

## Corporate governance statement

This statement describes the framework for corporate governance and internal control that the Directors have established. Ebiquty is committed to robust standards of corporate governance.

### Corporate governance code

As a company listed on AIM, Ebiquty is not required to comply with the UK Corporate Governance Code. Ebiquty has adopted the Corporate Governance Code for Small and Mid-Size Quoted Companies 2013 produced by the Quoted Companies Alliance (the 'QCA Code'). The Quoted Companies Alliance is the membership organization which represents the interests of small and mid-size quoted companies, of which Ebiquty is a member.

The QCA Code contains minimum disclosure requirements for a company to meet in order for that company to state that it complies with the QCA Code. The Directors are of the opinion that the Company complies with these minimum disclosure obligations save to the extent referred to in this statement.

## Board of Directors

### Role of the Board

The Board is responsible to shareholders for the proper management of the affairs of the Group. The Directors are also collectively responsible for acting in the way which they consider, in good faith, is most likely to promote the success of the Company for the benefit of Ebiquty's shareholders as a whole. In doing so, the Directors have regard (amongst other matters) to the interests of the Company's employees and the need to foster the Company's business relationships with suppliers, customers and other stakeholders.

It is a principal responsibility of the Chairman to ensure that the Board is effective in interrogating, approving and monitoring the Company's direction and strategy. The Chairman is also responsible, in consultation with the Company Secretary, for ensuring proper information is supplied to the Board in a timely fashion, that Board meetings are conducted effectively and that proper debate is had at Board meetings.

### Composition of the Board and roles of the Directors

The Board of Directors comprises an independent Non-Executive Chairman, three further independent Non-Executive Directors and four Executive Directors.

**Rob Woodward** (Non-Executive Chairman) brings to the Board significant experience in leading companies through transformations and has held senior roles and has Board level experience at various media companies. He is currently chairman of data services provider Blancco Technology Group PLC, the Met Office and chairs Glasgow Caledonian University's governing body. The Directors are of the view that Rob retains his independence notwithstanding that he chairs the Board.

**Michael Karg, PhD** (Group Chief Executive Officer) is responsible for setting long-term strategy, developing appropriate annual business plans, agreeing management KPIs and leading the Executive Directors and the senior Executive team in the day-to-day running of the Group's business, including chairing the management committees and communicating their decisions/recommendations to the Board. He is also responsible for shareholder communication and ongoing relationships with investors.

**Andrew Noble** (Chief Financial Officer) is responsible for the Group's worldwide functions in finance, treasury and taxation. He has responsibility for the Group's finance systems, accounting policies and controls. Andrew also works closely with the Practice Principals, regional Managing Directors and Finance leaders across Ebiquty.

**Morag Blazey** (Managing Principal, Market Intelligence) leads the Market Intelligence capability globally. Her principal responsibilities are to raise Ebiquty's profile, drive renewals and new business, and develop and execute service and product developments and growth strategies.

**Richard Nichols** (independent Non-Executive Director) is a qualified chartered accountant. His previous experience includes serving as Finance Director and Chief Executive Officer of a number of listed and private companies. Richard is currently Chief Executive Officer of Instinctif Partners, who provide Ebiquty with financial PR advice. Richard is not part of the Instinctif team which advises Ebiquty and in the event that the Board formally discusses Instinctif's instruction by the Company, Richard would recuse himself from those discussions. Accordingly, the Board considers Richard to be independent.

**Julie Baddeley** (independent Non-Executive Director) has significant experience of serving on the boards of listed companies, both as an executive and as a non-executive director, and of serving on and chairing board committees. Julie has experience across industry sectors, including in professional services organizations such as Accenture. She is currently chairman of Harvey Nash plc. Julie brings valuable governance experience to Ebiquty.

**Tom Alexander** (independent Non-Executive Director) has enjoyed a highly successful career in the telecoms industry. The commercialism and business instinct developed by Tom during his career is of great value to the Board. The Board also draws upon Tom's experience of an industry undergoing rapid technological change in guiding Ebiquty's management through similar changes in the sectors in which the Company operates.

Each of the Non-Executive Directors has a written letter of appointment with the Company. These are available for inspection on Ebiquty's website. Each of the Executive Directors has a written service agreement with the Company. None of these service agreements entitles a director to receive more than six months' notice terminating his/her employment.

## Matters reserved for the Board

As part of good governance there are certain matters which are not appropriate to be delegated to management or a committee of the Board and should be reserved for consideration by the Board as a whole. The Board has formally approved a written list of such matters (which is available on Ebiquty's website) and which include:

- approving the annual budget and quarterly reforecasts;
- changes to the Group's capital structure;
- approving the Company's dividend policy;
- reviewing non-routine regulatory news service announcements made by the Company; and
- approving material contracts to be entered into by the Group.

