Statement of compliance with the QCA Corporate Governance code

Chairman's Introduction

The directors recognise the importance of and are committed to high standards of corporate governance. The corporate governance framework within which the group operates, including board leadership and effectiveness, board remuneration, and internal control is based upon practices which the board believes are proportional to the size, risks, complexity and operations of the business.

In the statement below, we explain our approach to governance, and how the board and its committees operate. It is the role of the Board to ensure that SRT is managed for the long-term benefit of all shareholders, with effective and efficient decision making. Effective corporate governance is an essential part of that role, reducing risk and adding value to our business.

Kevin Finn, Chairman

Corporate Governance regime

AIM companies are required to apply a recognised corporate governance code. Of the two widely recognised formal codes, we have decided to adhere to the Quoted Companies Alliance's (QCA) Corporate Governance Code for small and mid-size quoted companies.

The QCA Code is constructed around ten broad principles and a set of disclosures. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. We have considered how we apply each principle to the extent that the board judges these to be appropriate in the circumstances, and below we provide an explanation of the approach taken in relation to each. The board considers that it does not depart from any of the principles of the QCA Code.

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

SRT is a global provider of civil defence maritime intelligence and surveillance systems and navigation safety and efficiency solutions. Our systems provide MDA intelligence that enable sovereign agencies such as Coast Guards and Fishery Authorities to adopt a new nationwide intelligence lead operations doctrine which is highly effective and efficient for maritime safety and security.

Our navigation safety systems enable vessel operators to navigate digitally more safely and efficiently. Our customers range from government agencies such as Coast Guards, Fishery Authorities and Ports & Waterway authorities to commercial and leisure vessel owners.

As the world seeks to acquire a new generation of integrated systems that empower them with insight and intelligence to secure borders, detect and deter illegal activities, navigate more safely, efficiently manage and sustain marine domains, and transform operations to an intelligence-led doctrine. SRT's strategic decision to enter this market years ago has allowed the Company the time to develop extensive technologies and knowhow to deliver to satisfy this demand. In the short term, SRT is focused on delivering against its active contract order book, whilst in the medium and longer term the Company expects to further expand those systems as customers' aspirations and needs grow, as well as welcoming new customers into SRT's Sovereign Partnership program.

There exist a number of persistent fundamental problems which underpin demand for the solutions SRT's products provide. These include the heightened levels of national security and border control across the globe; the permanent requirement for law enforcement to evolve and adapt their methods and tools available to counter threats; the social and legal demands presented by environmental, sustainability and IUU fishing pressures; and national coastguards' consistent desire to improve safety, search and rescue operations in their domestic waters. SRT believes these issues will remain for many years and considers that the Company is in an optimal position to supply into these growing areas of demand going forward.

Whilst we believe that our strategy and business model will deliver long-term added value for shareholders, we are mindful of the associated challenges & risks and seek to take the necessary steps to mitigate them to the extent possible. The key challenges we face include:

Nature of systems customers

These customers tend to be governments and thus can be subject to significant risk, including but not limited to the forecasting of project commencement dates and project delivery schedules, political and financial change and uncertainty, sudden cancellation and or changes to contracts without the possibility for redress, negotiation and or compensation. Furthermore, payment terms are frequently extended and variable and in the event of non-payment may not be collectable.

The Group seeks to manage this risk by obtaining a deep understanding of our markets, end customers and local partners which is achieved through extensive and close co-operation.

System execution risk

The implementation of a system contract contains a wide range of execution risks including on time delivery of the Group's system and products to the desired customer specification and quality levels. These risks are mitigated through forming long-term partnerships with

local installation partners and investing in customer support and system project delivery teams.

Attracting and retaining employees with appropriate skills

The Group's ability to execute its strategy is dependent on the skills and abilities of its staff and without these appropriate skills the Group risks not being able to effectively deliver its products and systems to its customers. The Group manages this risk by undertaking ongoing initiatives to foster good staff engagement, by investing in its HR function and ensuring that remuneration packages are competitive in the market.

Dependence on manufacturers, suppliers and service providers

The Group does not engage in its own manufacturing processes and relies on a limited number of manufacturers and suppliers. This includes reliance on installation partners for its systems business projects. The Group mitigates this risk by its supply chain team visiting its manufacturing partners on a regular basis together with other key suppliers to foster good relationships, address operation concerns and devise strategic plans to ensure the enduring prosperity of the partnership. The systems delivery team communicates with its in-country installation partners on a very regular basis to ensure a collaborative approach and that common goals are established and achieved for the successful delivery of customer projects.

