

Corporate Governance Statement

Overview

As Chair of the Board of Directors of Diales Group PLC (the “Company” or the “Group”), it is my duty to ensure the Group has both good corporate governance and an effective Board.

The Board recognises the importance of good corporate governance and has elected to adopt the QCA Corporate Governance Code 2023 (the “QCA Code”), which requires companies to adopt and comply with each of the principles or explain non-compliance. This is the Group’s first year reporting against the 2023 QCA Code, having previously reported against the 2018 version. There have been no other significant changes in governance arrangements.

The Board considers the QCA Code appropriate and suitable, having regard to the group’s size and complexity.

QCA Principles

1. Establish a purpose, strategy and business model which promotes long-term value for shareholders

The Board of Directors has determined that the Company’s growth strategy will deliver the greatest medium and long-term value to its shareholders.

Diales Group Plc provides specialist commercial management, planning, programming and scheduling, project management, and dispute resolution support services, to the global engineering and construction industry. The Company supports clients from project inception and business case; pre-contract preparation, measurement, tendering, and procurement; the construction phase, from managing change, through to completion and agreement of the final accounts; to supporting the asset in use, through to refurbishment, re-purposing, and decommissioning.

The Company’s objective is to deliver shareholder value in the medium to long-term while protecting the Group from unnecessary risk, being sustainably profitable and providing long-term security for our shareholders and staff. The strategy underpinning this objective is to generate revenue from providing the professional services detailed above and achieving and maintaining a higher target gross and net margin.

The Company’s plan for growth has been centred on making a difference by delivering robust and dynamic commercial solutions on time and within budget, either as a standalone service or as part of an integrated team within clients’ existing commercial and construction management.

The Company’s purpose is to be the first-choice provider of high-quality professional services to our clients and to be the employer of choice for experts in the market.

The Group’s strategy, together with the principal risks, uncertainties and key challenges facing the Group, are set out in the Strategic Report on pages 44 and 45 of the 2025 Annual Report.

2. Promote a Corporate Culture that is based on ethical values and behaviours

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole, which in turn will impact the Company’s performance. The Group’s culture is one of employee and client focus as both are fundamental to the success of the business. The Group has also adopted corporate values and policies to encourage employee and client engagement in relation to its business.

Innovation

Our policy is to recruit only the best professionals from the market into the business and utilise their combined skills and experience to create innovative and flexible solutions at every opportunity.

Our People and Culture

We value ideas based on merit and regardless of position, treat people with consideration. We strive to lead by example. We also strive to be the employer of choice in our industry, recruiting top quality professionals and providing them with respect, opportunities and the support to excel within our team.

Employee engagement is a key component of the way we operate to maintain our positive culture which motivates our teams and attracts new talent. The health, safety and wellbeing of all our staff is a key priority.

Each year, the Group engages with staff to ensure that their views were taken into account and considered appropriately by the board. Via the staff survey the Group is able to communicate its strategy, priorities, values and goals effectively throughout the organisation. The survey this year resulted in some helpful feedback. Suggestions from staff have been added to the existing initiatives to support and improve personal development and wellbeing. The Chief Executive hosts monthly global update calls where all staff are invited to

join, different relevant subjects are covered, with staff able to raise questions and create discussions. These calls are important given our wide global reach but staff interactions within the office environment are also deemed to be important for talent development, teambuilding and mental wellbeing.

The Group has a large number of long term staff and monitors staff turnover very closely to assess where any improvements can be made to retain staff. Absenteeism is also monitored to ensure that relevant support is given to any staff member who may need that, with regular check ins from the HR department and their line managers where appropriate.

Our Clients

We focus on building professional relationships, delivering an excellent quality service and real value that supports the requirements for each project. Our commitment to our clients' success is how we measure ourselves.

Integrity

We strive to apply the highest professional, ethical and technical standard throughout our organisation. We encourage accountability at all levels.

Transparency

We strive to communicate openly, honestly and with clarity of actions and words at all times. We seek to deliver best practice solutions on every occasion.

3. Seek to understand and meet shareholder needs and expectations

The Group places a great amount of importance on maintaining communication with stakeholders and is committed to having constructive dialogue with its shareholders. We believe that delivering value for our shareholders ensures that the business continues to be successful in the long term and continues to deliver value for all our stakeholders.

The Chief Executive of the Board is primarily responsible for shareholder liaison and reports back to the Board. The AGM provides an excellent opportunity for shareholders to engage with the Board and ask questions. All shareholders are invited to attend the AGM and sign up for the Company's investor alert service to ensure that they receive financial results and other key shareholder messages directly from the Company as soon as they become available. Investors also have access to current information on the Company's website.

