

Mind GYM PLC (“Mind Gym” or the “Company”)

Executive Chair’s Corporate Governance Statement 2024

Introduction

This statement is issued in compliance with Rule 26 of the AIM Rules. Mind Gym is incorporated in England and Wales and its shares have been listed on AIM since June 2018.

The Principles of Corporate Governance

As Executive Chair, I am responsible for leading the Board and ensuring that we maintain the highest standards of corporate governance throughout the Company’s operations and particularly at Board level. As a Board we recognise that applying sound governance principles is essential to the long-term success of the company in delivering on its strategy and improving shareholder value. In 2018, the Company adopted the Quoted Company Alliance’s Corporate Governance Code for small and mid-sized quoted companies (the “QCA Code”) which it believes is the governance framework that is most suitable to it. It therefore continues to use the QCA as its recognized corporate code, in line with the revised code issued in November 2023.

Compliance with the Code

The QCA code is constructed around ten broad principles and a corresponding set of disclosures, and states what they consider to be appropriate arrangements for growing companies and ask them to provide an explanation about how they are meeting each principle through various disclosures. This report below sets out how we comply with the code. Compliance with the code will be reviewed and updated annually. The Board will continue to keep the governance structure under review to ensure it develops in line with the growth and strategic development of the Company. A more detailed view of the Company’s business model and strategy is available within our Annual Report and Accounts.

The Board of Directors

The board of directors is responsible for the proper management of the Company by formulating, reviewing and approving the Company's strategy, and setting the Company’s values and standards. Certain matters are specifically reserved for decision by the Board and these are set out in a formal Schedule of Matters Reserved for the Board which is reviewed annually. The matters reserved include decisions relating to:

- approval of the Group’s strategic aims and objectives;
- the structure and capital of the Group;
- financial reporting, financial controls, risk management and dividend policy;
- approval of significant contracts and expenditure above agreed delegated authority limits;
- effective communication with shareholders; and
- any changes to Board and committee.

As a provider of behaviour change solutions to blue chip organisations across the globe, and an AIM quoted company, MindGym plc requires a range of skills, capabilities and competencies to be represented on the Board, including experience in behavioural science, consultancy, public markets, governance and audit, and business operations.

The roles and responsibilities of the Executive Chair, Chief Executive Director, Senior Independent Director and independent Non-Executive Directors are set out below:

Octavius Black, as Executive Chair of the Board, is responsible for leading an effective board, upholding high standards of corporate governance throughout the Group, particularly at Board level, and ensuring appropriate strategic focus and direction.

The Chief Executive Officer, Christoffer Ellehuus, has overall responsibility for proposing the strategic focus to the Board, delivery of the business model and strategy and the day-to-day management of the Group's business.

Sally Tilleray, the senior independent Non-Executive Director, acts as a sounding board for the Executive Chair and serves as an intermediary for the other Directors when necessary. The SID is also available to shareholders should they wish to discuss concerns they have failed to resolve through the normal channels of Executive Chair, Chief Executive Officer or Executive Directors or for which such contact is inappropriate.

The independent Non-Executive Directors collectively bring a balance of skills and experience which mean they are able to provide constructive support and challenge to the Executive Directors. The Non-Executive Directors are expected to attend such external events and seminars as necessary to ensure that their knowledge of relevant financial reporting and corporate governance requirements are up to date.

The Company Secretary also ensures, through regular updates to the Board, that Directors are aware of developments in corporate governance practice and legislative and regulatory changes which may impact on the Company.

Each director serves on the board until the annual general meeting following his or her election or appointment, and the board meets at least four times a year.

Board Committees

The Board is supported in its work by two Board committees, the Audit and Risk Committee and the Remuneration and Nomination Committee. Each Board committee has approved Terms of Reference. The Terms of Reference are reviewed at least annually and are available on the Company's website here:

- [Audit and Risk Committee Terms of Reference](#)
- [Remuneration and Nomination Committee Terms of Reference](#)

Audit and Risk Committee

The purpose of the Audit and Risk Committee is to monitor the integrity of the financial statements of the Company.

