



Datalex adopted the provisions of the QCA Corporate Governance Code ("the Governance Code"). This Corporate Governance Statement describes the Group's corporate governance arrangements including the application of the principles of the QCA Code. The ten principles of the QCA Code are set out below:

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

Our strategy is to drive accelerated and sustainable growth by creating market leading products that enable airlines to grow revenue and profit as digital retailers.

We are focused on growth in value for our investors and strive to apply our resources to the right projects, which have the opportunity to create an impact. The Board and executive management comprise suitably skilled and experienced individuals who collectively hold a strong background in the airline retail business.

Further information on the strategy and supporting business model can be found in our Annual Report.

Principle 2: Seek to understand and meet shareholder needs and expectations

Datalex recognises the importance of maintaining regular communication with shareholders to ensure that its strategy and performance are understood. The Group communicates with its shareholders by way of the Annual General Meeting combined with the Annual Report and the Financial Statements, interim results announcements and presentations, which are distributed to shareholders via the Group's website www.datalex.com.

Periodically, the CEO, CFO and Company Secretary meet with shareholders and regular updates are provided to the Board on matters raised by shareholders to ensure the Non-Executive Directors have a full understanding of the views of shareholders. When necessary, the Board and Committee Chairpersons engage with shareholders on specific topics and where relevant provide feedback to the Directors. The Senior Independent Director is available to shareholders if contact through normal channels is inappropriate or has failed to resolve concerns.

Contact details for shareholder communication can be found in the Investor section of the website or by emailing investor.relations@datalex.com.

Principle 3: Take into account wider stakeholder responsibilities and their implications for long term success

The Board is committed to maintaining open and honest relations with all of its stakeholders, both internal and external. The Board's familiarity with the Group's operations and the industry in which it operates



enables the Board to clearly identify key stakeholders on which the business relies, including employees, customers, suppliers, and the communities in which the Group operates.

The Board engage with our workforce in various ways, including meetings with management and employees around Board meeting, employee engagement surveys, the annual kick off meeting, hackathons and recognition programmes. A detailed People update is included at every scheduled meeting of the Board.

We have deep and long-standing relationships with our customers and suppliers who are fundamental to our success. The Board is regularly updated on the engagement and relationships with our customers and suppliers.

In addition the Board is regularly updated on CSR and sustainability initiatives.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board is responsible for reviewing the effectiveness of the risk management and the internal control systems. The Board has directly, and through delegated authority to the Audit & Risk Committee, overseen and reviewed the performance and evolution of risk management activities and practices and internal control systems within the Group. These systems include financial controls which enable the Board to meet its responsibilities for the integrity and accuracy of the Group's accounting records, operational controls in each functional area of the Group, and an assessment of general business risks.

Key risks, with reference to achievement of the Group's business objectives are assessed and revised periodically by the Executive Leadership Team. The risk register is reviewed regularly by both the Board and the Audit & Risk Committee. The Audit & Risk Committee have undertaken an in-depth review of the Group's overall risk environment, with respect to both risks to the achievement of the Group's business objectives, and risks to the integrity and effectiveness of the Group's key systems and processes. In particular, the Committee recognises the importance of successful customer delivery, and pays particular attention to areas such as the availability of key domain resources and skills, the performance and integrity of critical infrastructure in our hosting facility, and control over the Group's cost base. The Committee also recognises the competitive dynamics of our market, and closely monitors any changes in pricing or product offerings that may impact on our ability to continue to win new business and retain existing customers. Any mitigating actions required are monitored and reported to the Audit & Risk Committee on a periodic basis.

The Group has written procedures and authority limits for all operating and capital expenditure and further enhancements were made to the

Group's control environment with further integration of the ERP system, additional manual oversight, the engagement of new personnel in finance and newly introduced processes during 2021.

In addition, the Group has appointed Mazars, as a suitably qualified, independent third party to provide internal audit services on an outsourced basis.

Principle 5: Maintain the Board as a well-functioning, balanced team

The Board comprises five non-executive directors and two executive directors. The directors' information can be found on the website. Members of the Board have a collective responsibility and legal obligation to promote the interests of the Group and are together responsible for defining the Group's corporate governance arrangements.

The Board (including its committees) meet regularly in line with their terms of reference and more frequently if deemed necessary. The Board are provided with the most appropriate and timely financial and non-financial information available to properly assess the matters requiring decision or insight.

The Board is supported by three committees being Audit & Risk, Remuneration, and Nomination and Corporate Governance. The individuals appointed to these committees have the necessary skills and knowledge to discharge their duties and responsibilities effectively committing the time necessary to fulfil their duties.

Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The Group considers that its Board has an effective and appropriate balance of skills and experience. The relevant experience, skills and capabilities that each director brings to the Board is outlined in the director biographies in the Annual Report. The Board believes that its members possess the relevant qualifications and skills as well as the balance of personal qualities necessary to effectively oversee and execute the Group's strategy.

The Executive Directors keep their skillsets up to date through attending industry specific events, and by monitoring activity within the sector and making use of professional training and technical and regulatory updates where appropriate.

The Non-Executive Directors have varied backgrounds and experience and bring constructive challenge to bear on issues of strategy, performance, resources and standards of conduct. Collectively, the Non-Executive Directors possess a wide range of financial, commercial and general management experience, investment expertise and software industry expertise.

The Board continues to work to ensure that the composition of the Board has the diversity, skills and expertise necessary to drive the Group's future success and expects to make further appointments to enhance the Board in 2022 with a particular emphasis on diversity.

In addition, the Board have access to external professional advisors including, but not limited to, auditors, legal advisors, tax advisors and accountants, available to them to provide independent advice on all significant matters which arise during the course of the year.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The annual Board evaluation process is an important element in ensuring and enhancing the effective and efficient operation of the Board.

The Group has established a formal process for the annual evaluation of the performance of the Board and its principal Committees, including a triennial external evaluation which was last conducted in 2020 and reviewed by the Board in March 2021.

The external evaluation supplements the internal Board performance evaluation processes. Led by the Senior Independent Director, the Non-Executive Directors meet annually, without the Chair present, to evaluate the performance of the Chair. On behalf of the Board, the Nomination & Governance Committee conducts the annual evaluations of the Executive Directors, the results of which are reviewed with the other independent directors. The Remuneration Committee will use the evaluations of the Executive Directors in the course of its deliberations when reviewing and considering their compensation.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Group's core values are documented and communicated regularly to all directors, employees and other stakeholders. Performance on values is a mandatory element of all employees' annual performance review.

The Board monitors culture to ensure it is aligned with purpose, values and strategy. The Board does this by interaction with management teams and employees at Group events and review of employee surveys.

Principle 9: Maintaining governance structures and processes that are fit for purpose and support good decision-making by the Board

Please refer to the corporate governance statement in the Annual Report for a full description of the Groups Corporate Governance structures.

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

The Group communicates how it is governed and is performing by way of the Annual General Meeting combined with the Annual Report and the Financial Statements, interim results announcements and presentations, which are distributed to shareholders via the Group's website.

Historical annual reports and other governance related material including notices of general meetings and supporting documentation can be found on the website www.datalex.com.