

Statement of Compliance with QCA Code

Chairman's Introduction

The board of directors (the "**Board**") of ITM Power PLC's ("**ITM Power**" or the "**Company**") believes excellent corporate governance is vital to creating a sustainable, growing business and is a core responsibility of the Board.

It is the Board's job to ensure that ITM Power PLC and its wider business group ("**Group**") is managed for the long-term benefit of all shareholders, with effective and efficient decision-making. Corporate governance is an important part of that job, reducing risk and adding value to our business.

Since 28 September 2018, AIM companies have been required to provide details of a recognised corporate governance code that it has decided to apply and explain how the company complies with that code. The Board considers that the most appropriate code for ITM Power remains The Quoted Companies Alliance Corporate Governance Code 2018 (the "**QCA Code**"). The QCA Code provides a flexible, principle based model that will allow the execution of the Group's corporate governance principles to evolve with the business. ITM Power PLC ("**ITM Power**" or the "**Company**") is committed to high standards of corporate governance: it aims to be best in class in the AIM Top 50.

ITM Power annually reviews the ten principles of the QCA Code and sets out below how these principles are applied, providing appropriate disclosures where necessary, specifically where the Group does not comply fully with the expectations of the QCA Code and setting out an explanation of the reasons. We will provide annual updates on our compliance.

Our values are based on working with integrity, on embracing innovation and on creating value for our customers, people, suppliers and shareholders. Excellent corporate governance is dynamic and reflects leadership in the business. As ITM Power continues to grow, so does its approach to governance. In 2021, the Board formed a new Board committee to drive its Environmental, Social and Governance ("**ESG**") strategy and ITM Power will publish its Code of Ethics and its ESG Strategy shortly.

At ITM Power, we are proud of putting values and ethics at the heart of what we do. This underpins the Company as a sustainable, dynamic business, continuing to deliver shareholder and stakeholder value in the long term.

The main changes to this statement were approved by ITM Power plc's Board on 22 February 2021.

Sir Roger Bone

Chairman

PRINCIPLE 1: Establish a strategy and business model which promotes long term value for shareholders**Summary**

ITM Power designs and manufactures integrated hydrogen energy systems for energy storage, clean fuel production and renewable chemistry.

The Group has a suite of product platforms based on Proton Exchange Membrane (PEM) technology. The Group has a product offering that is scalable above 100MW in size. Of particular importance is the ability to respond rapidly and to generate hydrogen at a pressure, flow rate and purity appropriate to its application. ITM Power is a globally recognised expert in hydrogen technologies with the overarching principle to take renewable energy from the power network or other directly coupled sources, convert it into green, zero-carbon-footprint hydrogen and use it in one of three broad applications – Power to Gas, Clean Fuels and Industrial Hydrogen. We believe that all of these markets will grow significantly over the next few years based on the commitment by governments worldwide to mitigate climate change, the growth of renewables in the energy mix and the need to decarbonise industrial processes. We believe that ITM Power Plc remains uniquely well-placed in these markets.

Over the course of the last few years, we have gained significant experience in providing customers with turnkey hydrogen installations, where we have supplied not just the core electrolyzers at the heart of the project but also the engineering, procurement and construction (EPC) that goes with them. Our core strength lay in the capability of our product and the manufacturing processes associated with it, and in order to scale, the Group would require a partner that could offer best-in-class EPC services for large industrial projects. We concluded a strategic investment and Joint Venture agreement in October 2019 with Linde Engineering. The agreement, and our 50% investment in ITM Linde Electrolysis GmbH, allows ITM Power Plc to focus solely on our prime source of competitive advantage – the efficient manufacture and supply of best in class PEM electrolyzers. Linde will provide its world leading EPC services for the projects won through the new company. This shift in our business model enables us to concentrate our efforts on the provision of green electrolysis equipment.

The full details of the Company’s strategy, its business model and its revenue opportunities are set out each year in the Group’s Annual Report, which is available on the website www.itm-power.com.

