

// CHAIRMAN'S GOVERNANCE OVERVIEW

Tungsten has evolved as a vibrant and agile technology business that helps accelerate global trade by operating a secure network connecting some of the world's largest organisations to their supply chains.



Dear Shareholder,

The principles of Corporate Governance

As Chairman, my role includes upholding the highest levels of integrity, probity and corporate governance throughout the Company and particularly at Board level. It therefore gives me great pleasure to introduce our Governance statement.

As a Board we recognise the importance of high standards of corporate governance and their importance and support to our strategic goals and long-term success. The Company is listed on AIM and is therefore required from September 2018 to provide details of a recognised corporate governance code that the Board of Directors have decided to apply. We have, since our admission to AIM in October 2013, measured our governance policies and structure against the Quoted Companies Alliance corporate governance code for small and mid-sized companies 2013 (the QCA Code) as we consider that the QCA Code is more applicable for small and mid-sized companies. We continue to apply this code and its replacement The QCA Corporate Governance Code that was published in April 2018 (the New QCA Code). We believe we apply the ten principles of the New QCA Code. The policies and procedures put in place at the time of admission to AIM gave us a firm foundation for our governance structures and we continue to build on and evolve these each year.

Deliver growth

The Board has collective responsibility for setting the strategic aims and objectives of the Group. These growth aims are articulated in the CEO's statement in the annual report and on our website along with our business model. In the course of implementing these strategic aims the Board takes into account the expectations of the Company's shareholder base and also its wider stakeholder, environmental and social responsibilities.

The Board also has responsibility for the Group's internal control and risk management systems and structures. Our risk management process is embedded into the business and starts at the Board but is delivered throughout the Group.

Dynamic management framework

As Chairman, I consider the operation of the Board as a whole and the performance of the directors individually regularly. During FY17 we undertook a formal external Board evaluation process as part of our aim to seek continuous improvement as a Board. This process is described more fully in our governance report. As we have done with previous appointments to the Board, future appointments will consider diversity, including gender. Any such appointments must compliment the current balance of skills

on the Board. We currently have a globally diverse Board and workplace which reflects our customers and our markets.

Responsibility for the overall leadership of the Group and setting the Group's values and standards sits with the Board.

Build trust

During the year Tungsten Corporation plc has undertaken a number of investor relations activities. These include investor roadshows, participation at investor conferences and attending other events where investors have the opportunity to meet and talk to the Executive Directors. Investors are actively encouraged to attend our AGM and each member of our Board see this as an important event in the annual calendar to meet and talk to shareholders.

During the year the Board has continued to review governance and the Group's corporate governance framework. We reviewed our governance against the new QCA Code in June 2018 and will do so annually, as required by AIM Rule 26.



Nick Parker
Non-Executive Chairman

23 July 2018



OUR BOARD AND COMMITTEE STRUCTURE

<p>Chairman</p> <p>Nick Parker</p> <p>Key objectives Chairing the Board meetings, upholding the highest levels of integrity, probity and corporate governance.</p>	<p>Chief Executive Officer</p> <p>Richard Hurwitz</p> <p>Key objectives Leadership, operation and governance of the Board, setting the agenda of the Board.</p>
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<p>Tungsten Corporation plc Board of Directors</p> <p>Nick Parker</p> <p>Key objectives Chairing the Board meetings, upholding the highest levels of integrity, probity and corporate governance.</p>
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<p>Audit Committee</p> <p>Chair: Peter Kiernan</p> <p>Key objectives Oversight and review of financial and operational risk management, audit and internal control issues.</p> <p>🔗 See pg 40</p>	<p>Nomination and Remuneration Committee</p> <p>Chair: Nick Parker</p> <p>Key objectives Oversight and review of Board and senior management appointments and succession planning.</p> <p>🔗 See pg 42</p>	<p>Ad hoc Committees</p>
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<p>Executive Committee</p> <p>Key objectives To focus on strategy, financial performance, succession planning, business growth, organisational development and support of Group-wide policies.</p>
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<p>Business units and operational staff</p>
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OUR GOVERNANCE PRINCIPLES