## Board meetings

The Board receives monthly management accounts and other relevant information as appropriate in advance of each Board meeting. This information is made available electronically via an online platform. Directors are able to access this information at any time, including following Board meetings.

There are a number of standing agenda items reviewed by the Board at each regular Board meeting, including current trading and outlook. Other items are considered by the Board as appropriate, including as a minimum, an annual review of the Company's governance arrangements.

Detailed minutes are taken of all Board meetings. Minutes are circulated to the Board and approved at the following Board meeting.

### Advisers to the Board and its committees

The Board seeks advice from external advisers, including legal, tax and financial advisers, on various matters as and when appropriate. The Company Secretary attends all Board meetings and is available to advise on any corporate governance issues which may arise.

The Company's auditors, PricewaterhouseCoopers LLP, attend meetings of the Audit & Risk Committee. The Remuneration Committee relies from time-to-time on advice and benchmarking data from Hewitt New Bridge Street in setting certain specific matters of the Executive Directors' remuneration.

### Board evaluation

The Board carried out a review of its effectiveness for the first time. This review was performed by the Chairman who coordinated responses to a confidential questionnaire to gather feedback from all Directors. The Board will carry out further reviews of its effectiveness on an annual basis and will as part of such reviews consider whether the use of an external adviser would be advantageous.

A summary of the issues and comments raised by the Directors in response to the questionnaire was circulated to all Directors. These issues and comments were also discussed in meetings of the Nomination Committee and the Board.

No material issues were raised by the Directors regarding the Board's effectiveness. A number of matters were identified which could make the Board's activities and administration more effective and efficient, which the Board will be seeking to implement in the coming year.

## Risk management

The Board retains ultimate control and direction over appropriate strategic, financial, organizational and compliance issues. The Board has put in place an organizational structure with defined lines of responsibility. The Company has adopted an authority matrix which sets out the delegation of authority to individual business units and members of staff.

The internal control system put in place by the Company is designed to provide reasonable assurance against material misstatement or loss. Commercial risks are an inherent part of business and as such the internal control system cannot provide absolute assurance against these risks.

## Board committees

The Board has constituted several committees to help it in the performance of its functions. The principal committees are the Audit & Risk Committee, the Remuneration Committee and the Nomination Committee. The roles of these committees are set out below.

### Audit Committee

The Audit Committee, which meets at least three times a year, is chaired by Richard Nichols. The Audit Committee comprises Richard Nichols, Julie Baddeley, Rob Woodward and Tom Alexander. The Board considers Richard Nichols to have recent and relevant financial experience. Richard is a qualified chartered accountant and has served as the Finance Director and Chief Executive Officer of listed and private companies. Richard currently serves as the Chief Executive Officer of a private-equity backed company. The purpose of the Audit Committee is to ensure the preservation of good financial practices throughout the Group; to monitor that controls are in force to ensure the integrity of financial information; to review the interim and annual financial statements; to assess the adequacy and effectiveness of the Company's risk management systems and to provide a line of communication between the Board and the external auditors.

The Audit Committee is responsible for reviewing the performance of the external auditors on an annual basis, and for agreeing the scope of their work. The Audit Committee also monitors the level of non-audit work conducted by the external auditors to ensure that independence and objectivity are safeguarded. The Audit Committee's scope of reference also includes certain matters relating to risk and risk management.

### Remuneration Committee

The Remuneration Committee, which meets at least twice a year, is chaired by Julie Baddeley. The Remuneration Committee comprises Julie Baddeley, Rob Woodward, Richard Nichols and Tom Alexander. The Remuneration Committee is responsible for the Executive Directors' remuneration and other benefits and terms of employment, including performance related bonuses and share options.

### Nomination Committee

The Nomination Committee is chaired by Rob Woodward. The Nomination Committee comprises Rob Woodward, Richard Nichols, Julie Baddeley, Tom Alexander and Michael Karg. The Nomination Committee meets as necessary and has responsibility for nominating candidates to the Board for appointment as Directors, bearing in mind the need for diversity and a broad representation of skills across the Board.

## Shareholders

The Executive Directors meet regularly with institutional shareholders to discuss the Company's performance and future prospects. The views of institutional shareholders as presented at these meetings are reported by the Executive Directors to the Board. An important vehicle for communications with private shareholders is the Company's Annual General Meeting. The information displayed on the Investor Relations pages of the Company's website is regularly refreshed in order to provide accurate and up-to-date information to all shareholders.