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

The Company values the views of shareholders and recognises their interests in the Group’s strategy and performance.

Overall responsibility for ensuring that there is effective communication with investors and that the Board understands the views of major shareholders rests with the Chief Executive Officer (“CEO”), who makes himself available to meet shareholders for this purpose. The Chairman supports the CEO in this and is available for shareholder meetings where appropriate. Investor relations updates are provided at each regular Board meeting. In 2020, ITM Power strengthened its investor relations management through the appointment of its first Head of Investor Relations.

Shareholder communication is coordinated by its Head of Investor Relations together with Investec (NOMAD) and Corporate Communications Consultants, Tavistock Communications Limited (“**Tavistock Communications**”). ITM Power is committed to maintaining a good dialogue with shareholders through proactively organising meetings and presentations with fund managers, retail brokers and analysts, as well as responding to a wide range of enquiries. The Company also recognises the importance of communicating appropriately any significant company developments. This is done through the Stock Exchange Regulatory News Service and copies of news announcements are available on the Company’s website.

In 2020, Covid-19 prevented the Company from presenting its results to shareholders in person. The Company held its Annual General Meeting and two Extraordinary General Meetings virtually. It utilised a specialist shareholder platform to maximise attendance at the events. The AGM and the EGM were well attended with nearly 400 meeting attendees.

The Company reports to institutional shareholders twice a year through roadshows correlating to financial statements (interim and full year reports). The roadshows in October 2020 and January 2021 were presented virtually. This has enabled much broader engagement and the Company is looking how to utilise online investor events, in addition to in-person events in the future.

The Group's report and accounts are available on the Company's website: www.itm-power.com. All shareholders are encouraged to attend the Company's Annual General Meeting, at which the CEO gives an account of the progress of the business over the year and provides the opportunity for shareholders to ask questions. The Board attends the meeting and is available to answer questions from shareholders present. The Company also has a newsletter which is forwarded to interested parties, including shareholders on a monthly basis.

In all communications and events, care is taken to ensure that no price sensitive information is released and that any price sensitive information is released to all shareholders at the same time in accordance with AIM Rules.

The Company seeks feedback from regular engagement events through Tavistock Communications and Investec Bank Plc ("**Investec**") as nominated advisor ("**NOMAD**") and broker and considers the communication strategy with shareholders in light of feedback. The Company also welcomes significant investors and potential investors to our head offices by appointment. The Board is kept apprised of the views and concerns of major shareholders by briefings from Investec and the executive directors of the Company ("**Executive Directors**").

Details of the contact point for investor relations is found at <http://www.itm-power.com/contact>

PRINCIPLE 3: Take into account wider stakeholder and social responsibilities and their implication for long term success.

ITM Power, as an innovative and socially responsible company, ensures that the business model is at the heart of the discussions both at an executive level and at the full Board. As the needs and growth of the business evolves and materialises, the business model informs the resources and relationships that the business require to execute its plan for growth. In 2020, the Company was awarded the LSE Green Economy mark.

ITM Power is driven through innovation and continuous improvement. Engaging with and learning from employee, customer and other stakeholder feedback is an integral part of what we do and how we are developing the business. We proactively seek feedback to enable us to make improvements and changes to our products and processes.

The Board formed an ESG Committee in 2021 to assist the Company's commitment to be a sustainable business. Understanding the Company's ESG impact and management has become an increasingly important lens through which to assess performance for investors and other stakeholders. Environmental criteria will look at how we perform as a steward of the natural environment; social criteria will examine relationships with our employees, suppliers, customers and the communities in which we operate, and governance criteria will look at internal processes and leadership, including executive pay, audit and internal controls, and shareholder rights, supporting the work of the Remuneration Committee and the Audit Committee.