Some of the Audit and Risk Committee's duties include:

- reviewing the Company's accounting policies and reports produced by internal and external audit functions;
- considering whether the Company has followed appropriate accounting standards and made appropriate estimates and judgments, taking into account the views of the external auditor;
- reporting its views to the board of directors if it is not satisfied with any aspect of the proposed financial reporting by the Company;

- reviewing the adequacy and effectiveness of the Company's internal financial controls and internal control and risk management systems;
- reviewing the adequacy and effectiveness of the Company's anti-money laundering systems and controls for the prevention of bribery and receive reports on non-compliance; and
- overseeing the appointment of and the relationship with the external auditor.

Remuneration and Nomination Committee

The purpose of the Remuneration and Nomination Committee is to determine and agree with the board the framework or broad policy for the remuneration of the Company's chairperson and the executive directors as well as the composition of the board itself.

Some of the Remuneration and Nomination Committee's duties include:

- reviewing the pay and employment conditions across the Company, including the board of directors;
- approving targets and performance related pay schemes operated by the Company and all share incentive plans and pension arrangements;
- regularly reviewing the structure, size, and composition (including the skills, knowledge, experience and diversity) of the board
- development of the Company's approach to succession planning and making recommendations to the board with regard to any changes in succession planning and vacancies; and
- identifying suitable candidates from a wide range of backgrounds to be considered for positions on the board.

Anti-Bribery Policy

The Group has a robust anti-bribery policy which applies to the Board, all employees of the Group and persons associated with the Group (such as consultants, contractors or agency staff), requiring them to observe and uphold a zero tolerance position on bribery and corruption, as well as providing guidance on how to recognise and deal with bribery and corruption issues and their potential consequences, while preserving acceptable boundaries of corporate hospitality and entertainment. The Company expects all employees and persons associated with the Group to conduct their day-to-day business activities in a fair, honest and ethical manner, be aware of and refer to this policy in all of their business activities worldwide and to conduct business on the Group's behalf in compliance with it. Management at all levels are responsible for ensuring that those reporting to them, internally and externally, are made aware of and understand this policy.

Share Dealing Code

The Company has adopted a share dealing code to ensure directors and certain employees do not abuse, and do not place themselves under suspicion of abusing inside information of which they are in possession and to comply with its obligations under the Market Abuse Regulation ("MAR") which applies to the Company by virtue of its shares being traded on AIM. Furthermore, the Company's share dealing code is compliant with the AIM Rules for Companies published by the London Stock Exchange (as amended from time to time).

Under the share dealing code, the Company must:

- disclose all inside information to the public as soon as possible by way of market announcement unless certain circumstances exist in which the disclosure of the inside information may be delayed;
- keep a list of each person who is in possession of inside information relating to the Company;
- ensure that all persons discharging managerial responsibilities and certain employees are given clearance by the Company before they are allowed to trade in Company securities; and
- ensure that all persons discharging managerial responsibilities and persons closely associated to them notify both the Company and the Financial Conduct Authority of all trades in Company securities that they make.

Takeover Code

The UK City Code on Takeovers and Mergers applies to the Company.

Corporate Governance Disclosures

Principal	Disclosure
Establish a strategy and business model which promotes long-term value for shareholders.	Our strategy and business model are set out within our Annual Report and Accounts which is kept under regular review by the Board.
Seek to understand and meet shareholder needs and expectations.	<p>The Company will communicate with Shareholders and the market generally using a Regulatory Information Service provider for regulatory news releases which, in accordance with AIM Rule 26, will be available on the Company's website along with interim and annual accounts, shareholder notifications and other corporate governance material for at least the last five years. Shareholder votes will be notified and kept on the website in a clear and transparent manner. Shareholders will have the opportunity to meet Board members at general meetings and there may be other opportunities such as investor meetings and presentations and webcasts at which shareholders and stakeholders will be able to ask questions of management.</p> <p>Direct contact to the Company can be made by shareholders - contact details are included in all announcements and are available on the Company website.</p> <p>Feedback obtained from shareholders obtained via the above-mentioned channels is discussed by the Board to ensure solid understanding of the shareholder voice.</p>

