loopup

Corporate Governance
Statement of Compliance

Chairman's introduction

The Board recognises the importance of, and remains committed to, the maintenance of high standards of corporate governance. Through these high standards it is the Board's aim to deliver growth, maintain a dynamic management framework and build trust. Such matters being key ingredients to delivering long-term sustainable performance.

The composition of the Board was considered carefully prior to LoopUp Group plc's admission to AIM in 2016 and again in light of the acquisition of the MeetingZone group in 2018. The Board holds its strategic decision-making meetings in various Group offices, taking the opportunity to meet with members of both the Executive team and the wider senior management team, building their knowledge of the business.

In my opinion, LoopUp offers a superior service to clients and customers. It is my honour and pleasure to be its Chairman, and to have the opportunity to work with such an effective and impressive management team and Board.

Compliance with the Quoted Companies Alliance Corporate Governance Code

After due consideration, the Board has chosen to report against the Quoted Companies Alliance Corporate Governance Code ("QCA Code"). This Statement of Compliance sets out in broad terms how we comply at this point in time against the ten principles set out in the QCA Code. The Board shall review and update this Statement of Compliance periodically as the business progresses.

Delivering growth

Principle	Application	Compliance
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 Group's purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the Group 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 Group from unnecessary risk and securing its long-term future.	The pursuit of growth of the LoopUp product line is focused on the following key areas: **Pod investment** – we have continued investment into our team-based 'Pods' organizational structure for new business acquisition. Such investment involves training individual sales and account management employees to a high standard and to clearly articulate the advantages of using LoopUp. **Product development** – we continue to invest in developing the LoopUp product. This continues to remain at the heart of our corporate strategy as we continue to enhance the customer experience. **Grow existing base** – several customers acquired in recent years

Principle	Application	Compliance
		have developed into major revenue contributors. This is a reflection of the value our customers place in intuitive and streamlined user experience. Full details of the Group's strategic priorities are set out on pages 10 and 11 of the Annual Report and Accounts 2018. The principle risks and uncertainties to the Group (including how they are mitigated) are detailed on pages 18 and 19.
2. Seek to understand and meet shareholder needs and expectations.	Directors must develop a good understanding of the needs and expectations of all elements of the Group's shareholder base. The Board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.	The Board aims to respond promptly and fully to all shareholder enquiries and comments. The Board regularly meets with the Group's major shareholders and takes on any feedback from such meetings. All shareholders are invited to participate at the Group's AGMs and encouraged to continue any discussion of the Group's activities following the conclusion of the formal AGM agenda. All queries should be directed to the Company Secretary or the General Counsel.
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success.	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 Group's stakeholders and understand their needs, interests and expectations. Where matters that relate to the Group's impact on society, the communities within which it operates or the environment have the potential to affect the Group's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the Group's strategy and business model.	LoopUp's pod structure in important to the way in which we conduct our new business acquisition activities. As such, we want to build an environment, which drives a collaborative 'best foot forward' culture and is relatively self-policing. The Group endeavours to keep in regular contact with our customers and users. There is an ability to rate every LoopUp call so that we are able to continually review and improve our services to ensure that we are providing a premium service. Additionally, we have dedicated Customer Success and account managers who are on hand to provide

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	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.	clarity and assistance wherever required by our customers. The Board is well advised by its Nomad and maintains regular contact with other key stakeholders, which enables the Group to evaluate and ultimately mitigate risks or act on opportunities when they arise.
4. Embed effective risk management, considering both opportunities and threats, throughout the organization.	The Board needs to ensure that the Group's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; the Group needs to consider its extended business, including the Group's supply chain, from key suppliers to end-customer. Setting strategy includes determining the extent of exposure to the identified risks that the Group is able to bear and willing to take (risk tolerance and risk appetite).	The Board considers risk and uncertainties at each Board meeting. The Board aims to meet at least quarterly, with at least two meetings held in person (once during the budget setting process and once mid-year). The remaining meetings are held remotely on LoopUp's platform. The Board together with the Executive Leadership Team and senior management are responsible for reviewing and evaluating risks. Additionally, the Information Security Management Team (ISMT) meets every quarter and assesses risks relating to information security. A sub-committee of the ISMT further meets every month to review and update the information security risk register. The principle risks and uncertainties to the Group (including how they are mitigated) are detailed on pages 18 and 19 of the Annual Report and Accounts 2018.