The Committee is chaired by Non-Executive Director, Katherine Roe with additional members consisting of Dr Graham Cooley, CEO and Dr Rachel Smith, Executive Director together with the Head of Investor Relations and the Head of HR attending. The Committee will set ITM Power's ESG strategy and policy, and provide feedback from across the business to external stakeholders. It will examine particularly closely the greenhouse gas emissions resulting from ITM Power's own activities as well as those of its suppliers and customers with the aim of achieving continuous improvements in performance. To assist with this goal, the Company has appointed Goodbusiness, a consultancy with more than two decades of experience, to help create and monitor ITM Power's ESG framework and KPIs.

The formation of this new committee underscores and reaffirms ITM Power's commitment to become a leading global good citizen.

Workforce

ITM Power strives to be a responsible, sustainable and ethical employer where the values of the business are central to all aspects of workforce management. As part of this we actively encourage training and Continuing Professional Development (CPD). With the new technologies market we are proud to be a part of, the Company recognises the vast knowledge that its employees encompass along with their engagement in a fundamental belief in the Company's aims and objectives. Aside from ensuring the highest levels of technical competence, the Company encourages improving upon this knowledge base by supporting its staff through training courses and qualifications, ranging from single day courses up to Master's degree level qualifications and accredited development programmes. ITM Power is proud to have a number of apprentices as part of its workforce and continues to include apprentices in future workforce planning. In 2021, ITM Power is launching its ITM Academy. This will be the home for the Company's learning and development and aims to significantly expand the development opportunities and support for all ITM Power staff. This will become a hub for developing staff, providing a structured induction programme, providing technical and leadership training and aims to become a global centre of excellence for training its team members and provide training opportunities for our partners who work with us.

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Every year, the Executive Directors present the annual results to its workforce and ITM Power employees are invited to engage and ask questions.

The Company demonstrates in practice an open-door leadership culture where Directors and Senior Managers welcome feedback and the opportunity to discuss business improvement. Whilst the current informal methods of obtaining feedback have proved useful and are often used by the Company to drive improvement and innovation, as ITM Power grows in size it has started to use other mechanisms, such as electronic surveys (for example on the move to its new premises and around attitude to safety and health and safety culture).

We have consistently sought to recruit and retain the best employees in our sector and this has contributed to the advancement and successes of the products we manufacture. We also recognise the importance of employee retention and we offer a range of employee benefits designed to support long-term employee retention and promote engagement and motivation. In 2020, the Company launched a new long term incentive plan for all Group staff and a share incentive plan (enabling staff to buy shares on a tax-efficient basis and receive matching shares from the Company). The range of staff benefits also includes childcare vouchers and a cycle purchase scheme as well as accessing training courses relevant to the employee's role. We know this contributes to maintaining an engaged and motivated workforce.

We have further invested in our approach to people by appointing a new Head of Human Resources and increasing the size and reach of the HR function to provide strategic and operational service delivery. We have put in place an industry leading Employee Assistance Programme which has helped the Company to ensure the physical and mental health of its employees is fully supported throughout the COVID-19 times and beyond. There has been significant interaction with employees throughout the last 12 months to ensure that staff have been able to work effectively whilst impacted by school closures and lockdown, demonstrating flexibility and the need for individual support.

Customers

As the Company executes projects, customers benefit from both a key account manager as well as a Project Manager specific to the deployment which improves on customer engagement. For current customers, the Company operates an email reporting system for customers, feedback@itm-power.com, as well as having a support centre in Sheffield and an out of hours service. Customer and staff feedback is built into the "lessons learnt" process within ITM Power's quality system and highlighted improvements to products and services are regularly fed back.

Fuel customers benefit from a 24-hour helpline, support from the Control room in Sheffield as well as from the Company's mobile support team. Fuel customers also have access to the Company's App which details locations and availability of refuelling stations. Feedback can also be sent to fuel@itm-power.com

Potential Customers

ITM Power ensure regular communications to a significant database of contacts by sending out a monthly newsletter summarising the Company's activities, media coverage and industry news. ITM Power implemented a new website in early 2020, reflecting the growth of the Company, as well as updating messaging and communications to address the markets it serves.

