

Corporate Governance

Corporate governance comprises the body of human behaviours and corporate practices and procedures which determine the manner in which a company should operate, supplementing the legal framework of what is permissible and the manner in which activities are to be carried out.

MORhomes PLC (**MORhomes**) is aware of the position it occupies as a non-traded public company, with listed debt instruments and a business model which specifically supports the social and affordable housing sectors. The MORhomes board (the Board) has a clear vision of the manner in which the company should operate and the reasons for such conclusions. In addition to its shareholders the Board is aware of the vital role of the company's key stakeholders, which importantly comprise its employees, its lenders, its borrowers and those public organisations which also provide financial support to its borrowers.

Whilst MORhomes is under no legal or regulatory obligation to apply any code of corporate governance or practice, the Board has determined that a high level of corporate transparency, corporate responsibility and the highest standards of business ethics and probity are vital to the company's success. Accordingly, the Board has determined that it will seek to apply the provisions of the new **UK Corporate Governance Code** issued by the Financial Reporting Council on 16 July 2018 (the **UKCGC**) to itself in an effective and proportionate manner from 1 August 2018.

The articles of association of MORhomes require the company to include an annual corporate governance statement within the company's annual report and accounts. The Board has also determined that equivalent information will be maintained on the company's website.

The board of directors of MORhomes has determined that it will carry out an annual board evaluation and this will be externally facilitated at least once within the first two years of the company's operation.