	<p>For any investor relations queries, please get in touch with us at Investors Mailbox investors@themindgym.com.</p>
<p>Take into account wider stakeholder and social responsibilities and their implications for long term success.</p>	<p>The Board believes that other than shareholders, the Group's key stakeholders are the Group's staff and customers. Given the size of the Group, all matters relating to customers and key staff are dealt with at Board level.</p> <p>The professional, expert and passionate staff of the Company deliver the highest quality of service to our customers. The Company continues to invest in the retention and development of its staff and is committed to ensuring the continued success and growth of our customers.</p>
<p>Maintain the board as a well-functioning, balanced team led by the chair</p>	<p>The Board currently comprises the Executive Chair, three Executive Directors, two independent Non-Executive Directors, and two Non-Executive Directors who are not considered by the Board to be independent. Its composition is therefore in line with the QCA Code.</p> <p>All Board members have clearly defined roles and responsibilities. We have articulated these roles and responsibilities and have clearly documented matters reserved for the Board as well as having clear and transparent terms of reference for all the committees of the Board. These can be found on the Company's website.</p> <p>We have clear and transparent terms of reference for each of the committees of the Board. These can be found on the Company's website.</p> <p>The Company complies with this provision and a full disclosure of how this is applied is set out in the Annual Report and Accounts covering director independence, time commitment and number of meetings of the Board.</p>
<p>Embed effective risk management, considering both opportunities and threats, throughout the organisation.</p>	<p>Principal risks are monitored and overseen by our Board and Audit Committee whilst oversight of the remaining lower materiality risks rests with our leadership teams. A summary of the current principal risks, mitigating actions and status are contained within our Annual Report and Accounts.</p>

<p>Ensure that between them the directors have the necessary up to date experience, skills and capabilities.</p>	<p>Full biographical details of the Board of Directors are available within our Annual Report and Accounts. The Remuneration and Nomination Committee reviews the balance of skills and experience of the Directors, and all Board members have clearly defined roles and responsibilities. The Board is satisfied that between them the Directors have up to date experience, skills and capabilities.</p>
<p>Evaluate all elements of board performance based on clear and relevant objectives, seeking continuous improvement.</p>	<p>The evaluation of the Board is also carried out internally by way of a self-evaluation questionnaire. The questionnaire includes a focus on the processes that underpin the Board's effectiveness, how the Company's purpose, values and strategy are established and understood by the Board as well as the risks facing the Company and the effectiveness of the Board Committees. The feedback from the evaluation questionnaire was discussed and minuted at a Board meeting.</p> <p>The method of assessing Board effectiveness and performance will be reviewed on a continuing basis.</p>
<p>Promote a corporate culture that is based on sound ethical values and behaviours.</p>	<p>The Company is committed to ensuring that the Group operates according to the highest ethical standards for which the Board has primary responsibility. The Directors believe that the main determinant of whether a business behaves ethically and with integrity is the quality of its people. The Directors have responsibility for ensuring that individuals employed by the Group demonstrate the highest levels of integrity.</p> <p>We have set policies and procedures in place to ensure our colleagues know the standards that are expected of them.</p> <p>The Board recognises the importance of promoting the culture and monitoring how it is embedded across the business as the Company grows. Trevor Phillips, one of our independent Non-Executive Directors, continues to oversee the monitoring and promotion of culture, on behalf of the Board. We will provide more information on this in the 2024 Annual Report and Accounts.</p>

<p>Maintain governance structures and processes that are fit for purpose and support good decision making by the board.</p>	<p>We believe that the policies, procedures and systems we have implemented to date, provide a firm foundation for our governance structure.</p> <p>The Board is supported by the Audit, Nomination and Remuneration committees. The membership and terms of reference of each committee are included in our Corporate Governance Report within the Annual Report and Accounts.</p>
<p>Communicate how the company is governed by maintaining a dialogue with shareholders and other relevant stakeholders</p>	<p>The Company communicates with shareholders through half yearly updates, and as set out in Principle 2 above.</p> <p>The Corporate Governance Statement in the Annual Report and Accounts contains a detailed description of the way in which the Company is governed and includes reports from the Board Committees outlining the work undertaken during the year.</p>

Date on which this information was last reviewed: 13 June 2024