

# Craven House Capital Plc - Corporate Governance Statement

## January 2020

### Statement by the Board on Corporate Governance

As a company listed on the AIM market of the London Stock Exchange, Craven House Capital Plc (the “Company” or “Craven”) has chosen to apply the framework as provided by the Quoted Companies Alliance Corporate Governance Code (2018) (the ‘QCA Code’).

This statement describes how the Company has complied with the Code and explains any departures from the ten principles within the Code.

#### **1. Establish a strategy and business model which promote long-term value for shareholders.**

This is outlined clearly on the Company’s website ([www.cravenhousecapital.com](http://www.cravenhousecapital.com)) and in its Investing Policy and Annual Report – also available on the AIM Rule 26 section of the Company’s website.

#### **2. Seek to understand and meet shareholder needs and expectations.**

The Company’s Annual Report and Notice of Annual General Meetings (AGM) are sent to all shareholders and can be downloaded from our website. Copies of these documents for the last five years, and the Interim Reports and other shareholder circulars are also available. The AGM is open to all shareholders, giving them the opportunity to ask questions of the Board and raise issues during the formal business or more informally following the meeting. Formal resolutions are proposed and voted on by shareholders during this meeting, with proxy votes monitored by Craven’s registrars, Link Asset Services.

Shareholders are also kept up to date via regulatory news service (“RNS”) on matters of material substance and / or regulatory nature.

#### **3. Take into account wider stakeholder and social responsibilities and their implications for long term success.**

We value the feedback we receive from our stakeholders and we take every opportunity to ensure that where possible the wishes of stakeholders are considered. The Company has no employees.

#### **4. Embed effective risk management, considering both opportunities and threats, throughout the organisation.**

Members of the Board are also present on the respective Boards of each of Craven’s subsidiary companies; ensuring close, effective, day-to-day control and risk management.

#### **5. Maintain the Board as a well-functioning balanced team.**

Craven’s Board comprises three non-executive directors, two of which are independent. The Company also retains a Company Secretary who is present at all Board meetings. The Board comprises members with considerable experience and diverse professional backgrounds. Biographies of Board members is available on the Company’s website.

#### **6. Ensure that between them the directors have the necessary up to date experience, skills and capabilities.**

The Board has significant industry, financial, public markets and governance experience, possessing the necessary mix of experience, skills, personal qualities and capabilities to deliver the strategy of the Company for the benefit of the shareholders over the medium to long-term. All

Directors have access to the Company's NOMAD, company secretary, lawyers and auditors as and when required and are able to obtain advice from other external bodies when necessary.

***7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.***

The Board meets formally four times a year with additional ad hoc Board meetings as the business demands. Its key function is the supervision of the Investment Manager. The Directors have a wide knowledge of the business and requirements of directors' fiduciary duties.

***8. Promote a corporate culture that is based on ethical values and behaviours.***

The Directors are committed to ethical values and behaviours across the Board and the Company as a whole. The Company has no employees.

***9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board.***

The Board retains ultimate accountability for good governance and is responsible for monitoring the activities of the Investment Manager. As well as scheduled Board meetings, each Director is also a member of the Audit Committee. There are no other sub-committees of the Board.

***10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.***

This is achieved through publication of the Company's Annual and Interim Reports as well as the AGM and additional General Meetings as required. Additional information is published on the Company's website. Shareholders and stakeholder are also kept up to date via RNS on matters of material substance and / or regulatory nature.