Topics discussed with shareholders include – sustainable profitability, utilisation, net margin improvement, working capital requirements and the acquisition of talent.

Quantitative and qualitative reporting of a Company's environmental and social matters is set out in pages 36 to 43 of the Annual Report 2025.

4. Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Board recognises that the continued growth and long-term success of the Company is reliant upon open communication with its internal and external stakeholders: professional advisers, shareholders, suppliers, regulators and other stakeholders.

The Company has an ongoing relationship with a broad range of its stakeholders and has regular and direct interaction with stakeholders providing them with opportunities to raise issues and provide feedback to the Company. The Board takes account of such feedback when discussing the Group's strategy.

In September 2024 the Board appointed Inspired PLC to work with us to build a structured pathway to full ESG and climate-related disclosures by collating the information into a disclosure format that is recognised by the stakeholder community, our clients and the wider financial markets with which we interact.

This is a three-year strategy, FY25 was the start of our ESG journey, FY26 will involve developing ESG and FY27 embedding ESG. We have yet to establish any formal targets for social and environmental matters but during FY26 the new ESG committee will be considering whether to put those in place and if so at what levels. Further information about our stakeholder engagement approach can be found in our section 172 statement on pages 48 and 49 of this Annual Report.

5. Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board is responsible for overseeing the risk framework and system of internal controls. It ensures that procedures are in place and implemented effectively to identify, evaluate, and manage, where possible, the significant risks faced by the Company.

The Board sets the overall risk management approach and assesses the impact of any changes to the risk profile ensuring that we manage risk appropriately across the Group. The Executive Board has management responsibility for risk and internal controls with the Board completing a review of the risk profile to consider any emerging risks or notable changes in existing risks.

The Audit and Risk Committee ("ARC") oversees the risk management processes of the Group and key risks are elevated to the main Board for discussion. The ARC will also provide input to the Board in its assessment of enterprise risks

Corporate Governance Statement (continued)

and determination of risk appetite and tolerance levels, as part of the overall risk management strategy.

The Group will shortly set up its ESG committee to manage climate-related risks and to provide updates on our strategic environmental initiatives and progress towards setting any suitable sustainability goals. The ESG committee will be chaired by Jane Dumeresque, as independent chair, to provide insight to the Board. The committee will provide updates on the Inspired PLC ESG strategy services pathway, offer strategic guidance and ensure alignment with our overall risk appetite, consider and establish formal targets, update our ESG Policy and establish an ESG subcommittee from within the Group that will meet to oversee environmental issues, track relevant policies and support the committee.

The Audit and Risk Committee has delegated responsibility for formally monitoring the Auditor's independence. This is achieved through a formal twice-yearly review at which the committee considers any factors that could jeopardise Auditor independence. Throughout the year, the committee has satisfied itself that the Auditor remains independent of the Company and the individual directors.

The principal risks and uncertainties affecting the Group are set out on pages 44 and 45 of the 2025 Annual Report. The Board has considered the need for an internal audit function but has resolved that due to the current size and complexity of the Group, this cannot be justified on the grounds of cost-effectiveness. However, the Board will continue to monitor the need for an internal audit function as the Company grows and develops.

6. Establish and maintain the board as a well-functioning, balanced team led by the chair

At year end, the Board comprises two Executive Directors and four Non-Executive Directors as follows:

Executive Directors

- Chief Executive Officer: Mark Wheeler;
- Chief Financial Officer: Charlotte Parsons;

Non-Executives Directors

- Independent Non-Executive Chair: Nicholas Stagg
- Independent Non-Executive Director: Peter Collini
- Independent Non-Executive Director: Elizabeth Filkin CBE
- Non-Executive Director: John Mullen

Further information about the Directors can be found in the Directors and Advisers section on pages 46 and 47 and on the Company's website.

With the exception of John Mullen, the Non-Executive Directors are considered by the Company to be independent in that: (i) none of them are executive officers or employees of the Company; and (ii) none of them have a relationship with the Company that will interfere with the exercise of independent judgement in carrying out their responsibilities as Directors. John Mullen is not deemed to be an independent Non-Executive Director given his status as a major shareholder. The Non-Executive Directors do not receive any performance-related remuneration.

All Directors are currently subject to re-election at least every three years in accordance with both the requirements of the UK Companies Act and the Company's articles of association. At the forthcoming AGM, all Directors will be subject to re-election and annually thereafter. Directors meet formally and informally both in person and remotely. Board meetings are open and constructive, with every Director participating fully.

Given the nature and purpose of the Company, the experience of the Directors and the Company's proposed strategy, the Directors believe that the composition of the Board is appropriate and suitable.

