

Corporate Governance at Bango

The Board

The Bango plc Board of Directors is responsible for the overall strategy for Bango, promoting shareholder interests and overseeing the delivery of long-term objectives. The Board provides support to the Bango management team, bringing experience and skills to complement those of management. The Board has a formal list of matters specifically reserved for its decisions and delegates authority to its various committees as required.

Corporate Governance code

The 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 the business of Bango and the sector in which it operates. The QCA Code principles support the core aims of Bango - to deliver innovative, reliable products in a dynamic, collaborative environment, achieving sustainable growth for all stakeholders.

At least once every year, the Board formally reviews corporate governance structures and practice, to ensure that Bango has robust systems and procedures in place, underpinned by a strong corporate culture and customer-focused ethos. Corporate governance matters, policies and procedures are monitored on an ongoing basis and updated as appropriate, to ensure best practice and continued compliance. The Board is confident that existing governance arrangements meet the interests of Bango and its stakeholders.

Bango has published disclosures against all the Principles of the QCA Code. Disclosures are contained either within its Annual Reports or on the AIM Rule 26 section of www.bangoinvestor.com, which should be read in conjunction with each other.

Board composition

The Board is made up of the Executive Chair, CEO, CFO, CMO, a Senior Independent Director and three further independent Non-Executive Directors.

Detail on the relevant experience, skills and personal qualities and capabilities each director brings to Bango and the Board may be found on the www.bangoinvestor.com and within Bango Annual Reports. It is important that the Non-Executive Directors bring a wide range of skills to the Bango Board in order to both challenge and support the Executive Directors, and to ensure that shareholders' and wider stakeholders' interests are represented.

Two Directors identify as female, two as non-binary, and four as male. In addition, the Company Secretary identifies as female. All four Non-Executive Directors are deemed to be independent.

All Directors are subject to election by the shareholders at the first Annual General Meeting following their appointment, and to re-election thereafter every three years. After nine years the Non-Executive Directors are subject to re-election on an annual basis.

Board members are required to devote as much time as is necessary for the proper performance of their duties. Executive Directors are required to work full time. Non-Executive Directors are contracted to commit to 11 or more days a year but all spend 20-30 days working for, and representing, Bango. Non-Executive Director commitments include attendance at and preparation for Board and Committee meetings, oversight and implementation of governance and Committee matters, meetings and communications with shareholders, contributing to and attending strategy days, meetings with Bango managers and employees, as well as other key stakeholders and partners, and overseeing, and as required, involvement in, strategic matters.

Role of the Chair and Chair Division of Responsibilities

The Board has implemented strict policies and procedures to ensure continued strong and effective corporate governance and an independent Board.

The Chair is currently an Executive function. However, the role of CEO and Chair are split. The delineation of roles between CEO and Chair, and the role of Non-Executive Director, and especially the Senior Independent Director, are critical in this context. The current Non-Executive function brings skills and experience from a range of sectors and industries, and, crucially, all have strong corporate governance knowledge and expertise from the public sector. All Non-Executive Directors are independent.

The Board has implemented the following to protect the integrity of its corporate governance and an independent Board:

- Where a Chair or Deputy Chair also holds an executive office, the Senior Independent Director is responsible for overseeing corporate governance matters, including matters relating to nominations and conflicts of interest. Accordingly, in such circumstances, the Senior Independent Director is responsible for monitoring and overseeing board performance. In addition, the casting vote of the Chair is removed.
- The implementation of a clear delineation of roles and responsibilities between Executive Chair and Senior Independent Director at board level, and between CEO and Executive Chair at a management level.

The Board has adopted and implemented a policy whereby Board roles and responsibilities are strictly divided as follows:

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

From an operational standpoint, the role and responsibilities of the Executive Chair and CEO are clearly defined. In his management role, the Chair is responsible for discrete areas of the Bango business and is also responsible for driving key projects, as determined by the CEO or the Board, such as the development of strategic partnerships. The CEO is responsible for the delivery of the business model, alongside other Executive Directors, within the strategy set by the Board. He is responsible for the day to day operations of the business and oversees the performance of CFO and CMO, and in an operational and management capacity only, the Executive Chair. The CEO reports to the Board and the Senior Independent Director, and not the Chair.

Further safeguards have been implemented within the policy, so that the Company Secretary reports directly to the Senior Independent Director on matters relating to Corporate Governance.

In relation to operational performance, risks and similar issues, the Executive Directors, including (and especially) the Chair, report to the Senior Independent Director and Non-Executive Directors. This ensures that the business remains aligned with its strategy, and avoids the risk of conflict and a lack of independent oversight on the basis the Chair is a founder, a major shareholder and an Executive Director.

Board meetings

The Board meets formally 11 times per year to discuss the strategy, direction and financial performance of Bango. Other additional Board meetings are arranged as required. The Board reviews a detailed management pack each month, which contains detailed financial information as well as extensive information on the KPIs for Bango. The Non-Executive Directors attend all Board meetings.

