

## SERICA ENERGY PLC

### QUOTED COMPANIES ALLIANCE CORPORATE GOVERNANCE CODE 2018 (as updated 2023)

#### Introduction:

The Board of directors of Serica Energy plc (the “Company”) fully endorses the importance of good corporate governance and applies The Quoted Companies Alliance Corporate Governance Code (2018) as updated in 2023 (the “2023 QCA Code”), which they believe is the most appropriate recognised governance code for the Company with shares admitted to trading on the AIM market of the London Stock Exchange. It is believed that the 2023 QCA Code provides the Company with the framework to help ensure that a strong level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all its stakeholders.

The 2023 QCA Code has ten principles of corporate governance that the Company has committed to apply within the foundations of the business. These principles are:

1. Establish a purpose, strategy and business model which promotes long-term value for shareholders;
2. Promote a corporate culture that is based on ethical values and behaviours;
3. Seek to understand and meet shareholder needs and expectations;
4. Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for long term success;
5. Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation;
6. Establish and maintain the Board as a well-functioning balanced team led by the Chair;
7. Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up to date experience, skills and capabilities;
8. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement;
9. Establish a remuneration policy which is supportive of long-term value creation and the company’s purpose, strategy and culture.
10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

#### Chairman’s Corporate Governance Statement:

As Chairman and Interim CEO (‘Chairman & Interim CEO’) of the Company, I have a keen interest in ensuring that an effective and focused Board leads the business and builds upon its successes to date. Strong corporate governance helps underpin the foundations of a solid and successful business. The Board is committed to ensuring good corporate governance, from executive level and throughout the operations of the business.

Following the requirement by AIM that all AIM listed companies would comply with a recognised corporate governance code by 28 September 2018, the decision was made by the Company that it would adopt the Quoted Companies Alliance (‘QCA’) Corporate Governance Code 2018. Following the updates made by the 2023 QCA Code, it was agreed that the Company would comply as far as possible with the 2023 QCA Code now, earlier than required, in order to continue to adhere to the best possible level of good governance. The directors believe the 2023 QCA code with its updates remains at this stage to be the most appropriate recognised corporate governance code for the Company.

As Chairman & Interim CEO, it is my duty to ensure that good standards of governance are delivered and fed down throughout the organisation. The Board is supportive of embracing the highest level of corporate governance possible and works to instil a culture across the Company which delivers strong values and behaviours.

The importance of engaging with our shareholders underpins the essence of the business, ensuring that there are opportunities for investors to engage with both the Board and executive team.

As Chairman & Interim CEO, I will work with the Board to build upon the existing values that are in place and ensure that good corporate governance continues to be present within the organisation and delivered throughout the business, ensuring that we grow with foundations of integrity and strong principles for the benefit of all stakeholders.

A key focus has been to develop our leadership capabilities and we have made significant progress in enhancing the composition of the Board. I was delighted to welcome several new directors during 2023 and am particularly proud of the strong and diverse Board we have now assembled, which is equipped with a compelling mix of skills and experience relevant to Serica and the challenges and opportunities it faces. As we move further into 2024 and as announced on 1 February 2024 and 16 April 2024, Mitch Flegg stood down from the Board and I will take on the role of Interim CEO while the Board secures a successor to Mr Flegg. The Company has in place a strong governance structure that will underpin the growth of the business and help build further the success of the Company that we have seen under the leadership of Mr Flegg over the last six years.

David Latin  
Chairman and Interim CEO

#### **Website disclosures:**

**The QCA Code requires us to apply the ten principles and publish certain disclosures in our annual report and also on our website. Our website disclosures are as follows:**

#### **Principle Three - Seek to understand and meet shareholder needs and expectations.**

**Disclosure: Identify those responsible for shareholder liaison or specification of the point of contact for such matters.**

The Chairman is responsible for shareholder liaison together with Stephen Lambert (VP Legal & External Relations).

Shareholders with queries should email [info@serica-energy.com](mailto:info@serica-energy.com)

#### **Principle Four: Take into account wider stakeholder interests, including environmental responsibilities and their implications for long term success**

**Disclosure: Explain how the Company identifies the key resources and relationships on which the business relies.**

The Company's Executive team works together to ensure that there is responsibility for all key areas of the business, with each appointed individual ensuring that good and transparent relationships are maintained with their appointed stakeholders.

