

Statement of Compliance with the QCA Corporate Governance Code

Principle 1.

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

The Board and leadership team continue to focus on the long-term growth of the business and building a solid foundation which underpin the reasons shareholders should invest. Supply@ME has developed a novel and unique solution which has and continues to take time and investment. There is a clear gap in the market which represents a huge opportunity for the organisation to scale and grow, whilst creating long-term value for shareholders. The solid foundations have been built and the unique solution is proven and multimarket ready.

Principle 2.

Seek to understand and meet shareholder needs and expectations.

The Group continually seeks to improve its engagement with its shareholders, both private and institutional investors. During 2023 Supply@ME has continued to focus on disseminating information to the market in a timely manner, as well as monitoring and responding to communications in the dedicated investor relations inbox, where it is possible to respond, for shareholders to be furnished with non-market sensitive information. As a growing business, with limited bandwidth, it is not possible for our team to provide an individualised response to each and every enquiry we receive. However, every communication is reviewed and, where possible, furnished with a full response as a priority. This process will continue to evolve with the business.

In May 2023 the Company invited investors to an online presentation to outline the opportunities for the business and demonstrate how the Supply@ME business model fulfills these opportunities and the Company's relative position in the competitive landscape in more detail. Additionally, in June 2023, the Company held its AGM and addressed the significant number of questions raised by its shareholders, both in person and via the Investor Meet platform. The AGM was available for shareholders to join online as well as in person, giving all shareholders the opportunity to join if they wished to. Finally, during 2023 Supply@ME has provided commentary on topics relevant for global supply chains through a series of blogs published on LinkedIn.

Principle 3.

Take into account wider stakeholder and social responsibilities and their implications for long-term success.

The Board considers the interests of shareholders and all relevant stakeholders in line with section 172 of the Companies Act 2006. Proactively engaging with our stakeholders strengthens our relationships and helps

us make better business decisions to deliver on our commitments. The Board is regularly updated on wider stakeholder engagement feedback to stay abreast of stakeholder insights into the issues that matter most to them and our business, and to enable the Board to understand and consider these issues in decision-making. Details of how we seek to understand and meet shareholder needs and expectations are set out at Principle 2, above. Details of how the Board has engaged with our wider stakeholder group, including our people, shareholders, corporate clients, inventory funders and fund investors can be found in our section 172 Statement.

Principle 4.

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

The Board has established a risk management process for identifying, assessing and mitigating the principal risks and uncertainties facing the Group. The Group's risk position is considered by the Board on a regular basis, with ad-hoc reviews conducted as required. The Board is responsible for establishing and maintaining the Group's system of internal financial controls and the Audit Committee assists the Board in discharging its duties relating to internal financial controls. Internal financial control systems are designed to meet the particular needs of the Group and the risk to which it is exposed, and by its very nature can provide reasonable, but not absolute, assurance against material misstatement or loss.

Areas of focus for internal financial controls include strategic planning, approval of cash flow forecasts, regular monitoring of actual spend compared to cash flow forecasts (including investigation of significant variances), control of capital expenditure, ensuring proper accounting records are maintained and high-quality financial statements are produced as required. The Directors will continue to reassess internal financial controls as the Group expands further. It is the Board's policy to ensure that the management structure and the quality and integrity of the personnel are compatible with the requirements of the Group.

The Group's auditors are encouraged to raise comments on internal control in their management letter following their audit, and the points raised and actions arising are monitored through to completion by the Audit Committee.

Principle 5.

Maintaining the Board as a well-functioning, balanced team led by the Chair.

As referenced in the Directors' Information section and the Report of the Nomination Committee included in this Annual Report, there have been a number of Board membership changes during 2023. The Board currently consists of one Executive Director, Alessandro Zamboni, CEO and four independent Non-Executive Directors. Albert Ganyushin leads the Board as independent Non-Executive Chair supported by David Bull, Enrico Camerinelli and Alexandra Galligan as independent Non-Executive Directors. The balance of the Executive and Non-Executives and the structure of the Committees is in compliance with the QCA code. The biographical details of the Board members can be found in this Annual Report on pages 63–67, as well as on the Company's Website. The Board changes during early 2023 outlined in the Nomination Committee Report are testament to the fact the structure, size and composition of the Board is regularly reviewed to ensure the Board operates effectively.

The Board typically meets monthly in order to, amongst other things, receive commercial updates from the CEO and updates from other members of the Leadership team on their respective functional areas as appropriate. At the relevant time of the annual financial reporting cycle, these monthly meetings are also used to cover the approval of financial statements and significant changes in accounting practices. During 2023 there have been a significantly higher number of Board meetings to ensure the required focus and scrutiny on particular areas including funding, commercial progress of the business, and other strategic milestones. The Directors commit the requisite amount of time to their respective roles to ensure that they fulfil their individual and collective responsibilities in an effective manner. The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is supported by an Audit Committee, a Remuneration Committee, a Nomination Committee and a Disclosure Committee. Further details of the Nomination, Remuneration and Audit Committee can be found in each of the Committee Reports within this Annual Report on pages 75–77, 85–107, 78–84, as well as on the Company's website. One element of the role of the Independent Non-Executive Directors is to be available to shareholders who wish to raise any concerns that they have been unable to resolve through other channels and to attend meetings between management and major investors.

Principle 6.

Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.

During the recruitment process for new Non-Executive Board members, the Nomination Committee gives a great deal of consideration to the knowledge, skills and experience required for the future of Group. Ensuring a balance of broad Corporate Governance knowledge with specific skills sets including Regulations, Trade Finance, Capital Markets, FinTech Sector knowledge and Investor Relations and Business Development experience has been crucial. In addition to the appropriate balance of personal qualities and capabilities for our innovative global business.