Board performance

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, CMO and, in his management capacity, the Executive Chair. The CEO's effectiveness is monitored by the Board and ultimately the Senior Independent Director, and not the Chair, given the position of Chair is held by an Executive Director. The contribution and performance of all Executive Directors is monitored and overseen by the Senior Independent Director and other Non-Executive Directors.

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.

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 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.

Further detail on board performance may be found in Bango Annual Reports and the AIM Rule 26 section of the Bango investor website, located at bango.com/investor/aim-rule-26.

Communications with shareholders

The Board recognizes the importance of regular and effective communication with shareholders. The primary forms of communication are:

- Information provided at www.bangoinvestor.com
- The annual and interim statutory financial reports and associated investor and analyst presentations and reports.
- Announcements relating to trading or business updates released to the London Stock Exchange.
- The Annual General Meeting provides shareholders with an opportunity to meet the Board of Directors and to ask questions relating to the business.

All statutory financial reports, as well as accompanying presentations and additional independent analysts are published on www.bango.com/investor and are made available on a timely basis.

Additional Board committees

In line with best practice Bango has sub committees to focus on specific areas of good corporate governance. Separate Remuneration, Audit and Nominations Committees hold regular meetings and are each chaired by a different Non-Executive Director, with the Senior Independent Director in attendance. The members of these committees are assessed and considered to have the appropriate knowledge and skills to complete their tasks. They may seek advice and guidance from external parties as required.

Corporate culture

Bango has a strong corporate culture which is consistent with its objectives, strategy and business model. The Bango THRIVE values set out the core values that Bango aspires to, these are:



Compliance with Bango policies and the THRIVE values is actively monitored by senior management and implementation is overseen by the Board. Management reports are scrutinized at the monthly Board meetings. In addition, key management personnel are invited to present to board meetings on specific areas of focus, or when key issues of concern arise, and report to the Board when appropriate.

Employee personal development and welfare are paramount and reinforced through these THRIVE values, as well as through employee benefits. Bango encourages diversity amongst its workforce, and actively enforces its equal opportunities, anti-bullying and harassment policies. Employee engagement surveys, which cover all aspects of the business, are conducted annually by an external human resources specialist, and their results reported to the Board. Where suggestions for improvement or concerns are raised, these are followed up by management who are accountable to the Board for implementation.

All these measures assist in minimizing risk and uncertainty. Further detail on corporate culture may be found in the Corporate Social Responsibility policy located [here](#) and within AIM Rule 26 section of the Bango investor website, located at bango.com/investor/aim-rule-26.

Directors' skills

The Executive Directors are treated no differently to any other employee; the skills they bring to Bango, and their ongoing personal development, are central to the success of Bango. As with all other employees, the Executive Directors are required to actively identify and undertake training as necessary. Training extends not just to the ongoing enhancement of professional or technical skills, but also to wider skills, such as management training, communication skills, and similar. Bango conducts regular training sessions for all employees (which the Executive Directors attend), conducted by an external consultant, covering the THRIVE values. The Non-Executive Directors are responsible for ensuring their skillsets are kept updated as required. The Company Secretary is responsible for ensuring that the entire Board (and, as appropriate the wider company) are updated on relevant legal, regulatory and governance updates. The CFO updates the Board on accounting, tax and audit matters. They deliver briefing notes and training to the Board as required, supported by Bango's NOMAD, accountants and legal advisors. Industry-specific updates are delivered to the Board by the relevant expert, be it a director, an employee or an independent expert.

Directors' Remuneration

The Bango Remuneration Committee comprises of three Non-Executive Directors and oversees Executive remuneration. Bango's policy on remuneration is to provide a package of benefits to all employees, including salary, pension and share options, which provide incentives and reward individual contributions to Bango's overall performance appropriately, while avoiding paying more than is necessary for this purpose. The Remuneration Committee considers Executive remuneration packages of comparable companies when making recommendations to the Board. Bango offers a base salary, performance related bonuses, as well as share options and a workplace pension to Executive Directors.

The Committee may use remuneration consultants to advise it in setting remuneration structures and policies. The Committee is exclusively responsible for appointing such consultants and for setting their terms of reference. During 2019, the Committee undertook a review of remuneration policy and appointed 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. Market capitalization was considered to be the best benchmark, reflecting a holistic valuation based on the market's view of future prospects, as well as current trading. All Executive Directors receive fixed remuneration in line with the market median.

Further detail on directors' remuneration may be found in Bango Annual Reports and the AIM Rule 26 section of the Bango investor website, located at bango.com/investor/aim-rule-26.

Further details on Corporate Governance

This document should be read in conjunction with the most recent Bango Annual Report, and the Corporate Governance disclosures set out in the AIM Rule 26 section of the Bango investor website, located at bango.com/investor/aim-rule-26. These documents include greater detail on governance structures and processes.

Date of Last Review: September 2020