

CORPORATE GOVERNANCE STATEMENT

As Chairman of the Board of Directors of Various Eateries plc (“Various Eateries”, “the Company” or “the Group” as the context requires), it is my responsibility to ensure that the Company has both sound corporate governance and an effective Board.

As Chairman, my responsibilities include leading the Board effectively, overseeing the Company’s corporate governance model, communicating with shareholders, and ensuring that good information flows freely between the Executive Directors and the Non-Executive Directors in a timely and efficient manner.

In line with the AIM Rules, which require all AIM-listed companies to adopt and comply with a recognised corporate governance code, the Board of Various Eateries plc have adopted the Quoted Companies Alliance Corporate Governance Code (the “QCA Code”).

The QCA Code states that “the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term.”

It is the Board’s responsibility to ensure that Various Eateries plc is managed in the long-term interests of all shareholders and stakeholders in the business.

The Board believes a strong and effective corporate governance culture is critical in this respect as we endeavour to grow a resilient and sustainable business for the benefit of our shareholders, customers, people and suppliers. The Board considers that the Group complies with the QCA Code so far as it is practicable having regard to the size, nature and current stage of development of the Company, and will disclose any areas of material non-compliance.

The QCA code is constructed around 10 broad principles and the report below sets out how we comply with the code at this time. Compliance with the code will be reviewed and updated annually.

Andrew Bassadone
Executive Chairman

QCA Code Principle	What we do and why
<p>1) Establish a strategy and business model which promotes long-term value for shareholders</p> <p><i>The board must be able to express a shared view of the company’s purpose, business model and strategy.</i></p> <p><i>It should go beyond the simple description of products and corporate structures, and set out how the company intends to deliver shareholder value in the medium to long-term.</i></p> <p><i>It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.</i></p>	<p>The Board leads the development of the Group’s strategy, whilst ensuring the values remain aligned with this strategy.</p> <p>The Board meet as a minimum each month to review:</p> <ul style="list-style-type: none"> • the Group’s operational performance; • business performance, business model and strategy; • sales, marketing and IT development opportunities; • property matters including potential new site opportunities; • strategic considerations; and • the progress of previously agreed actions. <p>The Group’s Strategy is outlined in the Admission Document.</p>
<p>2) Seek to understand and meet shareholder needs and expectations</p> <p><i>Directors must develop a good understanding of the needs and expectations of all elements of the company’s shareholder base.</i></p> <p><i>The Board must manage shareholders’ expectations and should seek to understand the motivations behind shareholder voting decisions.</i></p>	<p>Various Eateries plc has a policy of maintaining open two-way lines of communication with all investors to ensure a clear understanding of the strategy, business plan and current trading. This is achieved through a combination of regular investor meetings (both formal and informal) and quick replies to all queries received.</p> <p>The Directors see the Annual General Meeting (‘AGM’) as an important opportunity to meet its shareholders in person, and encourages all investors to participate and discuss their views.</p> <p>Where feedback is provided, including voting decisions against Company expectations, the Board will engage with those shareholders to hear and address any issues.</p> <p>All corporate information (including any company announcements) is available to shareholders, investors and the public at any time on the corporate website, www.variouseateries.co.uk</p>

