

Compliance with the QCA Code

QCA Code Principle	QCA Code Application	Bonhill Group plc
1. Establish a strategy and business model which promote long-term value for shareholders	The board must be able to express a shared view of the company's purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.	The Board is responsible for the Group's strategy. The operation of the Board is documented in a formal schedule of matters reserved for its approval which is reviewed annually. This includes the Group's strategic aims and objectives. Further, the Group's strategy is explained fully within our Strategic Report. The latest such report is set out on pages 1-11 of the Company's 'Annual Report and Financial Statements 2018'.
2. Seek to understand and meet shareholder needs and expectations	<p>Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base.</p> <p>The board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.</p>	<p>The Directors seek to develop their understanding of the expectations and motivations of the Company's shareholders through effective communication with them. The Board encourages regular interaction and communication with both private and institutional shareholders and responds to shareholder queries in a timely manner. Where voting decisions are not in line with the Company's expectations, the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main point of contact for such matters and Simon Stilwell, CEO, is principally responsible for such communication</p> <p>Refer to principle 10 below for further details on shareholder communications with the Group.</p>
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success	<p>Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations.</p> <p>Where matters that relate to the company's impact on society, the communities within which it operates, or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model.</p> <p>Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.</p>	<p>Since the appointment of the Company's new executive management team, the Company has increasingly focused on inclusivity, leadership and engagement. The Company strives for a visible benefit from everything it does, whether that is promoting diversity and inclusivity through its events or creating value for its shareholders. The Company acts with integrity, focuses on creating results and importantly values people – from its members of staff to those who form the communities it engages with.</p> <p>The Directors are available to discuss any matter stakeholders might wish to raise.</p>
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation	<p>The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer.</p> <p>Setting strategy includes determining the extent of exposure to the identified risks</p>	<p>The Board is responsible for determining the nature and extent of significant risks that may have an impact on the Group's operations, and for maintaining a risk management framework. The Board is responsible for the management of risk and has carried out a robust assessment of the principal risks and uncertainties affecting the Group's business, discussed how these could affect operations, performance and solvency and what mitigating actions, if any, can be taken. The</p>

	that the company is able to bear and willing to take (risk tolerance and risk appetite).	principle risks and uncertainties identified are set out on pages 12-13 of the Company's 'Annual Report and Financial Statements 2018'.
5. Maintain the board as a well- functioning, balanced team led by the chair	<p>The board members have a collective responsibility and legal obligation to promote the interests of the company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.</p> <p>The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight.</p> <p>The board should have an appropriate balance between executive and non-executive directors and should have at least two independent non- executive directors. Independence is a board judgement.</p> <p>The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively.</p> <p>Directors must commit the time necessary to fulfil their roles.</p>	<p>The Board is responsible to the Company's shareholders and sets the Group's strategy for achieving long term success. It is also ultimately responsible for the management, governance, controls, risk management, direction and performance of the Group.</p> <p>The Chairman is responsible for ensuring that the Directors receive accurate and timely information, and ensures that any feedback or suggestions for improvement on Board papers is fed back to management.</p> <p>Anne Donoghue and Fraser Gray are Non-executive Directors of the Company. The Board considers that Anne and Fraser are independent, in character and in judgement, and have no business relationships which impact on their independence. In making this judgement, the Board took into account that Anne Donoghue and Fraser Gray hold shares, but bearing in mind the small percentage held, the Board determined that Anne and Fraser have both been independent since their appointments as Directors. Neil Sachdev, who is the Non-executive Chairman of the Company, is also considered to be independent in character and in judgement, and to have no business relationships which impact on his independence.</p> <p>The Board has delegated specific responsibilities to the Audit, Remuneration and Nomination committees. Each committee reports back to the Board and has written terms of reference setting out its duties, authority and reporting responsibilities. The terms of reference will be kept under continuous review to ensure they remain appropriate and reflect any changes in legislation, regulation or best-practice. Further details on these committees are set out on pages 16-17 of the Company's 'Annual Report and Financial Statements 2018'.</p> <p>All Directors have been advised of the time required to fulfil the role prior to appointment and were asked to confirm that they can make the required commitment before they were appointed. This requirement is also included in their letters of appointment. The Board is satisfied that the Chairman and each of the Non-executive Directors is able to devote sufficient time to the Group's business.</p>
6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities	The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition.	The experience and knowledge of each of the Directors gives them the ability to constructively challenge strategy and to scrutinise performance. Simon Stilwell brings leadership and experience of substantially growing small businesses and Neil Sachdev, Anne Donoghue and Fraser Gray bring additional strategic, commercial, transaction and leadership experience which will be invaluable as