Cyber security

There is the risk of unauthorised access to systems, networks, or data due to vulnerabilities in security controls, phishing attacks or malware which could lead to data loss, financial loss, reputational damage, and regulatory penalties.

The Group engaged an experienced IT Director in December 2024 to lead a systematic uplift of its security arrangements, and it continues to invest in its cyber security controls, policies and procedures. It has built its cyber security management around the NSIT CYBER security framework 2.0 and has systematically developed its position across all six functions: Govern, Identify, Protect, Detect, Respond and Recover. This includes a robust risk assessment with regular cyber risk assessments with key stakeholders. The Group maintains a comprehensive set of information security policies and all employees receive regular security awareness training.

Fraud

Fraud and/or social engineering attacks against employees are increasingly prevalent. These could result in the electronic transfer of funds to an unintended third party.

We regularly communicate information relating to likely/ known scams internally along with reinforcement of business payment protocols. We take advice from our bankers and only key staff have access to make bank payments, with appropriate controls in place across all banking facilities

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

The Board aims to lead by example and do what is in the best interests of the Company. It seeks to maintain the highest level of integrity in the conduct of the Group's operations. An open culture is encouraged within the Group, with regular communication to staff regarding progress and staff feedback sought on a regular basis. Given the nature of the customers and markets within our systems business, a strict anti-bribery and corruption policy is operated to ensure that business dealings are carried out to the highest ethical standards.

Principle 3: Seek to understand and meet shareholder needs and expectations

The group is committed to communicating openly with its shareholders to ensure that its strategy and performance are clearly understood. Understanding what our investors and analysts 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 communicate with shareholders through the Annual Report and Accounts, full-year and half-year announcements, trading updates and the annual general meeting (AGM) and regular shareholder webcasts. Furthermore, we encourage shareholders' participation in face-to-face meetings and direct contact with us. A range of corporate information (including all SRT announcements) is also available to shareholders, investors and the public on our website.

Private shareholders

The AGM is the principal forum for dialogue with private shareholders, and we encourage all shareholders to attend and participate. The AGM is combined with an open day to give shareholders an opportunity to tour our offices and engage with our staff.

The Notice of Meeting is sent to shareholders at least 21 days before the meeting. All directors, whenever possible, attend the AGM and are available to answer questions raised by shareholders. For each resolution the number of proxy votes received for, against and withheld is announced at the meeting and shareholders attending the meeting vote on each resolution by way of a poll. For each resolution we then announce whether a resolution has been carried and publish the results on our website.

Institutional shareholders

The directors actively seek to build relationships with institutional shareholders and potential investors. Shareholder relations are managed principally by our CEO who is supported in this role by the Chairman and CFO. Presentations are made to institutional shareholders typically following the release of the full-year and half-year results. In addition, the CEO communicates with significant shareholders following the release of any significant announcements, usually by way of a meeting. Most meetings with shareholders and potential investors are arranged by the broking team within the group's nominated advisor.

Following meetings, the broker provides anonymised feedback to the board from all fund managers met, from which sentiments, expectations and intentions may be gleaned.

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

The Group is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholder groups. In addition to its shareholders, these include the Group's employees, customers, local partners, and suppliers. The Group's operations and working methodologies take account of the need to balance the needs of all of these stakeholder groups while maintaining focus on the Board's primary responsibility to promote the success of the Group for the benefit of its shareholders as a whole. The Group endeavours to take account of feedback received from stakeholders, making amendments to arrangements and plans where appropriate and where such amendments are is consistent with the Group's longer-term strategy.

In terms of environmental responsibility, SRT takes due account of any impact its activities may have on the environment. The impact of the Group's products and systems in general have a favourable impact on the environment, particularly in terms of controlling illegal and unregulated fishing.

The Group's Streamline Energy & Carbon Reporting (SECR) statement is included in its Annual Report for the year ended 30 June 2026

Finally, through various procedures and systems, the Group ensures full compliance with health and safety legislation relevant to its activities.

Principle 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 internal control and risk management and reviewing their effectiveness.

A summary of the key risks and their mitigation is considered in principle 1 (above).

Furthermore, through the activities of the Audit Committee the effectiveness of these internal controls is considered annually.

A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board. Revised forecasts are also produced monthly. The Group's results, compared with the budget and forecast, are reported to the Board monthly.

Within the scope of the annual audit, specific financial risks are evaluated in detail, including those in relation to revenue recognition, recoverability of receivables and stock and intangibles valuation.

SRT has published a share dealing policy on its intranet to seek the necessary approval from directors should they, or their families, plan to trade in the group's equities.

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

The members of the board have collective responsibility and legal obligation to promote the interests of the group and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.