	<p>The key point of contact for all shareholders is Group Finance Director, Sharon Badelek. Should shareholders wish to discuss any matters with him or the Company's Executive Chairman, Andy Bassadone, they will always be available on investor.relations@various eateries.co.uk</p>								
<p>3) Take into account wider stakeholder and social responsibilities and their implications for long-term success</p> <p><i>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 company's stakeholders and understand their needs, interests and expectations.</i></p> <p><i>Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model.</i></p> <p><i>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.</i></p>	<p>The Board recognises that strong, trusted relationships with all stakeholders (both internal and external) is vital for the long term success of the Group.</p> <p>As part of the annual planning process, the Board identifies the following areas as key:</p> <ul style="list-style-type: none"> • Quality – food and drink offer and consistent operational excellence • Suppliers - sustainable and deep supply chain built on strong, long term relationships • Teamwork –motivating, empowering and retaining our best people • Community – nurturing long-term relationships with guests across all sites; offering quality, good value product in attractive surroundings to grow sales <p>Underpinned by our Purpose, Values and Behaviours:</p> <p>Purpose: Great people delivering unique experiences through continuous innovation</p> <table border="1" data-bbox="624 786 1393 1037"> <tr> <td>Values:</td> <td>We are welcoming</td> <td>We take pride</td> <td>We are a community</td> </tr> <tr> <td>Behaviours:</td> <td>Inclusive and positive; Open minded; Nothing is too much trouble</td> <td>Own it; Don't compromise; Challenge yourself</td> <td>Be part of something; We look out for each other; We care about our community</td> </tr> </table> <p>We have a well-developed and detailed intranet which allows staff to communicate their thoughts with us and where we share an abundance of learning and coaching materials for staff at all levels.</p> <p>Our ears are open – we listen hard and regularly review our menus, settings and our future location strategy to align with what our customers and staff are telling us.</p> <p>We are committed to a culture of respect and a positive, productive working environment, which is free from any form of discrimination. We are an equal opportunities employer and are committed to treating all current and potential new recruits equally.</p> <p>Various Eateries plc encourages collaborative two-way communication with guests through engagement on social media, in person on site, via the reservations desk and through our integrated feedback platform. We run a robust regular Mystery Diner programme across all our sites and the reservations team are monitored regularly for quality assurance.</p>	Values:	We are welcoming	We take pride	We are a community	Behaviours:	Inclusive and positive; Open minded; Nothing is too much trouble	Own it; Don't compromise; Challenge yourself	Be part of something; We look out for each other; We care about our community
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<p>4) Embed effective risk management, considering both opportunities and threats, throughout the organisation.</p> <p><i>The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy.</i></p> <p><i>Companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer.</i></p> <p><i>Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).</i></p>	<p>The Company operates a robust risk assessment process, which is embedded in the normal management and governance of the business. As part of the annual planning and budgeting process, management document the significant risks identified, the probability of those risks occurring, their potential impact, and the plans for managing and mitigating each of those risks.</p> <p>The Board will discuss risks at each board meeting. They will also undertake a formal annual effectiveness review of the Company's internal control system, comprising financial, operational and compliance controls, to ensure that the Company's risk management framework identifies and addresses all relevant risks in order that the Company's strategy can be successfully executed and delivered. This review considers any significant issues included in reports received during the year and how the risks may have changed during the year and reviews any reports on internal controls prepared by management as well as any issues identified by external auditors.</p> <p>The Company operates a series of controls to ensure the Executive implement the policies for risk management and control. These include: the annual strategic planning and budgeting process; a clearly defined organisational structure;</p>								