**Disclosure: Explain who is responsible for stakeholder engagement, including whether particular responsibilities lie with any individual director or Board Committee.**

The Company understands that long-term success relies upon good relationships with a range of different stakeholders and is fully cognisant of its responsibilities to all stakeholders, in particular the health, safety and well-being of its employees, and of its obligation to meet or exceed the highest environmental standards. In conducting its business the Company believes that it is in its best interest

to nurture the resources at its disposal and to conduct its operations in a wholly responsible manner. Employees have the ability to raise any concerns in an appropriate manner via the Company's Whistleblowing Policy.

The Company has a dedicated team who work on all matters related to ESG issues that are relevant to the Company and ESG KPI targets are included within all-employee wide annual bonus schemes. The Company also have a Board Committee dedicated to Sustainability which is attended by the VP ESG and Business Innovation.

The Chairman & Interim CEO the VP Legal & Investor Relations maintain close relationships with shareholders.

**Disclosure: Explain how the Company obtains feedback from stakeholders and the actions that have been generated as a result of this feedback (e.g. changes to inputs or improvements in products).**

The Company engages with its key stakeholders through various channels depending upon who they are and values the feedback it receives from them. These stakeholders include shareholders, suppliers, customers, regulators and the Company's employees. The Company takes every opportunity to ensure that where possible the views of its stakeholders are considered and acted upon when these are believed likely to bring material benefit to the success and integrity of the Company's business activities.

**Principle Seven: Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up to date experience, skills and capabilities**

**Disclosure: Roles and responsibilities of the Chairman, CEO and other directors who have specific individual responsibilities or remits; and how if at all these have evolved.**

David Latin, Chairman & Interim CEO leads the Board and in his Interim CEO role is accountable to the Board for the operational performance of the Group as well as delivering the Company's strategy. Mr Latin works with the CFO, INED's and NED's to grow the Company and develop its business. The Chairman & Interim CEO is primarily responsible for engaging with shareholders and other stakeholders. The Chairman & Interim CEO is a member of the Health, Safety and Environment Committee, the Sustainability Committee and Reserves Committee and also attends the other Board committees if requested.

Martin Copeland (CFO) was appointed to the Board in February 2024 and is accountable for the financial performance of the Group and working with the Chairman & Interim CEO to deliver the Company's strategy.

Malcolm Webb is the Senior Independent Director and is chair of the Nominations Committee.

Kate Coppinger is an INED of the Company and chair of the Remuneration Committee. Ms Coppinger is also member of the Audit Committee and Nominations Committee.

Jérôme Schmitt is an INED of the Company and chair of the Sustainability Committee.

Michiel Soeting is an INED of the Company, chair of the Audit Committee and also a member of the Remuneration Committee and Reserves Committee.

Rob Lawson is a NED of the Company and is a member of the Nominations Committee.

Guillaume Vermersch is a NED of the Company.

Kaat Van Hecke is an INED of the Company and is chair of the HSE Committee and Reserves Committee and is also a member of the Audit Committee.

Sian Rees is an INED of the Company and is a member of the Remuneration Committee and Sustainability Committee.

**Disclosure: Describe the roles of any committees setting out their terms of reference and matters reserved for the board for its consideration and how, if at all these have evolved.**

All Committee Terms of Reference are reviewed regularly and the latest versions are available on the Company's website. The Matters Reserved for the Board are also available on the Company's website and is also outlined in the 2023 annual report on page 57.

The Audit Committee meets regularly and consists of three members. The Committee assists with the Board's oversight of the integrity of the financial reporting and the independence and performance of the Company's Auditor.

The Reserves Committee meets once or twice a year prior to the publication of the annual results. The Committee is a sub-committee of the Audit Committee and meets to review the reports of the independent reserves auditors.

The Nominations Committee is responsible for monitoring the overall effectiveness of the Board and its Committees, proposing to the Board new nominees for election as directors to the Board, determining succession plans and for assessing directors on an ongoing basis.

The Remuneration Committee meets to consider all material elements of remuneration, including remuneration policy, executive remuneration, share incentive plans and other employee incentive schemes. The Committee proposes to meet at least three times a year.

