March 2025

Corporate Governance Statement

This document articulates operational and performance guidance for Yellow Cake plc (“Yellow Cake”) employees, directors, business partners, contractors, consultants and advisers.

Yellow Cake plc
Corporate Governance Statement

1 INTRODUCTION

Yellow Cake plc ("**Yellow Cake**" or the "**Company**") is committed to ensuring high standards of corporate governance, with a focus on generating and protecting value for shareholders. As such, the Company has elected to comply with the UK Corporate Governance Code issued in January 2024 (the "**Code**") in so far as is appropriate given the Company's size, business, stage of development and resources.

The Code contains key principles and provisions relating to the following areas: (i) board leadership and company purpose; (ii) division of responsibilities; (iii) composition, succession and evaluation; (iv) audit, risk and internal control; and (v) remuneration. For each such area, the overview below sets out how the Company complies with the Code in the relevant area and notes those provisions of the Code with which the Company does not currently comply, together with an explanation of the reasons for not complying.

As the Company's business evolves, the Company will seek to ensure that its governance processes and procedures continue to evolve appropriately and in a manner which protects the interests of the Company and its shareholders.

Save as set out below, the Company expects to comply with the reporting provisions set out in the Code in all future annual reports and financial statements.

This corporate governance statement was last reviewed on 10 March 2025 in light of the updated Code, which will apply to the Company's financial year commencing 1 April 2025. The revisions to the Code include:

- A requirement for additional disclosure on remuneration regarding the use of malus and clawback provisions.
- References to the Audit Committees and the External Audit: Minimum Standard instead of certain audit committee provisions. However, this change has no practical effect as the Minimum Standard largely repeats the provision of the 2018 Code.
- An amendment to Provision 29 which requires boards to provide a declaration in relation to the effectiveness of their material internal controls. However, Provision 29 will apply to the Company's financial year commencing on 1 April 2026.

2 BOARD LEADERSHIP AND COMPANY PURPOSE

The Board is collectively responsible for promoting and safeguarding the long-term sustainable success of the Company and for setting the Company's purpose and strategy. The Board assesses the basis on which the Company generates and preserves value over the long-term (*Provision 1*). A range of decisions are reserved for the Board to ensure it retains proper direction and control of the Company, including key commercial decision making and risk assessment. The Board delegates certain authority to the CEO and CFO, who are responsible for the day-to-day management of the business. As and when relevant, the board minutes, and any resignations of non-executive directors, will record any concerns of the directors which cannot be resolved (*Provision 8*).

The Company's values (as set out in its Code of Conduct), are set by the Board, who seek to uphold those values in their dealings with each other and when dealing with third parties on the Company's behalf. Yellow Cake is a small organisation and the Board is mindful of the need to ensure that, as Yellow Cake's business evolves, its values and culture are maintained. The Board intends to assess and monitor culture and how it has been embedded as Yellow Cake's business evolves, taking or seeking assurances as to corrective action where necessary (*Provision 2*).

The Board seeks to ensure effective engagement with its stakeholders (*Provision 5*). The Company values its dialogue with its shareholders. Day to day queries raised by shareholders are dealt with by either the CEO or the CFO. The Chairperson is also available to the Company's major shareholders to discuss governance and strategy as required and ensures that the views of shareholders are clearly communicated to the Board (*Provision 3*). The chairs of the audit, remuneration and nomination committees seek engagement with shareholders as appropriate in relation to significant matters related to their areas of responsibility (*Provision 3*).

Should 20 per cent or more of shareholder votes be cast against the Board's recommendation for a resolution, the Company intends to follow the consultation and other requirements set out in the Code (*Provision 4*).

The Board has established a system of prudent and effective controls to enable risk to be assessed and managed, and has implemented appropriate procedures for the workforce to raise concerns in confidence and anonymously (*Provision 6*) and the management of conflicts of interest (*Provision 7*).

The Company considers that it is compliant with the provisions of the Code relating to board leadership and company purpose, save as follows:

- *Provision 5.* Yellow Cake's workforce is currently limited to its Board and, as such, it is not considered appropriate to have any formal mechanism in place for engagement with the Company's workforce. Yellow Cake's remuneration committee has been mandated to monitor the size and nature of the Company's workforce in order to determine, amongst other things, the appropriate level of engagement required by the Company with its workforce and whether the role and responsibilities of that committee should be expanded to include consideration of additional workforce related matters.