	<p>authorisation limits; documented monthly reviews by senior management of monthly financial and other operational KPIs.</p> <p>The Audit and AIM Compliance Committee (“AC”) meets periodically to review the effectiveness of internal controls. The AC receives reports from management and observations from the external auditors concerning internal control systems and any material control weaknesses. Any significant issues flagged would be included in the risk section of the next Board meeting.</p> <p>Principal risks faced by the Group are included in the Annual Report and also included in the Admission Document.</p> <p>Both the Board and the Executive are responsible for reviewing and evaluating risk. The Executive meet at least monthly to review ongoing trading performance, discuss budgets and forecasts and new risks associated with ongoing trading, whilst these figures are also made available to the wider Board and discussed in board meetings.</p>
<p>5) Maintain the board as a well-functioning, balanced team led by the chair</p> <p><i>The board members have a collective responsibility and legal obligation to promote the interests of the company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.</i></p> <p><i>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.</i></p> <p><i>The board should have an appropriate balance between executive and non-executive directors and should have at least two independent non-executive directors. Independence is a board judgement.</i></p> <p><i>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.</i></p> <p><i>Directors must commit the time necessary to fulfil their roles.</i></p>	<p>The Company is controlled by the Board of Directors, the responsibility of running which falls to Andy Bassadone as the Chairman.</p> <p>The Board comprises two Executive Directors and four Non-Executive Directors including two independents who the Board considers bring considerable independent insight to Board discussions.</p> <p>The Board meets at least every month and all Directors receive all trading and operational results every month (as per the agreed timetable and in advance of any meetings). There is a documented schedule of matters reserved for the Board.</p> <p>The Board is supported by the AC, the Nomination Committee and the Remuneration committee detailed below in section 9.</p> <p>The Company maintains liability insurance for its Directors and Officers. The Company has also entered into indemnity agreements with the Directors, in terms of which the Company has indemnified its Directors, subject to the Companies Act limitations, against any liability arising out of the exercise of the Directors’ powers, duties and responsibilities as a Director or Officer.</p>
<p>6) Ensure that between them the directors have the necessary up-to date experience, skills and capabilities</p> <p><i>The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition.</i></p> <p><i>The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board.</i></p>	<p>The Company has six directors being Hugh Osmond, Andy Bassadone, Gareth Edwards, Glyn Barker, Sharon Badelek and Tiffany Sword.</p> <p>Details of the Board’s extensive industry experience, skills and personal qualities are highlighted in the biographies on the company website.</p> <p>The Board keep a close eye on all industry changes and receive regulatory and corporate updates from dedicated internal Human Resources and Compliance departments as well as a number of external advisors who advise where necessary on the legal aspects of any ongoing regulatory enquiries. This ensures that the necessary mix of experience, skills, personal qualities (including gender balance) and capabilities deliver the strategy of the company for the benefit of the shareholders over the medium to long-term.</p>

<p><i>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.</i></p>	
<p>7) Evaluate board performance based on clear and relevant objectives, seeking continuous improvement</p> <p><i>The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.</i></p> <p><i>The board performance review may be carried out internally or, ideally, externally facilitated from time to time.</i></p> <p><i>The review should identify development or mentoring needs of individual directors or the wider senior management team.</i></p> <p><i>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</i></p>	<p>Evaluation of the performance of the Board has historically been undertaken in an informal manner, with the exception of the Executive Directors, who are assessed annually on performance by the Chairman before re-election, based on:</p> <ul style="list-style-type: none"> • Their performance (measured against KPIs) • Their independence (where applicable) • Continued commitment to the role <p>In addition, the overall effectiveness of the Board is measured on the achievements of the Company's annual budget and strategic plan.</p> <p>Whilst the Company has no formal succession plan, the Board continues to think long term and will appoint senior roles where required.</p> <p>The Board are confident that the Company's middle management have the strength to ensure the Company's business is not adversely impacted in the period between an Executive Director leaving and a replacement being recruited.</p> <p>The Nomination Committee is required to recommend and review nominees as new directors to the Board where there are vacancies or where it is felt that additional directors should be appointed. For new appointments, the search for candidates is conducted and appointments made on merit against objective criteria and with due regard for the benefits of diversity on the board. Any senior management appointments are also required to be approved by the Nomination Committee.</p>
<p>8) Promote a corporate culture that is based on ethical values and behaviours</p> <p><i>The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.</i></p> <p><i>The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the company.</i></p> <p><i>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 company.</i></p> <p><i>The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.</i></p>	<p>The Board aims to lead by example, and to do what is in the best interests of the Company.</p> <p>The Company takes a serious approach towards corporate social responsibility, its values relating to company culture and its people; the decisions of the management team and the company strategy are also guided by the values wherever appropriate.</p> <p>With a growing business that encompasses numerous levels of team diversity and multi-site operations, the Company recognises the vital importance of maintaining a strong company culture and clear values to its success. The management team also understands the extent to which the skills, experience and passion of our employees enables us to deliver the highest levels of quality, standards and service – so that ultimately, our guests enjoy the best experience possible with us.</p> <p>Our teams are chosen carefully; we want people who share the same passion that we have for our guests, and we want people looking to work hard, stay with us and become part of the VEL family. We have clear purpose statements for each brand, underpinned by the same three consistent values and supporting behaviours across the Group (detailed above).</p> <p>The board continuously seeks to ensure that all of its employees are aware of the Company's core ethical values, and the management structure at restaurant and regional level ensures that the ethical values are recognised and respected throughout the Group.</p> <p>The values are covered repeatedly throughout the employee journey through the business: from job descriptions through interview, the mandatory induction process for new employees, regular all-company "town hall" meetings and training sessions and staff newsletters. They are used as points of assessment in annual appraisals which influence promotion and reward, ensuring that all team members are working to the highest operational and ethical standards.</p> <p>Board members undertake regular informal enquiries of employees to ensure these values are being upheld and promoted to ensure a healthy corporate culture. Feedback from all stakeholders allows the Board to maintain an awareness of the state of its corporate culture, as well as performance against internal targets.</p>

