

Corporate Governance - AIM Rule 26

Quoted Companies Alliance Code – Website disclosures

Chair's statement

As a company listed on AIM, Bango adopts a recognized corporate governance code. The Bango Board has adopted the Quoted Companies Alliance Code ("QCA Code"). The Board believes the pragmatic, principles-based approach to corporate governance set out in the QCA Code is a good fit to the nature, stage and size of Bango's business and the sector in which it operates. The QCA Code's principles support the core Bango aims: to deliver innovative, reliable products in a dynamic, collaborative environment, achieving sustainable growth for all stakeholders.

Bango operates in a fast-paced sector that is constantly evolving. This document explains some of the ways in which Bango complies with the QCA Code in this context.

This document should be read in conjunction with the Bango Annual Report and Accounts. Those QCA Code principles not covered in detail in this document, which include detail on the Bango business model and strategy, strategy for growth, risk management strategy and framework, Board composition and Director experience/background, are included in the Annual Report and Accounts. A copy the latest version of the Annual Report and Accounts (2019 Annual Report) may be accessed [here](#). An index setting out where disclosures may be found against all of the principles of the QCA Code may be found [here](#).

Corporate governance is subject to ongoing review by the Board, and this document is updated both when necessary and when appropriate, and further detail will be incorporated in Bango Annual Reports.

Establish a strategy and business model which promote long-term value for shareholders - QCA Code Principle 1

The 2019 Annual Report incorporates an explanation of the Bango strategy and business model. A copy may be accessed [here](#).

Seek to understand and meet shareholder needs and expectations - QCA Code Principle 2

Bango enters into open, clear and regular communications with its shareholders. A solid understanding of the business model, strategy and aims of the business is fundamental to achieving shareholder engagement and delivering value. The core Bango corporate values are applied across all areas of its business, including relationships with shareholders.

Shareholders contact Bango on a regular basis through, for example, email and the Board will respond to these communications as much as it is able to.

Bango has various forums for communication with shareholders, including its AGM, which all shareholders are invited to attend. The Board is introduced to the meeting and available to address shareholder queries, either in open forum or individually afterwards. The Board makes presentations to institutional investors at least twice annually, immediately following the release of the half-year and full-year results, and also meets with individual institutional investors during the year in order to gain their views. In addition, Bango hosts a strategy day annually, which all shareholders are invited to attend, at which shareholders can meet and discuss Bango strategy and operations with members of the Board and the senior management team. The Bango broker supports the Board and the Bango investor relations team, in their communications with institutional investors and prospective investors. The Chair has overall responsibility for ensuring good investor relations.

Specific queries may be raised at any time by any shareholder by emailing the Bango investor relations team at investors@bango.com. The team ensures that the person best placed to address each query responds as soon as possible. The CEO is responsible for overseeing day-to-day communications with shareholders.

The [news](#) and [investor relations](#) sections of the Bango website are regularly updated and provide the market with the latest business news and shareholder updates.

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

The Executive Directors are responsible for identifying the key resources and relationships on which the Bango business relies. Non-Executive Directors oversee the performance of the executive team.

Employees

Bango has a strong corporate culture and recognizes that employees are central to its success. Bango is a challenging and stimulating place to work, requiring enthusiasm and commitment. All employees are valued equally; the leadership team strive to make everyone feel an important part of Bango and empowered to make a difference. Bango strongly encourages collaborative working, offers a generous benefits package and supports employee personal development and welfare. In order to gain feedback from its employees, Bango undertakes an employee engagement survey annually, the results of which are analyzed, actioned as appropriate and kept under review.

The Executive Directors recognize the important role employees play in understanding the needs, interests and expectations of other stakeholders. They work closely with all employees to grow and nurture these relationships.

Customers and partners

Customers and partners are central to the success of Bango and its strategy. Bango works closely with its customers and partners at all stages of the relationship, through its products such as Bango Marketplace, Bango Boost and Bango Dashboard, as well as through the building of strong personal relationships across all areas of the business. Feedback is regularly and proactively obtained at all levels, as well as through regular account meetings, which are always attended by management-level, and often director-level, representatives. Feedback is discussed with all key stakeholders, and incorporated into product strategy and development.

Suppliers

Bango key suppliers provide the products and services that underpin and support the Bango Platform. Their "fit" with Bango, and the quality of the products and services they provide to Bango, is fundamental to the security, performance and reliability of the platform itself. Bango works closely with these businesses, and proactively monitors quality, security, performance and reliability.

Embed effective risk management, considering both opportunities and threats, throughout the organization - QCA Code Principle 4

Bango monitors financial and operational risks to which it is exposed through its business activities. The Bango Board, Audit Committee and key management personnel regularly review these risks and assess the processes and controls that have been put in place to mitigate them. The principal risks and uncertainties can be viewed in the Strategic Report section of the 2019 Annual Report which can be accessed [here](#).

Maintain the board as a well-functioning, balanced team led by the Chair - QCA Code Principle 5

Further information relating to the composition and functioning of the Board may be found within the Report of Directors section of the 2019 Annual Report which can be accessed [here](#).

Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities - QCA Code Principle 6

Further information relating to the experience, skills and capabilities of the Board may be found within the Report of Directors section of the 2019 Annual Report which can be accessed [here](#).

Evaluate board performance based on clear and relevant objectives, seeking continuous improvement - QCA Code Principle 7

Board performance is essential to the success of Bango. The Board strives to be strong and effective, individually and collectively, and the correct mix of skills and experience is of crucial importance in achieving this.

An annual appraisal system is in place for all employees, including the Executive Directors. The CEO is responsible for overseeing the performance of the CFO and CMO, and in an operational capacity only, the Executive Chair. On the basis the Chair is currently an Executive Director, the CEO reports to the Board and the Senior Independent Director, and not the Chair. The contribution and performance of all Executive Directors is monitored and ultimately overseen by the Senior Independent Director and Non-Executive Directors. Management reports, incorporating updates on key financial and operational issues, are produced monthly by the Bango management team, shared with the Board, and scrutinized at the Board's monthly board meetings.

Executive remuneration incorporates performance-related elements to align their interests with those of Bango shareholders. These performance-related elements are set as a significant proportion of total remuneration, to incentivize and to reward success. The awarding of a bonus is based upon a series of success factors including financial and non-financial criteria, linked to the long-term development of Bango. Success factors include shared goals (e.g. EUS, revenue and profitability targets), and individual, targeted goals, appropriate for each Director and their role. Both shared and individual targets were reviewed by the Remuneration Committee in 2019 as a part of a wider review of Executive remuneration and policy. The Committee appointed an independent, external executive remuneration specialist, FIT Remuneration Consultants LLP ("FIT"), to review and benchmark the Executive Directors' salaries and benefits. FIT benchmarked against a pan-sector group of 60 AIM listed companies with a comparable market capitalization. Claw back provisions are also available for use if it is discovered that any of the terms under which a bonus was previously granted change.

Non-Executive Director performance is overseen by the Senior Independent Director in consultation with the Executive Directors. The Chair's performance is reviewed by the Senior Independent Director in consultation with all the Directors. The Non-Executive Directors' value and input to Bango is monitored to ensure they are actively contributing to Bango achieving its strategic and financial objectives.

The performance of the Board as a whole, and its sub-committees, is evaluated continuously. The Board believes changes or actions that are identified through this process should be actioned immediately, instead of waiting for an annual or bi-annual review.

In the second half of 2019 the composition and performance of the Board was formally reviewed, and the "skills matrix" that highlights the contributions of current Board members, and areas where the Board might benefit from additional support, was reviewed and approved. This formal review also identified the need for a Nominations Committee, which was formally established by the Board. Further detail on the composition, role

and responsibilities of the Nominations Committee is set out in the 2019 Annual Report which can be accessed [here](#).

2019 also saw changes to the composition of both the Audit and Remuneration Committees. The resignation of two long-standing Non-Executive Directors, including the former Board Chair, and appointment of three new Non-Executive Directors naturally gave rise to a need for a more comprehensive review of the composition and performance of these sub-committees. After careful consideration, the Audit and Remuneration Committees were restructured and further details on their members and activities carried out in 2019 may be found in the 2019 Annual Report which can be accessed [here](#).

The Board recognizes the importance of succession planning for both Executive and Non-Executive Directors. The fresh perspectives new Board members are able to contribute are of significant value. Achieving a Board with a good balance of experience and skills, with all Directors contributing towards Bango fulfilling its strategic objectives and achieving growth, is essential, and central to the recruitment process for any new Director.

The Nominations Committee and wider Board consider issues relating to succession planning in their regular meetings. When the need for additional, or replacement, Board or senior management members is identified, the Nominations Committee now oversees implementation in consultation with the remainder of the Board and, where appropriate, delegating to, the Bango People (HR) and management Leadership teams. All Directors are, to the extent it is appropriate for them to do so, involved in deciding the selection criteria for new Directors, the interviewing process, and the final selection of new Directors.

Promote a corporate culture that is based on ethical values and behaviors - QCA Code Principle 8

The Bango corporate culture and values strongly support and encourage ethical values and behaviors.

Employee personal development and welfare are paramount and reinforced through Bango core THRIVE values and employee benefits; Bango "bendy" time is just one tool Bango uses to give employees flexibility to enable them to balance home life and work better. The Bango THRIVE values set out the core values that Bango aspires to represent, and that Bango expects its employees to exhibit. These are:



Bango is committed to encouraging diversity amongst its workforce, and actively enforces its equal opportunities, anti-bullying and harassment policies.

Bango has robust whistleblowing, anti-corruption and bribery policies in place. Bango conducts its operations globally and is active in new and emerging markets, so compliance with these policies is particularly important.

All employees are required to know and comply with these policies. Compliance is actively monitored by senior management and implementation is overseen by the Board.

Instead of selecting specific charities, Bango supports those charities its employees wish to back. The money raised by employees for charitable causes is matched by Bango. Bango also supports its employees' activities through the provision of equipment for their charitable endeavors.