The HSE Committee meets at least three times a year and is responsible for matters affecting health, safety and the environment.

The Sustainability Committee meets at least three times a year and is responsible for matters relating to emissions reductions and climate change.

All Board Committees report back to the Board following a committee meeting.

**Disclosure: Describe any actions taken and/or plans for evolution of the governance framework in line with the company's plans for growth in the year ahead.**

The Company has a strong governance framework in place and maintaining good governance is paramount. Since the Company has grown in recent years, the governance structures, policies and processes have evolved in parallel with its size, strategy and business model to reflect its maturity and stage of development.

The Board retains full and effective control over the Company and holds regular Board meetings at which financial, operational and other reports are considered and where appropriate voted upon. The Board is responsible for the Group's strategy and key financial and compliance issues. There are certain matters that are reserved for the Board, including: approval of the Group's long-term objectives, policies and budgets, changes to management structure, internal control systems and approval of the annual report and accounts. The full list of matters reserved can be found on the Company's website.

**Principle Eight: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

**Disclosure: A description of the Board performance evaluation process.**

The Board considers that its effectiveness and the individual performance of its directors is vital to the success of the Company. It was recognised that, with the expansion of the Board in parallel with the

growth of the Company's activities and the need to meet the requirements of the QCA, a formal Board evaluation process was required. In November 2023, performance evaluations of the Board and of each of its Committees were undertaken by an external advisor where recommendations were put to the Board and each Committee, which were considered and recommendations, where appropriate, implemented. Key themes emerged from this review including Board appetite for increased focus on strategy and growth. Going forward, a formal external Board evaluation will be conducted every year in line with the updated made to the QCA Code in 2023 and an external Committee evaluation will be conducted every other year.

**Disclosure: Explain how the company approaches succession planning and the criteria and processes by which it determines board and other senior management appointments, including links to the board performance review process.**

Succession planning is at the forefront of the mind of the Nominations Committee who meet regularly to discuss succession planning. A number of Board appointments were made during 2023 and early 2024. The Nominations Committee, with the assistance of external advisors as appropriate, works to ensure that a robust process is in place to consider both the longer term requirements of the Board and senior management together with ensuring that near term requirements are met.

**Principle Ten - Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

**Disclosure: Disclose the outcome of votes in a clear and transparent manner.**

The Company publishes the outcome of votes from its Annual General Meeting ('AGM') and any General Meetings via Regulatory New Flow immediately following such meeting.

**Disclosure: Where a significant proportion of votes (e.g. 20% of independent votes) have been cast against a resolution at any general meeting, the company should include, on a timely basis, an explanation of what actions it intends to take to understand the reasons behind that vote result, and, where appropriate, any different action it has taken, or will take, as a result of the vote**

The Company publishes any significant proportion of votes over 20% which have been cast against a resolution at any AGM or General Meeting via regulatory news flow following such meeting. Follow up discussions are also held with these shareholders to understand the reasons behind their vote and action is taken where necessary.

**Disclosure: Include historical annual reports, investor presentations and other governance-related materials, including notices of all general meetings over the last five years, and ensure they are accessible to all types of shareholders.**

Historical annual reports, investor presentations and other governance material is available on the Company's website at [www.serica-enegey.com](http://www.serica-enegey.com)