<p>9) Maintain governance structures and processes that are fit for purpose and support good decision-making by the board</p> <p><i>The company should maintain governance structures and processes in line with its corporate culture and appropriate to its:</i></p> <ul style="list-style-type: none"> • size and complexity; and • capacity, appetite and tolerance for risk. <p><i>The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company.</i></p>	<p>The Board has established Audit and AIM Compliance, Nomination and Remuneration committees, which meet regularly with formally delegated duties and responsibilities.</p> <p><u>Audit and AIM Compliance Committee</u> The AC comprises the three non-executive Directors, Gareth Edwards and Tiffany Sword with Glyn Barker as chairman. The AC meets at least twice a year and at such other times as the chairman of the AC shall deem necessary. The AC reviews the scope and results of the external audit, its cost effectiveness and the objectivity of the auditors. It also reviews, prior to publication, the interim financial statements, preliminary results announcement, the annual financial statements and the other information included in the Annual Report. In addition, the AC considers the regulatory, technical and operational risks of the Company and ensures these risks are properly assessed, monitored and reported on and the appropriate policies and procedures are in place</p> <p><u>Remuneration Committee</u> The Remuneration Committee comprises three non-executive Directors Glyn Barker and Tiffany Sword with Gareth Edwards as chair of the committee. As chair, Gareth Edwards has the casting vote. The Remuneration Committee meets at least twice per financial year.</p> <p>The Remuneration Committee reviews and recommends nominees as new directors to the Board, reviews the performance of the Executive Directors and sets the remuneration of the Executive Directors. In addition, the Committee determines the payment of bonuses to Executive Directors and approves the Company's bonus and incentive arrangements for employees. The remuneration of the Non-Executive Directors is decided upon by the Board of Directors.</p> <p>The Committee is also responsible for ensuring the Company's share option schemes are operated properly and approves the share option grants to Executive Directors and employees.</p> <p><u>Nomination Committee</u> The Nomination Committee comprises Tiffany Sword, Glyn Barker and Gareth Edwards, with Tiffany Sword as chair of the committee. It meets at least twice a year. The Committee is appointed by the Board to assist the Company and the Board in fulfilling their respective corporate governance responsibilities under applicable laws, to promote a culture of integrity throughout the Company and to assist the Company in identifying and recommending new nominees for election to the board.</p> <p>The Company has a schedule of matters reserved for the Board. The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets and corporate actions.</p> <p>The Board also ensures that the principal goal of the Company is to create shareholder value, while having regard to other stakeholder interests, and takes responsibility for setting the Company's values and standards.</p> <p>At this stage the Board believes that the governance framework is appropriate for a Company of its size, but it continues to keep this under review.</p>
<p>10) Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.</p> <p><i>A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.</i></p> <p><i>In particular, appropriate communication and reporting structures should exist between the board and all constituent parts of its shareholder base. This will assist:</i></p>	<p>The Company communicates with shareholders through the Annual Report, interim and annual announcements, the AGM, investor roadshows and meetings with individual existing or potential new investors.</p> <p>Corporate information (including all Company announcements and notices of general meetings) is available to all shareholders, investors and members of the public on the Group's corporate website, www.variouseateries.co.uk. The Company's latest independent auditors' and directors' reports can also be viewed as part of its most recent annual report.</p>

• the communication of shareholders' views to the board; and
• the shareholders' understanding of the unique circumstances and constraints faced by the company.
It should be clear where these communication practices are described (annual report or website).