In the light of the Covid-19 restrictions, the Company undertook most of its stakeholder events online and staff participated in many online webinars and presentations through the last year, ensuring potential customers remain well informed of the Company's products and services. The Company participates in many industry events each year.

In addition, the Company's joint venture with its partner, Linde GmbH, ITM Linde Electrolysis GmbH launched its own website in 2020.

Suppliers

We seek to establish and maintain long term relationships with suppliers. We work closely with our suppliers in the deployment of all projects and provide them with assistance to improve their adherence to ITM Power's standards of quality and ethics.

Our commitment to our supply chain promotes and develops ITM Power's ethics towards Health, Safety and Environmental within the supply chain. ITM Power has a supplier code of conduct (see www.itm-power.com) and launched its due diligence and approval process for suppliers in 2020.

Our commitment to source our products and services, locally where possible, has seen ITM Power develop a supplier control program that assists and develops our supply chain with Health, Safety and Environmental goals and objectives.

Regulators and industry bodies

ITM team members participate widely in industry bodies. The Company's Chief Executive Officer, Dr Graham Cooley, joined the UK Government's Hydrogen Advisory Council in 2020.

ITM Power works with key committees and standards groups both in the UK, the European Union and other countries. ITM Power's Compliance Officer is Chair of BSI committee PVE/3/8, and the lead UK expert to ISO Technical Committee 197 on "hydrogen technologies" in addition to contributing to the ISO TC 197 working groups for refuelling stations, electrolysers, and hydrogen quality. The Company's Compliance Officer is also the lead UK expert to CEN/CENELEC Technical Committee 6 on "hydrogen in energy systems", and the CEN/TC 268 WG5 developing standards in support of the Alternative Fuels Infrastructure Directive (Directive 2014/94/EU). Additionally the Company's Compliance Officer is in a number of British Compressed Gases Association (BCGA) Technical Sub-Committees (TSC), including as the secretary of BCGA TSC 9 on alternative gaseous fuels, through which ITM contributes to the development of relevant guidance including BCGA Code of Practice 41 for alternative fuel vehicle filling stations, and, with the EI, APEA and BCGA combined, to the Blue Book hydrogen addendum. ITM Power contributes to consultations in the UK and European Union through direct responses and contribution to working groups.

ITM Power works with partners through its membership of key industry associations in a number of territories. In the UK this includes UK Hydrogen Fuel Cell Association, British Compressed Gases Association, Scottish Hydrogen and Fuel Cell Association, Hydrogen London, UKH2 Mobility, the Society of Motor Manufacturers and Traders, and Renewables UK. In France this includes the Association Française de l'Hydrogène et des Piles à Combustible and H2 Mobilité France, in Germany, Bundesverband Energiespeicher (BVES) (German Energy Storage Association), DWV (the German Hydrogen and Fuel-cell Association) and (DVGW) German Technical and

Scientific Association for Gas and Water. In North America, this includes NH3 – Fuel Association, California Hydrogen Business Council, California Fuel Cell Partnership, Renewable Hydrogen and Canada Hydrogen Fuel Cell Association and in Denmark, Brintbranchen (Hydrogen Denmark) and at European level, Hydrogen Europe and EuroGas.

ITM Power works closely with organisations such as FCJHU, Innovate UK, OLEV and BEIS as funders of its grant funded projects. ITM Power has also responded to and provided input into relevant Government consultations, including on hydrogen for heat and hydrogen mobility.

Local Communities

ITM Power values the communities that it operates within and it has engaged with employees during 2020 to actively support local charities which are championed by our employees. 2021 sees the implementation of an ITM social engagement programme (ITM Nurture) which will have a prime objective to be a positive influencer in the local community around environment, education and health together with equality, diversity and inclusion. Our aim is to develop a wider reach into our local community and beyond, to promote events linked to the areas highlighted above and to educate in an engaging way in schools around hydrogen – to share knowledge and understanding in this area and to promote longer term career opportunities in this industry.

