

Corporate Governance

The Quoted Companies Alliance Corporate Governance Code (2023) (the “QCA Code”)

The Board recognises the importance of good corporate governance and is committed to achieving high standards of governance commensurate with the size and stage of development of the Company. Iofina, as an AIM-quoted company, has chosen to apply the QCA Code.

The QCA Code was developed by the Quoted Companies Alliance (the “QCA”), the independent membership organisation that champions the interests of small to mid-size quoted companies, in consultation with a number of significant institutional small company investors, as a suitable corporate governance code applicable to AIM companies. As stated by the QCA, good corporate governance is about “*having the right people (in the right roles), working together, and doing the right things to deliver value for shareholders as a whole over the medium to long-term*”. This is achieved through a series of decisions made by the Board, which needs to be kept dynamic, diverse and engender a consistent corporate culture throughout the Iofina group of companies (the “Group”).

The principles set out in the QCA Code, as applied by the Group, take in to account the stage of development, resources available and the size of the Group. The QCA Code identifies 10 principles to be followed to deliver growth in long-term shareholder value by ensuring that the management framework is efficient, effective and dynamic, supported by good stakeholder communication to promote confidence and trust. The decision to use the QCA Code was last reviewed in April 2026 and this Corporate Governance section updated on 28 April 2026.

The sections below describe how the 10 principles of the QCA Code are applied to deliver medium- to long-term success without stifling innovation and entrepreneurial spirit, together with any areas of non-compliance.

Further information on compliance with the QCA Code is provided in the Group’s annual report.

Lance Baller
Non-Executive Chairman

QCA Code Principle

Application and Key Actions

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

The Company and its group of companies (collectively, the "Group") is a vertically integrated company with the primary purpose of exploring, producing, and manufacturing iodine and iodine-based specialty chemical derivatives. The Group specializes in developing, owning, and operating iodine extraction plants using their proprietary Wellhead Extraction Technology (WET®). Through its subsidiary, Iofina Chemical, the Company converts raw iodine into halogen-based specialty products for resale to global markets in industries such as animal care, nutrition, pharmaceuticals, agrochemicals, and biocides.

The strategy, objectives and business model are developed by the executive directors and the senior management team and then approved by the Board. The management team, led by the Chief Executive Officer, is responsible for implementing the strategy and managing the business at an operational level.

To accelerate the delivery of the strategy and grow shareholder value, long term relationships with strategic partners and customers have been established in conjunction with establishing new partner and customer relationships. New partners and customers are continuously being reviewed with the objective to access new iodine-based products or markets that will deliver sustainable profitable growth for the Group and improve the competitive position of the Group's products.

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

The Board seeks to maintain the highest standards of integrity and probity in the conduct of the Group's operations. These values are enshrined in the written policies and working practices adopted by all employees. An open culture is encouraged, with regular communications to staff regarding progress and staff feedback regularly sought. A whistleblowing facility is open to employees who may wish to raise concerns. Senior management regularly monitors the internal cultural environment and seeks to address any concerns that may arise, escalating these to Board level as necessary.

The Group is committed to providing a safe environment for its staff. The Group has Health and Safety policies which are enforced rigorously. The Group takes pride in its safety record and culture, maintaining a strong, "safety-first" approach across its operations in the United States, and insists on continuous safety improvements, which require absolute attention from all employees and partners.

3. Seek to understand and meet shareholder needs and expectations

The Company remains committed to listening and communicating openly with its shareholders to ensure that its strategy, business model and performance are clearly understood. Understanding what analysts and investors think about us and, in turn, helping these audiences understand our business, is a key part of driving our business forward and we actively seek dialogue with the market. We do so via investor roadshows, attending conferences and our regular reporting.

Beyond the Annual General Meeting forum, the Chief Executive Officer, Chief Financial Officer and, where appropriate, other members of the senior management team, meet regularly with investors and analysts to provide them with updates on the business and to obtain feedback regarding the market's expectations.

Where appropriate we implement the findings of this invaluable engagement and take feedback into consideration in our decision-making process. The Company's investor relations activities encompass dialogue with both institutional and private investors.

The Board also endeavours to maintain a dialogue and keep shareholders informed through its public announcements and Company website. The Company's website provides not only information specifically relevant to investors (such as the Company's Annual Report and accounts, investor presentations, regulatory announcements and share price information), but also information regarding the nature of the business itself.

The Chairman and the Executive Directors routinely attend Annual General Meetings and are available to answer questions raised by shareholders. Shareholders are encouraged to attend and are invited to ask questions during the meeting and to meet with the Directors after the formal proceedings have ended.

The results of shareholder voting are included in Company announcements to the market.

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

Engaging with our stakeholders strengthens our relationships and helps us make better business decisions to deliver on our commitments. The Board stays abreast of stakeholder insights into the issues that matter most to them and our business, which enables the Board to understand and consider these issues in decision-making. Aside from our shareholders, suppliers and customers, our employees are one of our most important stakeholder groups and the Board closely monitors any feedback it receives from employees to ensure alignment of interests.

Employee representatives meet in forums to discuss business related issues. Furthermore, there are various manager meetings regarding business strategies and operations, and safety meetings where all employees are encouraged to provide feedback. The Group also encourages feedback from our customers.

