primary mechanism to engage directly with Shareholders, to give information and receive feedback about the Group and its progress.

The Company's website is updated on a regular basis with information regarding the Group's activities and performance. The Company's reports, presentations, notices of annual general meetings, and results of voting at shareholder meetings are made available on the website.