The Executive Directors are employed on a full-time basis. Each Non-Executive Director must be able to devote sufficient time to the role to discharge their responsibilities effectively. Non-Executive Directors may also need to be called upon outside of formal meetings to provide independent advice and input to the Executive Directors and/or senior management team. All Directors must seek Board approval before accepting any significant external appointments.

Attendance at Board and Committee Meetings

The Directors attendance at meetings of the Board and its committees during the year to 30 September 2025 are as follows:

Board:

Attendance	Meetings Eligible to Attend	Meetings Attended
Shaun Smith (Chair)**	7	7
Nicholas Stagg (Chair)*	1	1
Elizabeth Filkin CBE	8	8
Peter Collini	8	7
John Mullen	8	8
Mark Wheeler	8	8
Charlotte Parsons	8	8

*Nicholas Stagg was appointed as Non-Executive Chair on 1 September 2025.

**Shaun Smith resigned as Non-Executive Chair on 29 August 2025.

Audit and Risk Committee:

Attendance	Meetings Eligible to Attend	Meetings Attended
Peter Collini (Chair)	3	2
Elizabeth Filkin CBE	3	2
Shaun Smith**	3	3

Remuneration Committee:

Attendance	Meetings Eligible to Attend	Meetings Attended
Elizabeth Filkin CBE (Chair)	5	5
Peter Collini	5	5
Shaun Smith	5	5

Directors' conflict of interest

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

All Directors are reminded periodically of their obligations to notify the Company of any changes in their statement of interests and to declare any benefits received from third parties (if any) in their capacity as a Director of the Company.

7. Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities.

The Company believes that the Directors have appropriate experience in relevant sectors, providing the ability to fulfil their roles. Each individual director has personal responsibility for keeping up to date on matters which may be relevant to their role as a director. This is achieved through attendance at industry events, professional seminars and other self-directed professional development activities. Knowledge of the Company's business is refreshed regularly through site visits and meetings with key team members.

Details of the individual Directors and their experience are set out on the Company's website. The Company's nominated adviser, solicitors, corporate governance advisers and auditors are available to deal with any questions which arise in relation to the application of the AIM Rules, legal matters or accountancy matters. Details of the relevant advisers can be found on pages 46 and 47. In order to ensure their independence, the Non-Executive Directors are also entitled to obtain independent legal advice at the cost of the Company in relation to matters which arise where they consider independent advice is required. During the year the remuneration committee appointed FIT remuneration consultants to provide advice to the Committee on the long-term incentive provision for the Executive Directors.

The Company Secretary is responsible for providing support to the Chair and the Board on corporate governance, regulatory and compliance matters, dealing with procedural matters that arise from time to time and dealing with all matters relating to the annual general meeting and any other shareholder meetings. During the year ended 30 September 2025, the Company's nominated adviser and auditors have advised the Company on routine matters within the scope of their respective engagement letters.

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

The Remuneration Committee is responsible for monitoring the performance of the Executive Directors. The performance of the Chair and Non-Executive Directors as individuals is reviewed by the Executive Directors.

The Group continually evaluates the performance and effectiveness of the Board, its Directors and Chair to ensure the right balance of skills, experience and knowledge is maintained in order for each to perform their duties effectively and deliver strong continued growth.



Corporate Governance Statement (continued)

During FY25, the Board decided not to conduct a formal externally led board evaluation process given the anticipated changes to the Board composition. Some of those have now taken place with Nicholas Stagg joining from 1 September 2025 and Jane Dumeresque joining from 24 November 2025. Peter Collini's term will expire during FY26, once Peter's replacement is on board the timing for

9. Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture.

As explained in the Report of the Remuneration Committee on pages 58 to 61 of the 2025 Annual Report, The Group's remuneration policy is to provide a remuneration package to attract, motivate and retain high calibre individuals, who will deliver significant value to the Group.

The remuneration policy of the Group is driven by our approach to align the best interests of shareholders and management.

The remuneration committee looks to set remuneration for executive directors at appropriate market levels, with reference to the roles and responsibilities of those directors. Incentive arrangements which provide appropriate reward and incentive are implemented and measured against key performance criteria designed to promote the best interests of shareholders and are reviewed annually.

The Company will include an advisory resolution on the remuneration policy and report at its AGM in 2026.

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

The Board is committed to maintaining effective communication and having constructive dialogue with its shareholders. This is done through Interim and Annual Reports along with Regulatory News Service announcements.



Shareholders are encouraged to attend the Company's AGM, where they will be given the opportunity to interact with the Directors. The Board maintains that, if there is a resolution passed at a general meeting with 20% votes against, the Company will seek to understand the reason for the result and, where appropriate, take suitable action. At the last AGM in February 2025, all resolutions passed with at least 95% support.

Investors also have access to the latest information on the Group through its website.



Nicholas Stagg
Chair