

**Statement of Compliance with QCA Corporate Governance Code  
1 June 2021**

**Chairman’s introduction:**

The Board recognises the importance of good Corporate Governance and has elected to adopt the QCA Corporate Governance Code. Arena Group’s corporate values of integrity, teamwork, and excellence provide a good foundation to uphold effective Corporate Governance in the Group and deliver long term shareholder value.

It is the responsibility of the Board to ensure sustainable and long-term growth for the Group is achieved. A robust Corporate Governance framework is integral to the effectiveness of the Board and its ability to provide support on the management and growth of the Group.

**Changes to the Corporate Governance regime:**

In line with the London Stock Exchanges recent changes to the AIM Rules, the Board have formally adopted the Quoted Companies Alliance (QCA) Corporate Governance Code. This document sets out how the Group complies with each principle of the Code.

		<b>Principle</b>	<b>Application</b>
<b>Deliver Growth</b>	<b>1</b>	Establish a strategy and business model which promote long-term value for shareholders	<p>The Group is a provider of turnkey event solutions across the UK &amp; Europe, Middle East &amp; Asia, and the Americas. The Group services major sporting, outdoor and leisure events, providing a full managed solution, including for example temporary structures, tiered seating, scaffolding, furniture, and tableware. The business model is to provide these products either on a pure rental basis or as part of an overall service delivery to a client. Contracts range in size and complexity from a simple equipment rental for a local outdoor event, to an integrated solution of multiple structures and interiors for a major international sporting event.</p> <p><i>Strategy</i> The Group’s strategy to achieve long-term shareholder value consists of 4 components:</p> <ul style="list-style-type: none"> <li>- Targeted geographic expansion</li> <li>- Increase complimentary product offerings</li> <li>- Reduce seasonality</li> <li>- Vertical integration</li> </ul>
	<b>2</b>	Seek to understand and meet shareholder needs and expectations	<p>The Group is committed to engaging with and listening to its shareholders, ensuring that there is transparency and understanding of the Group’s strategy, business model, and performance. The Group does this through investor roadshows, individual meetings, regular reporting and the investor section on the corporate website.</p> <p>The Company’s Financial PR firm, Alma PR, and Nomad &amp; Broker, Cenkos Securities, are responsible for arranging these activities.</p>

		<p><i>Private shareholders</i> The Group website is the primary resource for recent updates and information on the Company for private investors. The AGM serves as the main forum for dialogue with private investors. The Board attends the AGM and answers any questions posed by attendees.</p> <p><i>Institutional shareholders</i> The Directors place importance on building a relationship with the Company's institutional investors. These relations are managed primarily by the Group's broker, financial PR firm and CFO. The CEO and CFO make presentations to institutional shareholders and analysts twice each year following the release of the full-year and half-year results.</p>
3	Take into account wider stakeholder and social responsibilities and their implications for long term success	<p>The Group engages with its various stakeholder groups on a regular basis to make sure their needs are being served successfully.</p> <p><i>Employees</i> Each Division carries out regular employee surveys to get feedback and identify areas that need improvement. In the most recent survey there was an overall desire for better internal communication within the divisions and across the entire Group. In response to the feedback the Group issues an annual newsletter to all employees and regular employee updates by e mail. Each Division has developed its own intranet and an annual conference is held for the Senior Executive Leadership Team (SELT).</p> <p><i>Customers</i> We strive to continually improve the quality of our service for our customers, achieving this through our dedication to the <i>Arena Standard</i>. The Group places significant importance on maintaining long term relationships with its customers and is a key strategy for the Group.</p> <p><i>CSR</i> Arena's Corporate Social Responsibility (CSR) policy has two primary focuses; firstly, our employees and local communities; and secondly the environment and sustainability. In both areas we strive to meet the specific needs and interests of our stakeholders that also align with our Company goals. CSR activities are identified and implemented on a divisional level, and then evaluated by the Board. Further details of our CSR policy and achievements are contained in the annual report.</p> <p><i>Suppliers</i> Each division takes responsibility for their supplier relationships, ensuring they comply with the Company policies. We aim to maintain long term relationships with our suppliers.</p> <p><i>Modern Slavery</i> The Group has a Modern Slavery Policy in place which is implemented across the Group. We are committed to acting ethically and with integrity and transparency in all business dealings and to ensure effective systems and controls are in place to safeguard against any form of modern slavery taking place with the business or our supply chain.</p>