	<p>The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board.</p> <p>As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.</p>	<p>the Board pursues the Company's growth strategy and continues to transform the Company and its Group. Further, David Brown and Fraser Gray have extensive financial and acquisition experience and Niki Dowdall has considerable experience in the events industry.</p> <p>Directors are expected to attend all meetings of the Board, and the committees on which they sit, and to devote sufficient time to the Group's affairs to enable them to fulfil their duties as Directors. In the event that Directors are unable to attend a meeting, their comments on papers to be considered at the meeting will be discussed in advance with the Chairman so that their contribution can be included in the wider Board/committee discussion.</p> <p>The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Company's advisers where appropriate. The Executive Directors are subject to the Company's performance development review process through which their performance against predetermined objectives is reviewed and their personal and professional development needs considered. The Directors are encouraged to raise any personal development or training needs with the Chairman.</p>
<p>7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement</p>	<p>The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.</p> <p>The board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team.</p> <p>It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.</p>	<p>A process of formal annual Board evaluation will take place for each period going forward and will be conducted by way of a questionnaire and interviews with the Chairman. In addition, the Non-executive Directors will meet, without the Chairman present, and will evaluate his performance. The Board also considers that the use of external consultants to facilitate the Board evaluation process is likely to be of significant benefit to the process, and this is planned to take place every two years, with the next such external evaluation to take place during the year ending 31 December 2019.</p>
<p>8. Promote a corporate culture that is based on ethical values and behaviour</p>	<p>The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.</p> <p>The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team.</p> <p>Corporate values should guide the objectives and strategy of the company.</p> <p>The culture should be visible in every aspect of the business, including recruitment,</p>	<p>The Board monitors and promotes a healthy corporate culture and has considered how that culture is consistent with the Company's objectives, strategy and business model and with the description of principal risks and uncertainties.</p> <p>The Board has considered and assessed the culture as being inclusive, transparent and collaborative with appropriate behaviours. The Board is satisfied that the Company has a 'speak up' culture and the Directors regularly observe this occurring in practice. The Group has a Code of Conduct, an Anti-bribery and Corruption Policy, a Modern Slavery Statement and policies and procedures relating to whistleblowing stating the Company's</p>

	<p>nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the company.</p> <p>The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.</p>	<p>commitment to conducting its business with honesty and integrity, its expectation that staff will maintain high standards, and encouraging prompt disclosure of any suspected wrongdoing. All such policies are available to view on the staff drive.</p> <p>The terms of reference of the Audit Committee include reviewing the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and keeping under review the Company's procedures for handling allegations from whistle-blowers.</p>
<p>9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board</p>	<p>The company should maintain governance structures and processes in line with its corporate culture and appropriate to its:</p> <ul style="list-style-type: none"> • size and complexity; and • capacity, appetite and tolerance for risk. <p>The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company.</p>	<p>The Board has undertaken a thorough review of its corporate governance throughout the financial year ended 31 March 2018. New corporate governance has been put in place in several areas. Refer to principle 5 above for further details on the committees that have been put in place.</p> <p>A Corporate Governance Statement was included in the Company's 'Annual Report & Financial Statements 2018' on pages 14-19 and such a statement will be included in the Company's future Annual Reports & Financial Statements. The Board will regularly assess the governance structure and its evolution will be highlighted in this statement.</p>
<p>10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.</p>	<p>A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.</p> <p>In particular, appropriate communication and reporting structure should exist between the board and all constituent parts of its shareholder base. This will assist:</p> <ul style="list-style-type: none"> • the communication of shareholders' views to the board; and • the shareholders' understanding of the unique circumstances and constraints faced by the company. <p>It should be clear where these communication practices are described (annual report or website).</p>	<p>The above-mentioned formal schedule of matters reviewed annually by the Board includes matters relating to effective communication with the Company's shareholders. The Group maintains communication with the Company's institutional shareholders through individual meetings with executive Directors, particularly following publication of the Group's interim and full year results. Shareholders are encouraged to attend the Company's Annual General Meeting at which the Group's activities are considered and questions answered. The Non-executive Directors are available to discuss any matter stakeholders might wish to raise, and the Chairman and Non-executive Directors will attend meetings with investors and analysts as required.</p>

This disclosure was last reviewed and updated on 18 September 2018