## Annual report disclosures:

### Our annual report disclosures are as follows:

QCA Code Principle Number	QCA Code Principle	Disclosure
One	<b>Establish a purpose, strategy and business model which promotes long-term value for shareholders.</b>	a) Explain the Company's purpose, business model and strategy including key challenges in their execution.
<b>Comment</b>		
<p>a) See strategic report starting on page 2 of the 2023 annual report and the Strategic Report on pages 5 to 37 of the 2023 Annual Report</p> <p>The Company's purpose is to contribute responsibly towards meeting the world's energy needs through the safe and efficient production of hydrocarbons.</p> <p>It operates in the upstream oil and gas exploration, development and production sector and is therefore exposed to political, operational, commercial, product pricing and hazard risk. The Company's strategy is to maintain a portfolio of properties and risk diversity which enables it to manage the risks, the financial capacity and the growth opportunities in the business. It does this both by an active programme of acquisition and divestment where possible to balance risk and potential whilst also seeking to optimise operating costs and procedures to improve performance and by identifying where new technologies can enhance value. The Company strives to maintain a forward looking, professional and safety conscious culture in all that it does as this also provides essential checks and balances and underpins a value creative environment to the benefit of all stakeholders.</p>		
Two	<b>Promote a corporate culture that is based on ethical values and behaviours</b>	a) Describe the desired company culture within the strategic report. How is the desired corporate culture supportive of the company's purpose, strategy, and business model? How is the tone from the top (board, chief executive, and senior management) supportive of this culture? How does the board assess and monitor corporate culture and how were any actions which notably deviated from what is expected addressed?
<b>Comment</b>		
<p>a) The corporate culture of the Company is established within the Board of directors and communicated to the Company by the CEO and senior management through a regular series of internal meetings and supporting processes. By this means the Company's strategy, objectives and approach to health, safety, environmental and diversity issues are communicated to all employees with the Board maintaining full oversight.</p> <p>The Company operates a full feed-back system directly to the Chairman, CEO or Senior Independent Director (SID) which provides the mechanism to enable the Company to become aware of any deviation from the Company's ethical values.</p>		
Three	<b>Seek to understand and meet shareholder needs and expectations</b>	a) Describe the shareholder engagement activities, including the topics discussed and actions taken in response.
		b) Provide appropriate quantitative and qualitative reporting of a company's environmental and social matters to meet investor needs and expectations
<b>Comment</b>		
<p>a) The Company engages with its shareholders through regulatory news flow, providing financial results on a half yearly basis, operational updates to maintain information on overall performance, additional news flow when there is a material deviation from the operational updates, releases relating to matters of material importance to the Company's business and releases of a regulatory nature.</p> <p>The Company maintains an informative and regularly updated website at <a href="http://www.serica-energy.com">www.serica-energy.com</a> through which shareholders can obtain copies of the Company's annual report, interim report, ESG report and other regulatory documents and regulatory news service releases. The website includes copies of all presentations made from time to time to analysts, shareholders and the general market and includes a facility under which shareholders may submit questions</p>		

or make comments relating to the Company's business. Whenever possible the Company endeavours to respond to enquiries.

The Company's AGM is a regular opportunity for shareholders to meet with the Company and receive a corporate presentation. There is also an opportunity for shareholders to ask questions after the presentation, during the formal business of the meeting and informally following the meeting. The Board pro-actively engages with investors on governance matters.

The Chairman, CEO and the CFO are together responsible for shareholder liaison and a listening board for shareholders. In all communications with shareholders and the general market the Company maintains strict compliance with the requirements of the AIM Rules and Market Abuse Regulations.

b) See the ESG Report published on the Company's website and the ESG report

Four	<b>Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success.</b>	<p>a) Describe the environmental and social issues that the board has identified as being material to the company with reference to its purpose, strategy, and business model.</p> <p>b) Set out any relevant associated KPIs that are used for tracking performance on such matters and, where relevant, key forward-looking targets that have been established.</p>
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**Comment**

a) The Company annually reviews and updates an ESG Materiality assessment which relies on stakeholder engagement activities throughout the reporting year and incorporates insights from experts across the business. The assessment covers the materiality of topics, ranging from economic and environmental considerations to social aspects and potential human rights implications. Material environmental issues include, GHG Emissions, Environmental Compliance, Waste, Water and Effluents. Material social topics include, Occupational Health and Safety, Diversity and Equal Opportunities, Training and Education and Employment practices. More information can be found in the ESG report.

b) The Company is aligned to the emission reduction targets as set out in the North Sea Transition Deal, which commits the UK oil and gas industry to reduce absolute production emissions by 10% by 2025, by 25% by 2027, by 50% by 2030, and become Net Zero by 2050 from a 2018 baseline. The Company also supports the World Bank's target of reaching zero routine flaring by 2030.

Since 2021, the Company has set annual emissions targets as part of its annual bonus scheme. Performance against these targets is directly linked to the remuneration of its employees, senior management and executives.