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

Audit, risk and internal financial controls

The Company has an established framework of internal financial controls, the effectiveness of which is periodically reviewed by each of the Board, the Audit Committee and Executive Committee. This includes a formal risk register process for its projects, departments and corporate risks. The Board consider risks facing the Company in its decision making and periodically reviews the top corporate risks. The Audit Committee reviews key areas of financial controls throughout the year. The Executive Committee retains day to day responsibility for financial performance and has implemented established internal financial reporting.

The Board is responsible for reviewing and approving overall Company strategy, the corporate objectives, the financial strategy, the annual budget, capital fundraising and for structure of the Company. The Board receives monthly financial reports and at each regular Board meeting, tracking budget and forecasts. Operational, detailed ongoing tracking of financial performance is undertaken by the Executive Committee. The Audit Committee has responsibility for monitoring the integrity of the financial reporting of the Company and that the internal financial controls are sufficiently robust and appropriate. The Group's Financial Controller oversees budgeting, cash flow forecasts and financial statements and the operation of the Group's financial systems, working with ITM Power's auditors. The Finance team has been expanded to include additional staff to focus on internal controls and financial system transformation.

There are robust procedures in place for budgeting, forecasting and financial planning, for monitoring and reporting to the Board business performance against those budgets, forecasts and plans, and for projecting expected performance over the financial year.

The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group but given the rapid growth of ITM Power, this remains under active review.

Non-financial controls

The Board recognises that maintaining sound controls and discipline is critical to managing the risks to ITM Power's strategy. The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. The Audit Committee regularly reviews the risk management procedures and key corporate risks. It undertakes in depth assessments of core risk areas throughout the year. The Executive Committee has operational responsibility for managing risk and ensuring the internal controls remain appropriate, with day to day responsibility with the Finance Director.

Close management of the day-to-day activities of the Group by the Executive Directors and detailed monthly reporting of performance against corporate objectives, project schedules, budget, risks and expected performance and operational needs are a key part of the internal management and control system.

ITM Power continues to increasing its commercial operations. It recently completed its move to its new global manufacturing facilities in Bessemer Park in Sheffield. The new facilities increase its maximum annual production capacity significantly to 1GW and bring the operations into a single site.

In the last 12 months, ITM Power has also made a set of further senior appointments to support its business plan and address the resulting operational needs and risks. This includes a new Head of Production, new Head of HR, new Head of Projects, new Head of Quality, a new Head of Health and Safety, a new Head of After-Sales Support, a new Head of Investor Relations and a new Managing Director for its Motive division.

Quality Management Systems and Health, Safety and Environmental risk management

Quality management systems underpin ITM Power's business systems. ITM Power operates management systems in accordance with ISO9001 2015, ISO 14001 2015 and OHSAS 18001 2007. However, ITM Powers aim in the coming year is to incorporate all our management systems under one UKAS accredited integrated management system at the same time as upgrading the safety management system to ISO45001.

The Executive Committee has day to day responsibility for delivering its operations safely and product safety. The Board has strategic responsibility for setting and monitoring key health and safety performance. Reporting to Board level includes performance monitoring and tracking proactive measures being undertaken as part of increasing ITM Power's health and safety culture through its growth. Separately there is a workplace Health and Safety Committee including representatives across ITM Power. This is increasing reporting, which in turn assists the "lessons learnt" process, and is a key indicator of improved safety culture. Senior managers on each site in Sheffield act as a champion for health and safety. A new safety induction process has been created as part of the move to Bessemer Park.