	4	<p>Embed effective risk management, considering both opportunities and threats, throughout the organisation</p>	<p>Financial and operational risks are reviewed annually by the Board, reported on as part of the Annual Report and appropriate procedures put in place to monitor and mitigate them.</p> <p>The Board considers that the internal controls and procedures in place are appropriate for the size, complexity and risk profile of the Group.</p> <p>The principal elements of the Group’s internal control system include:</p> <ul style="list-style-type: none"> <li>- A detailed annual budget is prepared including an integrated profit and loss, balance sheet and cash flow. The budget is approved by the Board.</li> <li>- Financial and operational performance against the budget is prepared and reviewed by the Board on a monthly basis.</li> <li>- A schedule of delegated authority is maintained which defines levels of approval authority over such items as capital expenditure, commercial contracts, litigation and treasury matters.</li> <li>- Internal audit: The Group has developed and set of Minimum Control Standards and each division’s controls and procedures are audited by the Group on an annual basis</li> <li>- Each division has an appointed H&amp;S (Healthy and Safety) manager and there is a global H&amp;S committee to share knowledge and best practice.</li> <li>- A Code of Conduct is implemented across each division and is made easily accessible for all employees.</li> <li>- Material contracts are assessed by the executive Directors and approved by the Board before they are entered into.</li> <li>- Contractors and suppliers’ contracts are reviewed on an annual basis by each division to ensure company policies are adhered to.</li> <li>- A post acquisition review is performed on all acquisitions, one year after completion.</li> </ul> <p>Further description of how the board identifies, assesses and manages risk is set out in the Annual Report.</p>
<p>Maintain a dynamic management framework</p>	5	<p>Maintain the board as a well-functioning, balanced team led by the chair</p>	<p>The Board comprises of four Directors of which two are executives and two non-executives, reflecting a blend of different experience and backgrounds. The skills and experience of the Board are set out in their biographical details in the Board of Directors section of the Annual Report and on the Group website. The experience and knowledge of each of the Directors gives them the ability to constructively challenge strategy and to scrutinise performance. Details of the directors’ independence, time commitments and board meeting attendance are set out in the annual report.</p> <p><i>The Board comprises of</i></p> <ul style="list-style-type: none"> <li>- Chairman: Ken Hanna</li> <li>- Non-Executive Director: Ian Metcalfe</li> <li>- Group Chief Executive Officer: Greg Lawless</li> <li>- Group Chief Financial Officer: Steve Trowbridge</li> </ul> <p><i>Board Activities</i></p> <ul style="list-style-type: none"> <li>- Strategy and business plans including annual budget</li> <li>- Acquisitions and disposals of businesses</li> <li>- Share capital and dividends</li> <li>- Board membership and delegation of authority</li> <li>- Remuneration and employment benefits for senior management</li> </ul>

		<ul style="list-style-type: none"> <li>- Corporate statutory reporting</li> <li>- Appointment of auditors</li> <li>- New debt facilities</li> <li>- Corporate governance, policy approval, internal control and risk management</li> </ul> <p><i>Board Committees</i></p> <p>The Board is supported by the Audit and Remuneration committees.</p> <ul style="list-style-type: none"> <li>- The Audit Committee is chaired by Ken Hanna, who is a Chartered Accountant, and includes Ian Metcalfe. The Audit Committee is responsible for monitoring the integrity of the Group’s financial statements, reviewing significant financial reporting issues and monitoring the quality of internal controls and risk management.</li> <li>- The Remuneration committee is chaired by Ian Metcalfe and also includes Ken Hanna. The Remuneration Committee reviews the performance of the executive directors and makes recommendations to the Board on matters relating to their remuneration and terms of service.</li> </ul> <p><i>Directors’ Conflicts of Interest</i></p> <p>Any related party transactions are noted in the company’s financial report. The Group adheres to MAR regulations and the AIM Rule of Directors’ Dealings</p> <p><i>Anti-Bribery Policy</i></p> <p>The Group enforces an anti-bribery policy across all of its divisions. This is reviewed on an annual basis by the Audit Committee.</p>
6	Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities	<p>All Directors retire by rotation in accordance with the Company’s Articles of Association. The Board makes decisions regarding the appointment and removal of Directors. The Company’s Articles of Association are available on the Company website. Descriptions of directors’ relevant experience, skills and qualities are set out in the annual report.</p> <p>The Board considers and reviews the requirement for continued professional development. The Board seeks to ensure that their awareness of developments in corporate governance and the regulatory framework is current, as well as remaining knowledgeable of any industry specific updates. The Company’s regulatory adviser, Nomad and other external advisers serve to strengthen this development by providing guidance and updates as required.</p> <p>The Board and senior management from time to time seek advice on significant matters from external advisers. These advisers include, amongst others, the Company’s nominated adviser and broker, public relations, external auditors and legal advisers.</p>
7	Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	<p>The Board is collectively responsible for the long-term success of the Group. It provides leadership, sets Group strategy, upholds the Group’s culture and values, reviews management performance and ensures that the Group’s obligations to shareholders are understood and met</p> <p>The Chairman currently assesses the performance of the Board on an informal continual basis taking into account the contribution each Director</p>