The environmental targets put in place in 2023 included:

- Limiting total Scope 1 emissions to below 200,000 tonnes of CO2
- Limiting total volumes of flared gas to under 5,000 tonnes

In 2024, the Company will continue to tie emissions reduction initiatives to its remuneration and corporate bonus scheme and has implemented the following emissions related targets:

- Limiting total Scope 1 carbon intensity to 15.5 kgCO2/boe

The Company also has a suite of other environmental targets and KPIs used to monitor its performance, these include the average daily flaring volumes, the percentage of waste diverted from disposal, the volume of general waste generated and quantity of oil in produced water that is discharged to sea. Performance against these targets is monitored on a regular basis and performance is reported across the organisation.

Five	<b>Embed effective risk management, internal controls and assurance activities, considering both opportunities and</b>	a) Describe how the board has embedded effective risk management, internal controls and assurance activities in order to execute and deliver strategy. This should include a description of what the board does to identify, assess and manage risk and how it gets assurance that the risk management and related control systems in place are effective.
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	<b>threats, throughout the organisation</b>	
		b) Risk and control information should be disclosed as required in the strategic report and corporate governance statements, including the non-financial reporting narrative.
		c) Explain the company's governance around climate-related risks and opportunities; the process for identifying, assessing and managing climate-related risks and how these processes are integrated into the company's overall risk management framework.
		d) Explain how the audit committee has monitored and formally considered auditor independence during the corporate reporting cycle.
<b>Comment</b>		
<p>a) The Company's approach to the management and identification of risk is set out in the Business Risks and Uncertainties section of the Strategic Report on pages 28 to 30 of the 2023 Annual Report.</p> <p>The Company encourages a culture of risk awareness and management at all levels throughout the Company. Risks are reviewed by the Board at every Board meeting and, at executive level, the Company employs outside advisors to assess and advise on risk when it is felt additional third-party expertise is required.</p> <p>Through the HSE and Audit Committees and the feedback provided by these committees to the Board via verbal and/or written reports and accessible minutes, the Board maintains a full and active awareness of operational and financial risks and the assurances that effective control systems are in place.</p>		
b) See Business Risks and Uncertainties section of the Strategic Report on pages 28 to 30 of the 2023 Annual Report.		
<p>c) The VP ESG and Business Innovation and her dedicated team work on the process of identifying climate-related risks. More information can be found in ESG report.</p> <p>A dedicated Sustainability Committee was set up in 2023 and reports to the Board on climate-related risks and issues. The Board discusses climate-related risks on a regular basis.</p>		
d) The Audit Committee formally assesses the independence of the Company's auditors on an annual basis, there has been a rotation of audit partners after five years to ensure independence is maintained. An audit tender policy was put in place during 2023 which will continue to support auditor rotation and independence		
Six	<b>Establish and maintain the board as a well-functioning, balanced team led by the chair.</b>	a) Identify each director and describe the relevant experience, skills, and capabilities that each director has brought to the board's agenda during the year.
		b) Explain how the board contains (or will contain) the necessary mix of experience, skills, and capabilities – including with reference to diversity characteristics
		c) Identify those directors who the board considers to be independent; where there are grounds to question the real, or perceived independence of a director, this must be explained.
		d) Describe the time commitment required from directors (including non-executive directors as well as part-time executive directors) and any restrictions on both executives and non-executives with respect to assuming external roles.
		e) Include the number of meetings of the board (and any committees) during the year, together with the attendance record of each director.
		f) Where performance-related remuneration for non-executive directors has been introduced, the company must disclose how it has consulted its shareholders and how their support was obtained.
<b>Comment</b>		



a) Information on each of the directors is provided on pages 39 to 41 of the 2023 Annual Report. Up to date details can be found on the Company's website.

b) The make-up of the Company's Board of directors has kept pace with transformational changes made by the Company within the last few years with the introduction of new experience and skill-sets complementing those already on the Board. By this means the Board is continuing to refresh and enhance its performance.

The Board of directors covers a wide range of experience and skills. To meet the requirements of an independent upstream oil and gas exploration, development and production company these experiences and skills must cover financial, legal, operational and technical knowledge experience of risk management and growth in the independent sector and of public markets.

Each of the directors on the Board, Executive, Independent Non-Executive Directors ('INED's') and Non-Executive Directors ('NED's'), have considerable experience and all have demonstrated skills which are complementary, independent and sufficient to cover all of the requirements of the Board.

All directors have extensive and complementary skills, knowledge and experience covering all facets of the business which requires both entrepreneurial and custodian oversight.

