

## Corporate governance statement

### Statement by the Chairman on Corporate Governance

As a Company listed on the AIM market of the London Stock Exchange, RTC Group Plc has chosen to comply with the Quoted Companies Alliance Corporate Governance Code "the Code". This report describes how the Group has complied with the Code and explains any departures from the principles within the Code.

A description of the Board and its committees, together with the Group's systems of internal financial control is set out below.

### The Board

The Board three executive directors and two independent non-executive directors.

The executive directors are engaged full-time, and independent non-executive Directors are required to spend a day per month considering Company matters and attending the monthly Board meeting.

The Group believes that in the Board it has at its disposal, there is an appropriate range of skills and experience to ensure the interests of all stakeholders in the Group are fully accommodated, as demonstrated by the following biographies. The Board keep their skill sets up to date through a combination of membership of professional bodies and the associated continuing professional development that must be undertaken to maintain that; executive development training and extensive reading on economic and business matters. The relevant experience of each Board member is detailed below:

### A M Pendlebury, Executive Chairman and Chief Executive

Andy held several senior management positions during his long career with British Aerospace Plc. In 1992 he joined the board of Wynnwith Engineering and was appointed Managing Director in 1995 establishing the business as one of the United Kingdom's fastest growing recruitment businesses. In 2002 Andy joined GKN Plc as interim Managing Director of the Company's in-house recruitment business Engage and guided it through the board's divestment strategy. From 2004 to 2007, as Chief Executive, he engineered a trading turnaround and subsequent sale to the Morson Group of White & Nunn Holdings. He joined the Board of RTC Group Plc as a Non-Executive in July 2007, becoming Chief Executive in October 2007, and following the sudden death of the previous Executive Chairman, he was appointed as Executive Chairman in addition to his role as Chief Executive in August 2023.

### S L Dye, Group Finance Director and Company Secretary

Sarah is a Chartered Accountant who has worked in both the public and private sectors in the UK and overseas. Sarah qualified with BDO LLP before moving to The Post Office Plc and then The Boots Company Plc gaining experience in risk management, internal audit, and commercial finance. In 1998, Sarah joined Allied Domecq Plc as Finance and Planning Manager for Europe. In 2004 Sarah joined Nottingham Trent University where she held several senior finance positions. Sarah spent 5 years in New Zealand with the Office of the Auditor-General, working with central and local government entities and the tertiary sector. In 2011 Sarah joined Staffline Group Plc as Group Financial Controller. Sarah was appointed Group Finance Director of RTC Group in February 2013.

### P S Crompton, Managing Director Ganymede Solutions

Paul is a highly experienced civil engineer with over 25 years of expertise across various industries including transportation, energy, and recruitment. Graduating in 1995, he honed his expertise in engineering and project management through roles at Volker Rail and Bechtel, contributing to the successful delivery of several major projects in the UK, including High Speed 1. Transitioning into the recruitment sector in 2005, Paul initially served as an Operations Director for Vital Rail before assuming the role of Managing Director at Ganymede Solutions Limited, a subsidiary of RTC Group Plc, in 2013.

### A N Spoliar, Independent Non-Executive Director

Nick is currently Director of Research at Zeus Capital. He is an experienced analyst who has followed a wide range of companies in the London market ranging from large cap to small over the past twenty-plus years and has been involved in numerous IPO's and fundraisings. As an analyst, he has focused primarily on the Support Services/Business Services sectors. He started his career as an analyst at the No. 1 rated Paper/Packaging team at Credit Lyonnais (Laing & Cruickshank) and has worked at firms with mid-Cap credentials such as Panmure Gordon, Bridgewell, Arbuthnot, and Altium. He holds a first-class degree from Oxford University, is a past winner of Starmine prizes, and in 2019 was short-listed for Small-Cap analyst of the Year by the Small Cap Network.