		<p>makes to the business. Directors are also encouraged to provide feedback on all areas of the board efficacy, having due regard to the balance of skills, experience, independence and knowledge contributed by members of the Board.</p> <p>The Group intends to introduce a framework on which to assess the performance of the board more formally on an annual basis.</p> <p>Since the Company is at its early growth stage, no formal processes have been established with respect to succession planning, nor has a formal nomination committee been appointed. The Board regularly considers the career development of key employees, and expects to formalise these procedures in due course.</p>
8	Promote a corporate culture that is based on ethical values and behaviours	<p>Feedback from all stakeholders in the business, as described in more detail in relation to Principle 3, allows the Board to monitor its corporate culture, ethical values and behaviours, ensuring that they are consistent with the Company's business model.</p> <p>The Group upholds a corporate philosophy which comprises of a Vision, Mission, Values, and Arena Standard.</p> <p><i>Vision</i> Become the leading, most respected, integrated event solutions business in the world</p> <p><i>Mission</i> Deliver the Arena Standard to the World</p> <p><i>Shared Values</i></p> <ul style="list-style-type: none"> <li>- Integrity</li> <li>- Excellence</li> <li>- Teamwork</li> </ul> <p><i>The Arena Standard:</i></p> <ul style="list-style-type: none"> <li>- Experience &amp; expertise</li> <li>- Premium quality &amp; style</li> <li>- Health &amp; safety</li> <li>- Innovation &amp; creativity</li> <li>- Solutions focused</li> <li>- Reliability &amp; efficiency</li> <li>- Fully integrated offering</li> <li>- Value for money</li> </ul> <p>These values are reinforced through regular employee newsletters and in specific presentations and meetings with employees of newly acquired businesses.</p>
9	Maintain governance structures and processes that are fit for purpose and support good decision making by the Board	<p><i>Board programme</i></p> <p>The Board meets regularly to review, formulate, and approve the Group's strategy, budgets, and corporate actions and oversee the Group's progress towards its goals. The Board receives a Board pack each month which includes the Group's internal management accounts and a report from the CEO and CFO.</p>

			<p><i>Chairman (Ken Hanna)</i> Ken Hanna was appointed Chairman of the Board in July 2017 and is responsible for providing strategic and management support, maintaining good corporate governance, and leading the Board. Ken has international experience, bringing financial and leadership expertise from his role as the Chairman of Aggreko plc, Chairman of Inchcape Plc and Chairman of Shooting Star CHASE Charity. Until 2009, Ken spent five years as Chief Financial Officer of Cadbury Plc.</p> <p><i>Chief Executive Officer (Greg Lawless)</i> Greg Lawless was appointed CEO of Arena Group in 2011, following the acquisition of Arena’s Structures &amp; Seating businesses. Before joining Arena, Greg was the Director of Davy Corporate Finance until 1992 and joined Allegro Limited in 1993. Greg worked on a consultancy basis from 2000-2004, and in 2004 acquired his first events business, Hireall, alongside former Allegro business partner. Greg is responsible for the leadership and development of the Company, proposing and implementing strategies, interacting with shareholders, and ensuring KPIs are defined and met by each of the divisions.</p> <p><i>Chief Financial Officer (Steve Trowbridge)</i> Steve joined Arena as CFO in September 2019 and was appointed to the Board in October 2019. In his role, Steve oversees all financial matters including reporting, risk management, insurance, banking, acquisitions and fundraising. Steve has held executive roles in many public and private businesses, most recently with Evans Cycles where he was CFO from August 2016 and then became CEO upon its sale to Sports Direct International.</p> <p><i>Non-Executive Director (Ian Metcalfe)</i> Ian Metcalfe was appointed Non-Executive Director in July 2017 and provides constructive support for the Executive Directors of the Company. Ian brings significant experience with sporting organisations to the Board. He is currently Chairman of Commonwealth Games England, having held the position since December 2014. Ian is a qualified solicitor who retired as Managing Partner of International law firm Wragge &amp; Co in April 2014 after eight years in post.</p> <p><i>Company Secretary</i> The Company Secretary compiles the Board and Committee papers which are circulated to Directors at least 48 hours prior to meetings. The Company Secretary then provides minutes of each meeting and every Director is aware of the right to have any concerns documented.</p> <p><i>Board Committees</i> The Board is supported by the Audit and Remuneration committees.</p> <ul style="list-style-type: none"> <li>- The Audit Committee is chaired by Ken Hanna, who is a Chartered Accountant, and includes Ian Metcalfe. The Audit Committee is responsible for monitoring the integrity of the Group’s financial statements, reviewing significant financial reporting issues and monitoring the quality of internal controls and risk management.</li> <li>- The Remuneration committee is chaired by Ian Metcalfe and also includes Ken Hanna. The Remuneration Committee reviews the performance of the executive directors and makes</li> </ul>
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			<p>recommendations to the Board on matters relating to their remuneration and terms of service.</p> <p>The Board assesses the relevance and effectiveness of its Corporate Governance Framework each year and aims to improve upon it as the Group grows.</p>
<b>Build trust</b>	<b>10</b>	<p>Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders</p>	<p>The Group communicates with all shareholders through the Annual report and accounts, the AGM, the interim accounts and RNS statements as required under the AIM rules.</p> <p>In addition, the Group maintains communication with its shareholders through individual meetings with Executive Directors, following the publication of the Group's interim and full year preliminary results.</p> <p>The Group maintains a corporate website with up to date and relevant information for its shareholders. Information on the Group and its activities can be found on the Group website, including financial reports, shareholder documents, corporate policies and Company announcements. <a href="http://www.arenagroup.com">www.arenagroup.com</a>.</p> <p>The Company's annual report includes a Corporate Governance statement, the Directors' Remuneration Report and the Audit Committee Report.</p>