As the Company continues to grow its business and to refresh the Board the Nominations Committee maintains oversight of the Company's requirements to ensure that the make-up of the Board is kept in line with the Company's needs and provides a mix of experience, skills, personal qualities and capabilities appropriate to the task. These include full consideration to maintain a healthy diversity where this is possible, including gender and ethnic diversity.

c) The Board as at 24 April 2024 has a Chairman & Interim CEO, a CFO, six INEDs (all are considered independent in terms of character and judgement) and two NEDs. The Board is aware of the need to maintain and build upon this balance of backgrounds and to maintain a diversity of talent through succession planning as the Company further develops and the needs of its business grows.

Malcolm Webb, Kate Coppinger, Jérôme Schmitt, Michiel Soeting, Kaat Van Hecke and Sian Rees are INED's and considered to be independent.

For full background refer to "Board Composition" on pages 40 to 42 of the 2023 Annual Report and the Company's website.

d) The Executive directors are expected to devote substantially the whole of their time to their duties with the Company. INED's and NED's have a lesser time commitment which is set out in their letter of appointment. It is anticipated that INED's and NED's will each dedicate 12 days a year in addition to their duties as Board members and as members from time to time of Board committees.

There is no formal policy restricting the directors external appointments, however the Nominations Committee (and Board) review external appointments and time commitments at least annually, and each director discusses with the Chair any proposed additional appointments prior to being appointed

e) See page 57 of the 2023 Annual Report.

f) NED's nor INED's are not awarded any performance related pay.

Seven	<b>Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up to date experience, skills and capabilities</b>	a) Explain how each director keeps their skillset up-to-date, setting out how the company provides the necessary resources for updating and developing each director's knowledge and skills.
		b) Set out any board sub-committees that have been established to facilitate more focussed discussions and/or oversight of particular subject matters.

		c) Where the board or any committee has sought external advice on a significant matter, this must be described and explained.
		d) Where external advisers to the board or any of its committees have been engaged, explain their role.
<b>Comment</b>		
<p>a) The directors are provided with an AIM Rule briefing from the Company's Nominated Advisor on an annual basis along with dedicated sessions on varying topics from the Company's legal advisors.</p> <p>The Company's lawyers attend meetings and deliver updates and training to the Board as a whole and individual directors as and when required.</p> <p>The Audit Committee has requested that the Company's auditor provide details of training that the Audit Committee members may find useful to develop their knowledge further and for them to keep up to date with changes in auditor and accounting regulations, standards and areas of focus.</p> <p>The Board is aware that there is a need for a structured training plan for all directors. One training plan already in place is the 'Major Accident Awareness Training' course at the Spadeadam facility in north east England. One of the Company's key objectives is to ensure the highest possible standards of Process Safety Awareness. Process Safety is seen as a Company-wide responsibility to prevent major accidents from occurring. All directors will undergo this training which demonstrates the significance of the hazards faced in the industry and the critical importance of Process Safety.</p>		
<p>b) The Audit Committee assists with the Board's oversight of the integrity of the financial reporting and the independence and performance of the Company's Auditor.</p> <p>The Reserves Committee meets prior to the publication of the annual results. The Committee is a sub-committee of the Audit Committee and meets to review the reports of the independent reserves auditors.</p> <p>The Nominations Committee is responsible for monitoring the overall effectiveness of the Board and its Committees, proposing to the Board new nominees for election as directors to the Board, determining succession plans and for assessing directors on an ongoing basis.</p> <p>The Remuneration Committee meets to consider all material elements of remuneration for executive directors and senior management, including remuneration policy, share incentive plans and other employee incentive schemes.</p> <p>The HSE Committee is responsible for matters affecting health, safety and the environment.</p> <p>The Sustainability Committee is responsible for matters relating to emissions reductions and climate change.</p> <p>Details of the Terms of Reference for all committees can be found on the Company's website.</p>		
<p>c) During 2023, the Board and committees have used a number of external professional advisers in respect of various segments of its business where it was felt that external advice was required.</p> <p>The Remuneration Committee engaged remuneration consultants to assist in various matters relating to executive remuneration and packages. Further details can be found in the Remuneration Committee report.</p> <p>The Nominations Committee engaged a leadership advisory firm to assist with executive and non-executive search.</p>		
<p>d) The directors have access to the Company's Nominated Advisor, company secretary, lawyers and appointed remuneration consultants and are able to obtain advice from other external bodies as and when required.</p> <p>The management team and directors are in regular dialogue with the Company's Nominated Adviser. The Nominated Adviser provides ongoing advice on matters pertaining to the Company's compliance with the AIM Rules for Companies.</p> <p>The Company Secretary advises on corporate governance, arranges, attends and minutes all Board and committee meetings. The Company Secretary works closely with the Chairman, all Board members and advisors of the Company as and when required.</p> <p>Lawyers are engaged to provide legal advice when required by the management team and by the Board or committees.</p>		