Maintaining a dynamic management framework

Principle	Application	Compliance
5. Maintain the Board as a well-functioning, balanced team led by the chair.	The Board members have a collective responsibility and legal obligation to promote the interests of the Group, and are collectively responsible for defining corporate governance arrangements.	The Board is responsible for the long-term success of the Group. It sets strategic aims and oversees implementation within a framework of prudent and effective controls, ensuring that only acceptable risks are taken. It

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	Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the Board. 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. The Board should have an appropriate balance between the executive and non-executive directors and should have at least two independent non-executive directors. Independence is a Board judgment. 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. Directors must commit the time necessary to fulfill their roles.	provides leadership and direction and is responsible for corporate governance and the overall financial performance of the Group. The Board comprises of three executive and four non-executive directors (including the Chairman). Three of the non-executive directors are considered by the Board to be independent and are free to exercise independence of judgement. Membership of the Audit Committee and Remuneration Committee each comprises of three non-executive directors of which two are deemed independent. Membership of the Nomination Committee comprises of two non-executive directors who are deemed independent and one executive director. The Board and each of its committees receive regular and timely reports on the Group's operational and financial performance. Board packs are circulated in advance of each Board meeting and minutes reviewed and approved following each meeting. The Board have direct access to the advice and services of the Company Secretary and General Counsel and are able to take independent advice as well, if required. The Board considers that each director has suitable knowledge and experience to guide the Group in its strategic aims. Details of each of these committees and the Board composition together with recent attendance records are set out on pages 20 to 39 of the Annual Report and Accounts 2018.
6. Ensure that between them the Directors have the necessary up-to-date	The Board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an	The primary purpose for the Nomination Committee is to lead the process for Board appointments and to make recommendations to the Board to

Principle	Application	Compliance
experience, skills and capabilities.	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 Board should not be dominated by one person or group of people. Strong personal bonds can be important but also divide a board. 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.	achieve the optimal composition of the Board. The Board has considered diversity in broader terms than gender and believes it is also important to reach the correct balance of skills, experience, independence and knowledge of the Board. All Board appointments will be made on merit and with the aim of achieving a correct balance. The Group has formal policies in place to promote equality of opportunity across the whole organisation, and training is provided to assist with this. The Board operates in a highly collaborative manner and by virtue of having two co-CEOs helps ensure that the Board is not dominated by one person. Further details about each of the directors can be found at https://loopup.com/investors/company-board/# and on pages 20 and 21 of the Annual Report and Accounts 2018.
7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.	The Board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors. 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. 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.	The performance of the Board is evaluated on an ongoing basis with reference to all aspects of its operation including, but not limited to: the appropriateness of its skill level; the way its meetings are conducted and administered (including the content of those meetings); the effectiveness of the various committees; whether corporate governance issues are handled satisfactorily; and whether there is a clear strategy and objectives. The co-CEOs' and CFO's performance is appraised by the Chairman. The Chairman is appraised by the other Non-Executive Directors and the other Non-Executive Directors are appraised by the Chairman.
8. Promote a corporate culture	The Board should embody and promote a corporate culture that is	LoopUp's 'pods' structure is important to the way in which we conduct our new

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that is based on ethical values and behaviours.	based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage. The policy set by the Board should be visible in the actions and decisions of the chief executives and the rest of the management team. Corporate values should guide the objectives and strategy of the Group. The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the Group. The corporate culture should be recognizable throughout the disclosures in the annual report, website and any other statements issued by the Group.	business acquisition activities. They work to shared processes and metrics and are incentivised solely as a team on the basis of new recurring revenue brought into the business. Unlike traditional commercial structures, the Pod make-up promotes efficiency between business development, sales and account management activities. Further details about our people and culture and our corporate social responsibility strategy are set out on pages 12 to 15 of the Annual Report and Accounts 2018.
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board.	The Group should maintain governance structures and processes in line with its corporate culture and appropriate to its: (i) size and complexity; and (ii) capacity, appetite and tolerance for risk. The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the Group.	Details of the governance structures of the Group are set out on pages 20 and 21 of the Annual Report and Accounts 2018.

Building trust

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10. Communicate how the Company is	A healthy dialogue should exist between the Board and all of its	The Board aims to respond promptly and fully to all shareholder enquiries

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governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.	stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the Group. In particular, appropriate communication and reporting structures should exist between the Board and all constituent parts of its shareholder base. This will assist: (i) the communication of shareholders' views to the Board; and (ii) the shareholders' undertaking of the unique circumstances and constraints faced by the Group. It should be clear where these communications practices are described (annual report or website).	and comments. The Board regularly meets with the Group's major shareholders and takes on any feedback from such meetings. All shareholders are invited to participate at the Group's AGMs and encouraged to continue any discussion of the Group's activities following the conclusion of the formal AGM agenda. Reports from the Audit Committee, Nominations Committee and Remuneration Committee are set out on pages 32 to 36 of the Annual Report and Accounts 2018.