## **W Thornhill**

Wayne is a Fellow of the Institute of Chartered Accountants in England & Wales and has extensive experience managing United Kingdom and international businesses, both publicly listed and privately owned, through periods of rapid growth and change. He has significant experience of corporate transactions including preparing companies for flotation, delisting, reverse-takeover, Class 1 transactions and mergers and acquisitions, and has handled both debt and equity fundraisings and refinancings. Wayne qualified with Arthur Andersen in London and has spent over 25 years working with boards and shareholders to drive shareholder value, typically in a main board CFO/COO capacity. Wayne is currently CEO of QStory, a leading provider of software solutions in the workforce management and engagement space. Wayne studied American History and Politics at the University of East Anglia and at the University of Colorado's Boulder campus. He hails from Manchester and lives in London with his family.

## **Board matters**

The Board has a schedule of matters specifically reserved for its decision. It is responsible for formulating the Group's corporate strategy, monitoring financial performance, acquisitions, approval of major capital expenditure, treasury, and risk management policies.

Board papers are sent out to all directors in advance of each Board meeting including management accounts and accompanying reports from the executive directors. Annual budgets are approved by the Board. Operational control is delegated by the Board to the executive directors.

The Company Secretary acts as the conduit for all governance related matters and shareholder enquiries and passes them to the Chairman to respond.

## **Corporate culture**

The Board is responsible for ensuring that the corporate culture is consistent with the Company's objectives, strategy and business model as set out in the strategic report. The Board achieves this by ensuring that appropriate policies on behaviour and ethics are in place and signed up to by all employees. Performance is appraised considering not just the achievement of objectives, but the behaviours demonstrated to do so. All managers and the Board lead by example in their behaviour and ethical values demonstrated. The managing directors and senior managers in each subsidiary present to the Board at least annually on their subsidiary's performance and cultural matters. Periodically employee satisfaction surveys are undertaken to help inform management of the environment employees perceive they are working in.

## **Board performance**

The performance of the Board is measured by the earnings per share. This measure is externally reported twice yearly on the publication of the interim statement and the annual report. The executive directors' performance is also measured in relation to the achievement of specific operational and strategic objectives that support the key performance indicators which are presented in the annual report and the level of profit delivered. A significant proportion of executive director awards are in the form of profit related pay.

## **Succession planning**

The Board believes it is healthy to periodically refresh Board membership and that responsibilities within the Board should change from time to time. The Board has a succession plan in place which includes the identification, training and mentoring of existing Board members to take on new responsibilities and for potential future Board members to step up. The Board also seeks the input of the independent non-executive directors.

## **Company secretary**

All directors have access to the advice of the company secretary and the independent director and can take external independent advice on certain matters, if necessary, at the Company's expense.

## **Board Committees**

The Board has established two specialist committees (the remuneration committee and the audit committee (the separate audit committee report can be found in the latest annual report).

The remuneration committee is responsible for determining the contract terms, remuneration and other benefits for executive directors, including performance-related bonus schemes. The audit committee comprises W Thornhill and S L Dye. It is chaired by W Thornhill. No members of the remuneration committee are involved in determining their own remuneration.

The whole Board considers matters of nomination and succession and thus there is no requirement for a nomination committee.

The audit committee comprises A N Spoliar and A M Pendlebury. It is chaired by A N Spoliar. The committee meets as necessary to monitor the Group's internal control systems and major accounting and audit related issues.

#### **Engagement with shareholders**

The Board values the views of its shareholders. The directors hold a material interest in the Group which aligns their interests to shareholders. The split of shareholdings at the date of this report was:

| <b>Type of shareholder</b>     | <b>% Of total issued share capital</b> |
|--------------------------------|--|
| Directors                      | 6.51%                                  |
| Institutional Investors        | 10.11%                                 |
| Brokers, individuals and other | 83.38%                                 |

The Annual General Meeting is used to communicate with all investors, and they are encouraged to participate. The directors are available to answer questions. Separate resolutions are proposed on each issue so that they can be given proper consideration and there is a formal resolution to approve the Annual Report. Shareholders can also contact the Company Secretary or the Chairman via the Company's website. The Board takes full cognisance of the results of any poll or feedback from shareholders and the Chairman will respond as appropriate whether by email or by offering a chance to meet with the shareholder to explain the Board's position.

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