In order to develop their skills and keep up to date with market developments and corporate governance matters, new joiners to the Board are provided with a comprehensive induction into the business. The Board also has regular updates from and access to the leadership team. All directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

Biographies for each of the directors, including details on their experience and skills, are set out on the Company's website and in the Directors' Report section of this Annual Report.

Principle 7.

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

The Board's effectiveness and the individual performance of Directors are considered regularly by the Board on an informal basis. A formal Board evaluation was conducted in December 2023 and reported on to the Chair. This evaluation looked at the process that underpins Board effectiveness, Board and Committee constitution and commitment, Board dynamics and culture, stakeholder oversight and strategy. This evaluation will be conducted annually with feedback shared and appropriate actions taken.

Board and Leadership Team Succession planning is a matter considered by the Nomination Committee. During 2023 the risk and the impact of key members of the team taking the decision to leave the Group was assessed. How these risks could be mitigated was considered and appropriate action plans put in place to reduce the level of residual risk where possible. This evaluation will take place at least annually.

Principle 8.

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

The Board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximise shareholder value. The CEO and the Leadership team seeks to engender open and positive interactions with a focus on innovation, collaboration, delivery and a global mindset. This culture is encouraged throughout the business, with people management practices aligned to support. Supply@ME is operating in a new business area and the ability to innovate will be essential to the Group's success. Collaboration and ensuring each member of the team's views and opinions are heard will lead to a better product and outcome for all the Group's stakeholders. Understanding the global perspective of each decision and having an understanding of global nuances will lead to a greater long-term reach of the Group. Most of all, the Group wants to deliver for all its stakeholders and this is central to the culture which is being created. The Company's policies set out its zero-tolerance approach towards any form of modern slavery, discrimination, harassment, bullying or unethical behaviour relating to bribery, corruption or business conduct.

Principle 9.

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

The Board endeavours to ensure governance structures within the Company are appropriate for the size, complexity and risk profile of the Company. This is regularly reviewed by the Board to ensure governance arrangements continue to be appropriate as the Company changes over time. The Board also responds to business opportunities and adjusts its composition to take advantage of this, hence the changes seen during early 2023.

The Board typically meet monthly to set the overall direction and strategy for the Group and to review operational and financial performance. The Board and its Committees receive appropriate and timely information prior to each meeting; and a formal agenda is produced for each meeting, and Board and Committee papers are distributed before meetings take place. Any director may challenge Company proposals and decisions are taken democratically after discussion. Any director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are signed by the meeting Chair and circulated to all directors.

Any specific actions arising from such meetings are agreed by the Board or relevant Committee and then followed up by the Company's management. The Board and leadership

team, supported by external company secretaries and lawyers, ensure Board procedures are followed and applicable rules and regulations are complied with.

There is a formal schedule of matters reserved for the decision of the Board that covers the key areas of the Company's affairs. The schedule includes:

- > Determining the Company's overall strategy and direction
- > Establishing and maintaining controls, audit processes and risk management policies to ensure they counter identified risks and that the Company operates efficiently
- > Ensuring effective corporate governance
- > Approving cash flow forecasts and reviewing performance relative to those forecasts
- > Approving financial statements
- > Approving material agreements and non-recurring projects
- > Approving senior and Board appointments
- > Additionally, there is a delegated authority matrix mandating those items requiring approval by Board.

Each member of the Board has clearly defined roles and responsibilities. The Chair is responsible for the leadership of the Board, ensuring its effectiveness and high standards of corporate governance, approving and monitoring strategic direction, and allowing stakeholder views to be incorporated as part of the Board's decision making. The Chair's role is also to build collaborative relationships, and promote debate and openness so as to ensure the effective contribution by all Directors and Non-Executive Directors. The CEO is responsible for the day-to-day operation and running of the Group, supported by the Leadership team. The CEO also leads the development and implementation of the approved strategy and business plan, ensuring decisions of the Board are implemented, effective working relationships with the Chair and Non-Executive Directors are maintained, whilst providing leadership in the Company's commitment to its purpose, high business standards, culture and core values, and communication with key stakeholders. The Non-Executive Director role is to bring external perspective, constructive challenge, independent judgement and objectivity to the Board's decision making and discussion. They act as a sounding Board for the Chairman and a source of reciprocal feedback for other members of the Board and shareholders. The Non-Executive Directors bring a range of skills, expertise and knowledge to the Board, and constructively challenge the Executive management of the Company. The Non-Executive Directors are responsible for a range of activities, including monitoring the performance of the Executive management, determining appropriate levels of remuneration, ensuring financial controls and risk management systems are robust, as well as challenging and supporting the CEO and Leadership team in the development of the strategy and objectives of the Company. An Executive Director is an employee of the Group who sits on the Board of directors but also performs management duties within the business of the Company. Currently

the only Executive Director on the Board is the CEO. The Board is supported by an Audit Committee, Remuneration Committee, Nomination Committee and Disclosure Committee. Further details of the responsibilities of each of these are outlined in their respective reports.

Detail of the corporate governance frameworks provided by the Audit Committee, Remuneration Committee and Nomination Committee can be found in their respective reports and their terms of reference and those of the Disclosure Committee are available on the Company's website.

Principle 10.

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

The Company is committed to open communications with all its shareholders. Communication will be primarily through the Company's website, the Annual Report and Accounts, Regulatory announcements, the AGM and one-to-one meetings with large existing or potential new shareholders. All shareholders will receive a copy of the Annual Report and an interim report at the half year is available on the Company's website.