The Group considers any impact its activities may have on the environment and seeks to minimise this impact wherever possible. Through the various procedures and systems it operates, the Group ensures rigorous compliance with health and safety legislation relevant to its activities.

For more information on the Group's approach to sustainability and environmental issues, please refer to the Sustainability and Governance section of our 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 the systems of risk management and internal control and for reviewing their effectiveness. The internal controls are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss.

The Board considers risk to the business at Board meetings, which are customarily scheduled monthly. The Company formally reviews and documents the principal risks to the business at least annually. For more information relating to the risks and uncertainties which could have a material effect on the Group's business, operations or future performance, please refer to the Principal risks and uncertainties section of our Annual Report.

The Board and senior management team is responsible for reviewing and evaluating risk and the Executive Directors meet at least monthly to review ongoing trading performance, discuss budgets and forecasts, and new risks associated with ongoing trading.

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

The objective is to maintain a diverse Board balanced between Executive and Non-Executive Directors with an appropriate mix of experience. The Board includes an experienced Non-Executive Chairman who is responsible for leadership of the Board.

The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Group and its business on the other, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

All Directors are subject to election by shareholders at the first Annual General Meeting after their appointment to the Board and will continue to seek re-election at least once every three years.

The Board is responsible to the shareholders for the proper management of the Company and customarily meets on a monthly basis to set the overall direction and strategy, and to review operational and financial performance. All key operational and investment decisions are subject to Board approval. To assist the Board in its responsibilities, two focused committees, chaired by Non-Executive Directors, have been implemented. These committees are the Audit Committee and the Remuneration Committee.

A summary of Board and Committee meetings held during the Group's financial year is published in the Annual Report.

The Board considers itself to be sufficiently independent and adheres to the QCA Code recommendation that a board should have at least two independent Non-Executive Directors.

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

The Board considers that the Non-Executive Directors are of sufficient competence and calibre to add strength and objectivity to its activities and bring considerable experience in the chemical and operational development of iodine and iodine-based specialty chemical derivatives.

The Board regularly reviews the composition of the Board to ensure that it has the necessary breadth and depth of skills to support the ongoing development of the Group.

The Chairman, in conjunction with the Company Secretary (a practising lawyer who specialises in corporate law and equity capital markets), ensures that the Directors' knowledge is kept up to date on key issues and developments, its operational environment and the Directors' responsibilities as members of the Board.

Directors' service contracts or appointment letters and the terms of reference of the Board committees make provision for a Director to seek personal advice in furtherance of their duties and responsibilities.

The Board has overall responsibility for promoting the success of the Company. The Executive Directors have day-to-day responsibility for the operational management of the activities. The Non-Executive Directors are responsible for bringing independent and objective judgment to Board decisions.

There is a clear separation of the roles of the Chief Executive Officer and the Non-Executive Chairman. The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board's decision-making and ensuring the Non-Executive Directors are properly briefed on matters. The Chairman has overall responsibility for corporate governance matters. The Chief Executive Officer has overall responsibility for implementing the strategy of the Board and managing the Group's day-to-day business activities. The Company Secretary is responsible for ensuring that Board procedures are followed, and applicable rules and regulations are complied with.

The Audit Committee meets formally at least once a year and at other times if necessary and has responsibility for, amongst other things, planning and reviewing the Annual Report and accounts and interim statements, involving where appropriate the external auditors. The Audit Committee also approves external auditors' fees and ensures the auditors' independence as well as focusing on compliance with legal requirements and accounting standards. It is also responsible for ensuring that an effective system of internal control is maintained. The ultimate responsibility for reviewing and approving the annual financial statements and interim statements remains with the Board. The Company's external auditors are invited to attend the Audit Committee's meetings.

The Remuneration Committee, which meets as required, but at least once a year, has responsibility for making recommendations to the Board on the compensation of senior executives and determining, within agreed terms of reference, the specific remuneration package for each of the Executive Directors. The Remuneration

Committee also makes recommendations to the Board concerning employee incentives, including setting performance conditions for share options.

The Remuneration Report is published annually in the financial statements.

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

The individual contributions of each Board member are regularly assessed to ensure that: (i) their contribution is relevant and effective; (ii) they are committed; and (iii) where relevant, they have maintained their independence.

The Board intends to review the performance of the team as a unit to ensure that the members of the Board collectively function in an efficient and productive manner.

At least one-third of the Directors must stand for re-election by shareholders annually in rotation and all Directors must stand for re-election at least once every three years. Further, a Director must stand for re-election at the first Annual General Meeting after their appointment to the Board.

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

The Company's Remuneration Committee has established a remuneration policy to support the Company's purpose, strategy and culture by recommending bench-marked remuneration packages and certain employee incentive schemes and performance conditions for share options granted under such schemes.

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

The Board places a high priority on regular communications with its various stakeholder groups and aims to ensure that all communications concerning the activities are clear, fair and accurate. The Board encourages two-way communication with shareholders and responds promptly to all queries received. The Chairman, CEO and CFO talk regularly with the Group's major shareholders and ensures that their views are communicated fully to the Board.

The Board recognises the Annual General Meeting as an important opportunity to meet private shareholders. The Directors who attend, customarily being the Chairman and the Executive Directors, are available to listen to the views of shareholders informally immediately following the Annual General Meeting.