Bango has implemented various measures to reduce its impact on the environment. In line with its environmental aims, Bango is increasingly making use of the Cloud to host its services, with the associated environmental benefits. In addition, the main Bango data center obtains 90% of its energy from renewable sources and pioneers energy-saving designs to reduce its carbon footprint. While travel for in person meetings is still a requirement, much business is conducted online, using video conferencing and the like.

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

The Board of Bango PLC is made up of the CEO, Executive Chair, CFO, CMO, a Senior Independent Director and three further independent Non-Executive Directors. The Board believe that a board of this size and nature is appropriate for the size and complexity of the Bango business. The size and composition of the Board is kept under review alongside succession planning to ensure it is kept in line with the company's business needs and growth. Of particular importance is the balance of skills and experience of the Non-Executive Directors, which complement and support those of the Executive Directors to achieve a strong and balanced Board.

Key Board roles

- CEO
 - Responsible for the delivery of the business model, alongside other Executive Directors, within the strategy set by the Board
 - Responsible for the day to day operations of the business and the effective management of Bango as whole
 - Oversees the performance of CFO and CMO, and in an operational and management capacity only, the Executive Chair.
 - Ensures that the Board as a whole is kept informed of operational and management matters
- Executive Chair
 - Leads the Board and chairs Board meetings
 - Oversees Board direction and effectiveness and Board agenda
 - Oversees the Bango vision, strategy and financial issues
 - Contributes towards annual review on the performance of the CEO which is undertaken by the Senior Independent Director (with additional input from all other Non-Executive Directors)
 - Ensures information flow between management and Non-Executive Directors
- Senior Independent Director
 - Oversees Board performance
 - Chairs the Nominations Committee
 - Oversees the performance and evaluation of the Chair, and the search for a new Chair if required
 - Responsible for the quality of and approach to corporate governance, in place of the Chair
 - Oversees the adoption, delivery and communication of the company's corporate governance model, in place of the Chair
 - Sounding board and intermediary for the Chair and other Board members

The Senior Independent Director's role is crucial given the Executive role undertaken by the Chair. The Senior Independent Director oversees the performance and evaluation of the Chair, ensuring the independence and

integrity of the wider Board. In addition, the CEO reports to the Board and the Senior Independent Director, and not the Chair.

Further detail on the division of roles and responsibilities as between the Chair, Senior Independent Director and CEO, together with the measures taken to ensure the integrity and independence of the Board and the governance structures and processes are fit for purpose and support good decision-making by the Board may be found within the 2019 Annual Report which can be accessed [here](#).

Matters reserved for the Board

- Appointment of advisors
- Approval of overall budget and accounts
- Corporate strategy
- Corporate finance activities, borrowing, and activities with strategic significance
- Issue of shares and share options
- Setting Directors' remuneration, pensions and other benefits
- Significant hires
- Constitutional and governance issues

Board Subcommittees

Bango has separate Audit, Remuneration and Nominations Committees to ensure good corporate governance.

- Audit Committee - The Audit Committee is responsible for:
 - Monitoring and challenging the integrity of the financial systems and statements of Bango
 - Overseeing Bango's corporate reporting, internal controls and risk management systems
 - Assessing and reporting to the Board on performance, identifying any matters in respect of which it considers that action or improvement is required
 - Ensuring a formal channel is available for employees and other stakeholders to express any complaints in respect of financial accounting and reporting
- Remuneration Committee - The Remuneration Committee is responsible for:
 - Reviewing, and determining on behalf of the Board, the specific remuneration and incentive packages for each of Bango's Executive Directors
 - Reviewing, and making recommendations to the Board in respect of the design of remuneration structures and levels of pay and other incentives for employees of Bango, including share option awards and any adjustments to the terms of share ownership and share option schemes
 - Reporting to Bango's shareholders in relation to remuneration policies applicable to Bango's Executive Directors
 - Monitoring and approving grants of all share option schemes to employees
- Nominations Committee - The Nominations Committee is responsible for:
 - Reviewing the make-up and skill set of the Board
 - Making recommendations to the Board on board composition
 - Overseeing and monitoring board performance
 - Identifying any areas of Board operation that need additional support or strengthening
 - Managing appointments to the Board as needed
 - Ensuring that succession planning is discussed and developed

Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders - QCA Code Principle 10

The "Shareholder engagement" and "Wider stakeholder and social responsibilities" sections set out above explain how the Board maintains a healthy dialogue with its shareholders and wider stakeholders, and ensures their views are taken into account, enabling the Board to make informed decisions about the company.

All historical annual reports and other governance-related material, including notices and results of general meetings, over at least the last five financial years, may be found on the Investor Relations section of the Bango website under the "Key Financial Documents" section.

Where a high number of votes are cast against a resolution put to the shareholders of the company, or the shareholders vote against a resolution, the Board actively investigates the concerns raised by the shareholders and, where appropriate, will publish [here](#) those actions it intends to take, or has taken, as a result.

Review date: March 2020