Safety at ITM Power is led from the board members and its management team, promoting the safety through visible leadership within the business activities. This provides the structure through which the vision and commitment to safety is set, the means of attaining safety objectives are agreed, the framework for monitoring performance is established and compliance with the legislation is ensured, combined with a promoted health and wellbeing culture. ITM Power employs safety professionals who all NEBOSH trained. The Board undertook a course on leading health and safety based on the Institute of Directors and Health and Safety Executive guidance on Leading Safely in December 2019 as part of its commitment to best practice and managing safety from the top.

A new three-tiered structure has been implemented for staff training which improves the focus on competency and self-understanding of competency. This includes detailed training records, occupational competency review and identified training needs. Finally, ITM Power is trialling a 5S system within its production processes.

Standards and policies

The Board is committed to maintaining appropriate standards for all the Company's business activities. ITM Power's staff handbook provides a code of conduct that provides guidance for key issues including managing personal data, use of IT, keeping safe, anti-bribery, gifts and managing intellectual property rights. ITM Power has a supplier code of conduct and launched a new supplier accreditation and due diligence process in 2020. In 2021, ITM Power launches a Code of Ethics and a revised anti-fraud and bribery programme, reflecting the growth in its operations and numbers of staff.

The Company's procurement function manage all company procurement. All material contracts are required to be reviewed and signed by a director of the Company and are reviewed by the Company's in-house legal team.

PRINCIPLE 5: Maintaining the Board as a well-functioning, balanced team led by the Chair

The Board considers all the non-executive directors (“**Non-Executives Directors**”) to be independent in character and judgement, notwithstanding that two directors are nominees of substantial shareholders (Tom Rae, nominated by JCB Research, and Juergen Nowicki, nominated by Linde AG).

The Non-Executive Directors have provided excellent independent advice and challenge throughout the year. In concluding that all its Non-Executive Directors are independent the Company considered factors including that all of the Non-Executive Directors are directors of other corporations and are not reliant on any shares or share options they hold in, or income they receive from, ITM Power Plc.

The Board has increased the number of independent non-executive directors in the past year through an additional non-executive director, Katherine Roe. In addition, Robert Pendlebury retired and Tom Rae has been appointed.

All of ITM Power’s Executive Directors are full-time employees and officers. The Non-Executive Directors provide up to 3 days a month and the Chair of the Board commits approximately 5/6 days per month in his duties.

Each year, the Annual Report of the Group sets out the attendance of Directors at regular Board meetings and at meetings of committees during the year.

PRINCIPLE 6: Ensure that between the Directors have the necessary up to date experience, skills and capabilities

The Board is satisfied that the members of the Board possess an appropriate balance of skills, experience, personal qualities and capabilities as required by the QCA Code. ITM Power remains aware of the need to keep this balance under review. This was considered during its Board evaluation in 2020.

An induction programme is undertaken for new directors to on-board directors and provide them with full information on the Company’s operations and performance.

The Company has a separate Chairman and Chief Executive Officer, each having his own separate responsibilities. The Chairman is responsible for the effective working of the Board and the Chief Executive Officer is responsible for all operational matters and the financial performance of the Group. The Board is balanced, both numerically and in experience, with the intention that no individual or small group of individuals should be able to dominate decision-making. The Board has not appointed a Senior Independent Director. However, any of the Non-Executive Directors are available on request as a conduit of communication to the Board in the event that the Chairman and/or the Chief Executive Officer are not appropriate conduits for shareholder concerns and issues.

The Company’s website sets out the detailed biographies of each Director here [link].

ITM’s key advisers are set out here: <http://www.itm-power.com/investors/advisors>

ITM Power sought advice from Investec, the Company’s NOMAD, for the placing of the fundraising exercises undertaken in 2017, 2019 and 2020. In addition, the Board has access to Nicola Ham Edmonds as Company Secretary and Head of Legal and, where appropriate, external counsel. In addition, the Remuneration Committee retains EY as its independent consultants to advise on certain matters in the scope of the Committee that has included executive remuneration structure and benchmarking, executive shareholding policy and matters related to the 2020 long term incentive schemes.