  Should the size of Yellow Cake's workforce increase significantly in the future, Yellow Cake would favour mandating one of its non-executive directors with responsibility for representing the interests of the workforce (alongside his or her other duties).

3 DIVISION OF RESPONSIBILITIES

The Board is led by the Chairperson and comprises two executive directors (the CEO and the CFO) and five independent non-executive directors (including the Chairperson)**.** The Chairperson facilitates active participation by all members of the Board meetings and is responsible for ensuring effective communication between members of the Board more generally, promoting a culture of openness and debate.

The roles of Chairperson and CEO of Yellow Cake are separate and clearly delineated (*Provision 9*). Role descriptions for the Chairperson, CEO, CFO and the Board can be found at https://www.yellowcakeplc.com/governance/. Role descriptions for the audit, remuneration and nomination committees can be found in their respective terms of reference at https://www.yellowcakeplc.com/governance/ (*Provision 14*).

The Board is required to devote sufficient time to the Company to discharge their duties to the Company.

The Board has adopted a comprehensive set of policies and manuals on regulatory and compliance matters. The directors received training on regulatory and compliance matters ahead of the Company's admission to AIM and set aside time at least once annually at their regular board meetings for supplementary training and updates. All directors have access to the Company Secretary (whose appointment and removal is a matter for the Board as a whole) (*Provision 16*) and are entitled to seek professional advice at the Company's expense in connection with the affairs of the Company or the discharge of their directors' duties.

The Board receives the most recent Company financial and management information available at or in advance of each of its regular Board meetings. Where a director is unable to attend a Board or committee meeting, he or she is provided with all relevant papers and information relating to that meeting.

The Company considers that it is compliant with the provisions of the Code relating to division of responsibilities, save as follows:

- *Provision 12*. Given the scale and complexity of the Company's activities, the Board does not consider it necessary or desirable to appoint a senior independent director at this stage. Accordingly, those actions set out in the Code to be taken by a senior independent director are taken by the Board as a whole.
- *Provision 13*. The Chairperson will hold meetings with the non-executive directors without the executive directors present as and when appropriate and required. Given the scale and complexity of the Company's activities, it is not currently anticipated that such meetings will take place on a regular basis.
- *Provision 15*. Given the nature and extent of the Company's activities, the Company's policy does not require individual directors to seek prior approval of the Board before undertaking additional external appointments. Such appointments are, however, required to be disclosed to the Board. As the Company's business develops, the Board will periodically assess whether such policy continues to be appropriate.

4 COMPOSITION, SUCCESSION AND EVALUATION

The Board is led by the Chairperson and comprises two executive directors (the CEO and the CFO) and five independent non-executive directors (including the Chairperson) (*Provisions 9 and 11*). Further detail on the Board members and their skills and experience can be found at https://www.yellowcakeplc.com/our-leadership/.

The nomination committee, which is comprised of independent non-executive directors, oversees appointments to the Board and succession planning for both the Board and senior management (*Provision 17*). When considering the composition of the Board as a whole, the nomination committee has regard to the length of service of the Board as a whole and any requirements as to tenure set out in the Code. Under the terms of reference of the nomination committee, its chair will not chair the nomination committee when dealing with the appointment of his successor (*Provision 17*).

It is intended that all directors voluntarily submit themselves for re-election on an annual basis (notwithstanding the provisions in the articles of association that they be required to retire at the first Annual General Meeting after appointment and, thereafter, every three years) (*Provision 18*). It is intended that the Chairperson should not remain in post for a period of more than nine years from the date of his appointment to the Board (*Provision 19*).

New appointments to the Board are subject to a rigorous approval process. It is intended that open advertising or an external search consultant will generally be used for the appointment of the Chairperson or a non-executive director (*Provision 20*), although the nomination committee may deviate from this where appropriate in order to ensure, for example, that an incoming appointee has at least the equivalent skill set of an outgoing appointee.

The role of the nomination committee includes responsibility for overseeing a diverse pipeline for succession (*Provision 17*). Appointments and succession plans are based on merit and objective criteria.