The Remuneration Committee have engaged remuneration consultants to provide advice in relation to executive remuneration, benchmarking and remuneration policy.

The Nominations Committee have engaged a leadership advisory firm to assist with executive and non-executive search.

Eight	Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	a) Include a high-level explanation of the board performance effectiveness process.
		b) Set out when the last externally facilitated board review took place and when the next one is planned for. Where an externally facilitated review has not taken place and there are no plans to have one, this must be explained.
		c) Where a board performance evaluation has taken place in the year, provide a brief overview of it, how it was conducted and its results and recommendations. Progress against previous recommendations should also be addressed.
		d) Provide an outline description of the succession planning process including any indicative timelines for expected appointments (to the extent practicable).
<b>Comment</b>		
<p>a) See website disclosure, Principle Eight above and page 55 of the 2023 Annual Report.</p> <p>The Board conducted an external Board and Committee evaluation process at the end of 2023 and in line with the 2023 QCA Code will conduct a Board evaluation every year.</p>		
<p>b) As set out above, the Board conducted an external Board evaluation at the end of 2023. The Company plan to conduct a Board evaluation every year and a review of the Board Committees and NED's bi-annually.</p>		
<p>c) See website disclosure, Principle Eight above. For further information see 'Board Evaluation' page 56 of the 2023 Annual Report.</p>		
<p>d) The Nominations Committee meets regularly to consider the requirements of the Board. Consideration is given to succession both planning and timelines and expected changes.</p>		
Nine	Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture.	a) Explain how the remuneration structure and practice supports the delivery and attainment of the company's purpose, business model, strategy and culture.
<b>Comment</b>		
<p>a) The Remuneration Committee meet regularly to discuss the remuneration structure to ensure that it motivates the executive teams and senior management team and promotes the long-term growth of shareholder value. The Remuneration Committee consults with other committees (HSE and Sustainability) in order to set appropriate incentive targets and to appraise performance in respect of those targets.</p> <p>Pay structures for the executive team and senior management team are simple and easy to understand and foster alignment with shareholders through building and holding a meaningful shareholding in the Company.</p> <p>The Remuneration Report on pages 66 to 72 of the 2023 Annual Report will be put to an advisory vote at the 2024 AGM. The Remuneration Committee shall continue to follow guidance with a view to putting a Remuneration Policy to an advisory vote in the future together with any future share schemes or long-term incentive plans.</p>		

Ten	Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and any other key stakeholders	a) Within the corporate governance report, reflect on challenges experienced in the year and signpost to how these were addressed at the board and whether any changes were made to board structure or process.
		b) Include an audit committee report (or equivalent report if such committee is not in place).
		c) Include a remuneration committee report (or equivalent report if such committee is not in place).
		d) If the company has not published one or more of the disclosures set out under Principles 1-10, the omitted disclosures must be identified and the reason for their omission explained.
<b>Comment</b>		
<p>a) See Corporate Governance Report starting on pages 53 to 54 of the 2023 Annual Report.</p> <p>The Board maintains a healthy dialogue between it and its stakeholders including its shareholders. The Chairman is primarily responsible for communicating with shareholders, but the CEO maintains regular dialogue. The SID is also available to communicate with shareholders as required.</p> <p>Copies of the Company's report and accounts, and all other shareholder communications are maintained on the Company's website.</p>		
b) See pages 60 to 61 of the 2023 Annual Report.		
c) See pages 65 to 71 of the 2023 Annual Report.		
d) The Company has published all of the disclosures set out under Principles 1-10.		