PRINCIPLE 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

With the full support of the Board, the Chairman leads an evaluation of the performance of the Board every 18-24 months. Each committee chair reviews committee performance annually. The last review concluded that the Board and its committees are currently effective and each Director continues to demonstrate commitment to their role.

ITM Power previously had a more informal approach to Board evaluation than advocated by the QCA Code. The Chairman undertook a formal evaluation process in Q1 2020. It is expected internal evaluation remains appropriate but in the medium term, it is expected that the Company will progress to an externally facilitated evaluation.

The Board evaluation in 2020 followed a period of expansion including the partnership with Linde, the associated fundraising and changes to the Board. The evaluation was undertaken in-house through questionnaire and interviews with the Chair and reported to the Board. The evaluation was a qualitative assessment of key matters including the composition of the Board, quality of engagement at Board level including with the Executive team, clarity of strategic objectives across the Board and information flow to the Board and Board and committee planning. Following the evaluation improvements have been made to financial reporting to the Board, new detailed corporate objectives were identified and are reported against, changes to the committee structures were undertaken and further work on succession planning has been undertaken.

New Directors are subject to election at the first Annual General Meeting of the Company following their appointment. In addition, all Directors who have been in office for three years or more since their election or last re-election are required to submit themselves for re-election at the Annual General Meeting of the Company. At each Annual General Meeting of the Company all those Non-Executive Directors who have been in office for nine years or more since the date on which they were originally elected as a Non-Executive Director of the Company are required to retire from office, but may stand for re-appointment.

The Company considers that it has a strong Board. Board succession has been focussed on recruiting individuals who bring significant value to the Board as the Group's business develops. The Nominations Committee is undertaking more formal succession planning as the Group's business continues to develop.

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

ITM Power seeks to engage staff across its business. ITM's core values are openness, embracing innovation, integrity, delivering on commitments and providing value to shareholders. To ensure that ethical values and behaviours remain embedded in its business as the Company expands, the Board has approved a Code of Ethics in 2021. ITM Power will be undertaking a programme of training for all staff on the Code of Ethics and its updated anti-fraud and bribery programme in 2021.

The wide ranging expertise across the business and passion for the impact that ITM Power has, creates a real opportunity to engage with its employees in all aspects of business operations.

ITM continues to maintain a leadership style that sets expectations around employee behaviour, based on an open culture, collaborative team working and leading by example. These are fundamental to the ITM Power culture. The Board has included behavioural objectives within the Company's corporate objectives to support these aims. ITM Power seeks to promote this culture through an open-door policy to senior managers and leaders, a flat structure and close-knit team-working. As ITM Power expands, this will be further supported by the creation of the ITM Academy, which will include ethics training for all staff and training for line managers. In addition, the expanded HR function is revamping the performance management system supporting staff development and One ITM team.

ITM Power is an equal opportunities employer which is reflected in our workforce. We positively encourage recruitment applications from suitably qualified and eligible candidates regardless of sex, race, disability, age,

sexual orientation, gender, religion or belief, marital status, or pregnancy and maternity. More than this, we recognise the collective benefit of having diverse teams, enriching the working lives of the ITM Power team and better serving our global client base.

As part of ITM Power's formal induction process, we focus on bringing key policies to the attention of new staff and all staff are given access to the Company Handbook which details the level of behaviour that is expected of our staff. Updates to policies or procedures, or reminders, are communicated to all staff. ITM Power's HR Manager works with and is available for all staff and line managers discuss any queries or advice regarding all policies and staff expectations. The ITM Academy will develop induction training and ongoing learning and development substantially in 2021.

