



AIM Rule 26

Corporate Governance and the QCA Code

Introduction

The Board of FireAngel places great importance on effective corporate governance. This is reflected in our governance principles, policies and practices. We believe that effective governance, not only in the boardroom but right across the business, ultimately supports an organisation in improving long-term financial performance. Central to this is the Group's culture. We work hard across the organisation to ensure that we operate with high standards of moral and ethical behaviour and that this expectation is clear at all levels, in the way we work, in the way we reward and in everything we do. An example of this is the establishment of the ESG committee which comprises of managers and employees who have specific knowledge or engagement in the 3 ESG pillars.

We are rightly proud of our culture and the high standards with which our employees and the business acts. We also recognise that culture does not stand still. It must evolve as the business grows and as the environment changes to ensure our behaviours remain aligned with our size, structure and interests of our stakeholders. Culture is a continuous journey and we must invest in our people and structures to ensure this remains central to driving behaviours as the business grows.

During 2018 the Board conducted its first review of the Company's corporate governance policies and procedures to ensure it was compliant with the changes that came into effect in September 2018. The Board has fully adopted, and is working towards full compliance with, the QCA Code for small and mid-size quoted companies.

The extent of compliance with the ten principles that comprise the Code was most recently reviewed by the Board on 23rd March 2022. The results of this review, together with an explanation of any areas of non-compliance, and any steps taken or intended to be taken to move towards full compliance are set out below.



Principle		Current compliance	Comment and disclosures
Deliver growth			
1	Establish a strategy and business model which promote long-term value for shareholders	Full	The Group's business model and strategy, together with the key risks which impact on achieving these goals, and the mitigating actions being taken to address these risks, are documented in the Introduction, Strategic Review and Risks and risk management sections of the Annual Report and Accounts 2021. These disclosures are supplemented by information in the About Us section of our website www.fireangeltech.com .
2	Seek to understand and meet shareholder needs and expectations	Full	The Group's commitment and approach to engagement with shareholders, be it institutional or private investors is documented in the Investor relations section of the Corporate governance report of the Annual Report and Accounts 2021. The success of this engagement is measured through approval of shareholder resolutions recommended by the Board. This is communicated in the Regulatory announcements section of the Investors area of the Group's website www.fireangeltech.com .
3	Take into account wider stakeholder and social responsibilities and their implications for long-term success	Full	The Group takes its responsibilities to its different stakeholder groups both internally, its employees, and externally, its suppliers, customers and the community in which it operates seriously. It recognises that these relationships are crucial to its long-term success in fulfilling its mission which is to protect and save lives by making innovative, leading-edge technology home safety products which are simple and accessible. Further details on its approach and actions in relation to wider stakeholder involvement and social responsibilities are detailed in the Environmental, Social and



			Governance Section and Section 172 Companies Act statement of the Annual Report and Accounts 2021.
4	Embed effective risk management, considering both opportunities and threats, throughout the organisation	Full	The Board in developing and reviewing its Risk management framework seeks to identify, assess and mitigate all risks in order to execute and deliver its strategy. In so doing it considers its wider stakeholder responsibilities and duties to its supply chain. The Group's internal control environment and system of risk management, including the key risks to which the Group is exposed, are documented in the Corporate Governance Report and the Risks and risk management section of the Annual Report and Accounts 2021.
Maintain a dynamic management framework			
5	Maintain the Board as a well-functioning, balanced team led by the chair	Partial	<p>The role, composition and independence of the Board are documented in the Corporate governance report of the Annual Report and Accounts 2021 and supplemented by information in the Directors section of the Investors area of our website www.fireangeltech.com.</p> <p>The Board recognises that the primary responsibility of the chair is to lead the Board effectively and to oversee the adoption, delivery and communication of the Group's corporate governance model. There should be adequate separation from the day-to-day business to be able to make independent decisions. The chair should not normally also fulfil the role of chief executive. This separation of roles existed in the Group from John Conoley's appointment as Non-Executive Chairman on 22 January 2019 until his appointment as Executive Chairman on 1 August 2019 after the departure of the Chief Executive. The Nominations Committee considered carefully the appropriateness of the joint role and concluded that John's skillset and experience were well matched to the current requirements of the Group as it transitioned to become a provider of safety-critical connected home solutions. The joint role, discussed beforehand with major shareholders, is still expected to be short to medium term in tenure until the Group has moved further in its transition described above, at</p>



			which point it is the intention to appoint a Chief Executive with skills appropriate for the challenges of the transitioned business. In addition, Board independence and structure are considered to be sufficiently robust to ensure that independent decisions can be made despite increased day-to-day involvement by the chair.
6	Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities	Full	The Board believes that the current composition of Directors have the necessary experience, skills and capabilities needed to deliver the strategy of the Company for the benefit of shareholders and the wider stakeholder community over the medium to long term. The experience and skills of each Director are described in the Board of Directors section of the Governance section of the Annual Report and Accounts 2021 and supplemented by information in the Directors section of the Investors area of our website www.fireangeltech.com . The roles of the Senior Independent Non-executive Director and the Company Secretary, together with a description of the ongoing education of the Directors are detailed in the Corporate Governance Section of the Annual Report and Accounts 2021.
7	Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	Partial	Given the continued changes in Board composition during 2021, it was again concluded that a formal process for evaluating the Board would be undertaken by the Nominations Committee when new structures and relationships had been established. However, the understanding, effectiveness and contribution of each Director is kept under constant review by the Chairman with each Director's performance being reviewed before any proposal for re-election at the Annual General Meeting.
8	Promote a corporate culture that is based on ethical values and behaviours	Full	The Group's corporate culture permeates everything the Group does. It is evident in the Business Model set out in the Introduction Section of the Annual Report and Accounts 2021, in the Environmental, Social and Governance section and addressed specifically in the Chairman's Introduction.
9	Maintain governance structures and processes that are fit	Full	It is incumbent on the Board to maintain governance structures and processes which fit with its corporate culture and are appropriate to their size, complexity and capacity, appetite and tolerance for risk. The Board structure, its committees, their roles and



	for purpose and support good decision-making by the board		members, and the roles of Directors with specific remits, are described in the Corporate Governance Report and in the individual committee reports of the Annual Report and Accounts 2021. The terms of reference of the committees are detailed in the Resources section of our website www.fireangeltech.com . These governance structures will evolve and be updated in parallel with its objectives, strategy and business model to reflect the development and transformation of the Company.
Build trust			
10	Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	Full	The Group's approach and actions in relation to wider stakeholder engagement are detailed in the Section 172 statement of the Annual Report and Accounts 2021. Details of all shareholder communications are provided on the Group's website, including historical annual reports, general meetings and the outcome of all general meeting votes. The Group's regulatory RNS and RNS Reach announcements are also listed in the Regulatory announcement section of the Investors area of our website www.fireangeltech.com