The Company considers that it is compliant with the provisions of the Code relating to composition, succession and evaluation, save as follows:

- *Provisions 21 and 22*. Given the Company's size, stage of development and the scale and complexity of its activities, the Company has not yet implemented a formal appraisal system for the directors individually (including the Chairperson) or for the Board as a whole. The Board will continue to monitor whether such appraisal systems should be implemented, as the Company's business develops. In addition, the Board may undergo periodic informal assessment processes.
- In accordance with their terms of reference, each of the audit, remuneration and nomination committees will review its effectiveness annually.

5 AUDIT, RISK AND INTERNAL CONTROL

The Board determines the Company's business strategy and has overall responsibility for risk assessment, determining the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives.

The Board has established an audit committee comprised of independent non-executive directors (not including the Chairperson) (*Provision 24*). The audit committee has responsibility for, inter alia, monitoring the integrity of the financial statements of the Company, ensuring that the Company's financial statements comply with the requirements of the Code and overseeing the Company's relationship with its external auditor (*Provision 25*). The audit committee is also mandated to keep under review the Company's internal control and risk management framework and to report to the Board and ensure compliance with the Audit Committee Minimum Standard provisions (*Provision 25*).

The Board is required to assess the Company's emerging and principal risks and reports these in the annual report, as well as the procedures in place to manage such emerging risks (*Provision 28*).

For the Company's financial years commencing after 1st April 2026, the Board will be required to make a declaration in the relevant annual report of the effectiveness of the Company's risk management and internal control frameworks (including financial, operational, reporting and compliance controls). The Board will be required to provide in the annual report a description of how it has monitored and reviewed the effectiveness of the framework. (*Provision 29*).

The Company considers that it is compliant with the provisions of the Code relating to audit, risk and internal control, save as follows:

- *Provision 25*. Given the scale and complexity of the Company's activities, the Company does not currently have an internal audit function. The decision as to whether or not to establish an internal audit function shall be made by the Board upon the recommendation of the audit committee. The audit committee shall consider annually whether there is a need for an internal audit function, taking into account the growth of the Company, the scale, diversity and complexity of the Company's activities and the number of employees, as well as cost and benefit considerations.

6 REMUNERATION

The Board has established a remuneration committee, which is comprised of independent non-executive directors. It is intended that any person who is appointed as the chair of the remuneration committee in the future should have at least 12 months' experience serving on a remuneration committee prior to appointment (*Provision 32*).

The remuneration committee has responsibility for, amongst other things, setting the remuneration policy for executive directors and for determining the total individual remuneration package of the Chairperson, executive directors and senior management (*Provision 33*). In determining remuneration policy, the committee takes account of the need to align executive remuneration to company purpose and values and to clearly link this to successful delivery of the Company's long-term strategy.

The remuneration of non-executive directors is determined in accordance with the Company's articles of association and does not include performance related incentives (*Provision 34*).

Under its terms of reference, the remuneration committee is required to ensure that remuneration schemes and practices enable the use of discretion to override formulaic outcomes and to consider, *inter alia*, vesting and holding periods and post-employment shareholding requirements for both unvested and vested shares (*Provisions 36 and 37*).

The annual report will be required to include a description of the Company's malus and clawback provisions in its employee incentive arrangements, including:

- the circumstances in which malus and clawback provisions could be used;
- a description of the period for malus and clawback and why the selected period is best suited to the organisation; and
- whether the provisions were used in the last reporting period (*Provision 38*).

The directors are currently not entitled to pension contributions (*Provision 39*). All notice periods are less than a year (*Provision 40*).

The remuneration committee may appoint remuneration consultants from time to time to assist it in fulfilling its role (*Provision 35*). In such an event, the remuneration consultant will be identified in the annual report alongside a statement about any other connection it has with the Company or individual directors.

No director shall be involved in any decisions as to his or her own remuneration (*Principle Q*).

The Company considers that it is compliant with the provisions of the Code relating to remuneration, save as follows:

- *Provision 33*. Yellow Cake's workforce is currently limited to its Board and, as such, it is not necessary for the remuneration committee to separately review workforce remuneration and related policies and the alignment of incentives and rewards with culture.

Yellow Cake's remuneration committee has been mandated to monitor the size and nature of the Company's workforce in order to determine, among other things, whether the role and responsibilities of the remuneration committee should be expanded to include consideration of additional workforce related matters.