The board consists of eight directors of which four are executives and four are independent non-executives. The board is satisfied that at present it has a suitable balance between independence on the one hand and knowledge of the company on the other. Biographies of the board are set out in the Corporate Governance section of the Group's website.

The board is supported by three committees: audit, nomination and remuneration. These committees are considered on pages 12 and 13 of the Group's 2024 Annual Report.

Non-executive directors are required to attend at least 6 board meetings per year and to be available at other times as required for face-to-face and telephone meetings with the executive team and investors.

During the year ended 30 June 2026 there were 6 board meetings and board calls to discuss specific matters. Each director attended all the meetings and calls in the period except Kevin Finn, Simon Rogers and Oliver Plunkett who all attended five.

The board has an agenda of items to consider at each meeting subdivided into the key activities of the business, namely operations, product management, product delivery sales and marketing and financial matters. Prior to the board meeting a board pack of information is compiled by the executive directors and circulated around the board together with the minutes from the previous meeting for approval and the monthly management accounts.

Principle 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 believes that the composition and breadth of experience of the board are appropriate for the Company at present and that its blend of relevant experience, skills and personal qualities and capabilities is sufficient to enable it to successfully execute its strategy. All Directors receive regular and timely information on the Group's operational, sales and financial performance.

There is a clear separation of the roles of Chief Executive Officer and 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 that the

other Non-Executive directors are properly briefed on matters. The Chief Executive Officer has the responsibility of proposing the strategic focus to the Board, implementing it once it has been approved. He is supported in this task by the other Executive directors and overseeing the management of the Company through the Executive team.

At the forthcoming AGM, all directors will retire and stand for re-election by shareholders.

The Board has established an Audit Committee, Remuneration Committee and Nomination Committee. The Audit Committee comprises of Non-Executive Director, Simon Barrell who chairs the committee and Board Chairman, Kevin Finn. The Remuneration Committee comprises of a Non-Executive Director, Oliver Plunkett, who chairs the committee as well as Kevin Finn and Simon Barrell. The Nomination Committee comprises Kevin Finn who chairs the committee as well as Simon Rogers.

The work and composition of these committees is considered in the corporate governance section of the Annual Report for the year ended 30 June 2026.

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

The chairman, Kevin Finn, he has been assessing the individual contributions of each member of the board to ensure:

- Their contribution is relevant and effective
- They are committed
- Where relevant, they have maintained their independence

No issues have been identified to date.

As the business grows, we will be considering the use of external facilitators in future board evaluations.

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

SRT's policy is to review remuneration based on market practice within the Group's market sector. SRT wishes to attract, motivate and retain key staff. Accordingly, its policy is to design remuneration packages which, through an appropriate combination of basic salary, performance related bonuses, share options, pension arrangements and certain benefits, reward key staff fairly and responsibly for their individual contributions whilst linking their potential earnings to the performance of the Gorup as a whole.

Principle 9 of the QCA Corporate Governance Code recommends that the annual remuneration report is put to an advisory shareholder vote and, where not mandated to be put to a binding vote, that the remuneration policy is at least put to an advisory vote. As a company whose shares are admitted to trading on AIM, the Company is not required by the Companies Act 2006 to put its directors' remuneration report or remuneration policy to a shareholder vote, and the Board has decided not to propose an advisory resolution on either at the 2026 Annual General Meeting.

The Board considers this to be appropriate given the Company's size and stage of development and the relatively simple structure of executive remuneration, which comprises basic salary, discretionary performance-related bonuses linked to individual, business and corporate objectives, share options, a pension allowance and other benefits. Executive director remuneration is determined by the Remuneration Committee, which consists entirely of independent Non-Executive Directors, and no director is involved in deciding their own remuneration. Details of directors' remuneration and share option interests are disclosed in this annual report so that shareholders can assess the Company's remuneration arrangements.

Shareholders continue to have the opportunity to raise questions about remuneration with the Board, including at the Annual General Meeting, and through the Company's regular engagement with investors. All directors stand for re-election annually, giving shareholders a further means of holding the Board to account. The Board will keep this approach under review as the Company grows."

Principle 10: Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Group places a high priority on regular communications with its various stakeholder groups and aims to ensure that all communications concerning the Group’s activities are clear, fair and accurate. It communicates with its shareholders through the Annual Report and Accounts, full and half year announcements, quarterly investor webcasts, the Annual General Meeting (AGM) and one-to-one meetings with existing or potential new shareholders.

A range of corporate information (including all Company announcements, presentations and Annual Reports) is also available to shareholders, investors and the public on the Company’s corporate website, www.srt-marine.com

November 2026