As part of ITM Power's commitment to safety through its dedicated health, safety, environmental risk management and quality (HSEQ) team members, it provides specific training to provide awareness of their environments and surroundings and ITM health and safety policies for all new staff. ITM Power believes in a top down approach and as part of this, our team of directors undertake workplace inspections with the Company's HSEQ team members and in December 2020, the Board undertook training based on the Institute of Directors and Health and Safety Executive Leading Safely guidance as part of its commitment to leading safety from the top.

As ITM Power progresses towards attaining ISO45001/14001 accreditation later in 2021, we have external support in conducting gap analysis to identify improvement opportunities to meet and where possible exceed the expectations of the accreditation. The programme for accreditation includes wide staff participation and consultation with employees and also auditing processes in the pursuit of zero harm to people or products. A further employee survey on health and safety is expected in Q1 of 2021.

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

Sir Roger Bone is the Company's Chairman. He was appointed as a Non-Executive Director to ITM Power in June 2014 and subsequently became Chairman on 31 October 2019. The role of the Chairman is to lead and manage the business of the Board to provide direction and focus, while ensuring that there is a clear structure for the effective operation of the Board and its committees. He sets the agenda for Board discussions to promote effective and constructive debate and to support a sound decision-making process, ensuring that the Board receives accurate, timely and clear information, in particular about the Company's performance.

The Chairman and the Chairmen of the Board committees communicate regularly with the CEO and other Board and committee members. The Company is very clear that there is a division of responsibilities between the role of Chairman and the CEO.

Graham Cooley was appointed as the Company's CEO in July 2009. The CEO is responsible for the executive management of the Company's operations in charge of the management team and to whom all other executive directors report. The CEO answers to the Board for the way the business is run and its performance. Each executive director has a defined scope of responsibility for core parts of the operations with heads of department each reporting to an executive director.

Nicola Ham Edmonds was appointed Company Secretary in September 2019. Under the direction of the Chairman, the Company Secretary's responsibilities include ensuring good information flows within the Board and its committees and between senior management and Non-Executive Directors, as well as facilitating induction and assisting with professional development as required. The Company Secretary is responsible for advising the Board through the Chairman on all governance matters. All directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are complied with. The Board and its committees also have access to external advice where required. For example, Remuneration Committee retains EY as its independent advisers for certain matters relating to executive remuneration and long term incentive plans.

The Board operates through clearly identified Board committees to which it delegates certain powers. These are the Remuneration Committee, the Audit Committee, the Nominations Committee, the Technology Management Committee, the Disclosure Committee and the Executive Committee. In 2021, the Board has also formed an ESG Committee and a Strategic Advisory Committee focussing on advising the Board on key business development activity. They are properly authorised under the constitution of the Company to take decisions and act on behalf of the Board within the guidelines and delegations laid down by the Board. Each Board Committee agrees an annual work plan. The Board is kept fully informed of the work of these committees, has access to the minutes of each committee and each committee has access and support from the Company Secretary and the Head of Legal. Any issues requiring resolution are referred to the full Board. A summary of the operations of these committees is set out on ITM Power's website.

The Board has a governance aim to be best in class in the AIM Top 50. The Board and its committees have been working with the Company Secretary and Board Intelligence to improve reporting processes and the quality of the reporting and discussions at the Board and its committees. This includes training ITM team members with reporting responsibilities to the Board and its committees.

Each Board committee reviews its terms of reference and its performance annually to ensure that the scope and performance of each committee remains appropriate and reports to the Board.

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

As noted under Principal 2 above, the Company reports to shareholders and other stakeholders through roadshows, the AGM, its website and regularly through its investor relations team and through regulated news service and more generally through newsletters and its social media activity.

Non-Executive members of the Board also make themselves available as appropriate for further dialogue with investors.

All votes put to the shareholders of the Company at the 2020 Annual General Meetings and all general meetings since have been passed.

The Annual Reports for the Company, including the latest published Annual Reports, can be found on ITM Power's website at <http://www.itm-power.com/investors>. Further governance-related material can also be found at <http://www.itm-power.com/investors/aim-info>.