

DRAPER ESPRIT PLC ("Draper Esprit" or the "Company")

Chair's Corporate Governance Statement 2020

(The information in this statement was last reviewed on 30 June 2020)

Introduction

This Statement is issued in compliance with Rule 26 of the AIM Rules. Draper Esprit plc is incorporated in England and Wales and its shares are listed on AIM, the market of that name operated by the London Stock Exchange and the Euronext Growth market operated by Euronext Dublin.

The Principles of Corporate Governance

As Chair of Draper Esprit plc, I am responsible for leading the Board and upholding high standards of corporate governance throughout the Group, and particularly at Board level.

My fellow directors and I share the view that sound governance is fundamental to the successful growth of the business. We continue to apply the principles of the corporate governance code for small and mid-size quoted companies published by the Quoted Companies Alliance (the "QCA Code"). This Corporate Governance Report sets out how we apply the QCA Code principles, and summarises both how our Board and Committees operate, and their key activities during the year.

The Board believes that it applies the ten principles of the QCA Code, but recognises the need to continue to review and develop our governance practices and disclosures in order to ensure they support the growth and strategic progress of the business and the effective application of the principles going forwards. Our governance structure provides a framework of established and clearly articulated roles, authority limits and controls, which allows the Executive team to focus on delivering the investment strategy of the Group. These systems are designed to support our compliance with the QCA Code, the AIM Rules, the Euronext Growth Rules, the Full Scope AIFM regulations and other legal, regulatory and compliance requirements, which apply to us.

Deliver growth

The Board has collective responsibility for setting the strategic aims and objectives of the Group. Our strategy is articulated in our 2020 Annual Report and on our website. The portfolio investments that we have undertaken during the year, together with the revolving credit facility agreed in June 2019 and the completion of our acquisition of Encore Ventures LLP, demonstrate how we have continued to execute against our strategy and deliver growth and scale in our portfolio, as well as our own business, which we believe will continue to drive long-term, sustainable returns for our shareholders. The Board reviews the Group's strategy each year, which takes into account the expectations of the Company's shareholder base and its wider stakeholders and social responsibilities.

The Board also has responsibility for the Group's internal control and risk management systems. The Board regularly reviews the risks faced and ensures the mitigation strategies in place are effective and appropriate to the Group's operations. More information on the principal risks faced by the Group are set out in our 2020 Annual Report.

Dynamic management framework

As Chair, I consider the operation of the Board as a whole, and the individual performance of the Directors. During the year, we conducted a detailed Board performance evaluation process, as described in further detail our 2020 Annual Report. The results of the evaluation indicated that the Board and its Committees are operating effectively, and highlighted some areas for continued improvement to ensure that our processes continue to support strong and effective governance.

The Company operates an open and inclusive culture, and this is reflected in the way that the Board conducts itself. We believe this makes a valuable contribution to our ability to execute our strategy and deliver value for our shareholders and other stakeholders. The Non-Executive Directors and I regularly attend the Company's offices and other Company events, and I frequently attend the Company's weekly Investment Committee meeting. With a relatively small

employee base, such interactions mean it is fairly straightforward for the Board to promote and assess the desired corporate culture. Our open and inclusive approach is important not just in the way we operate as an internal team, but also in the hands-on way in which our team supports the growth of our investee companies. The Board recognises the importance of retaining a proactive focus on culture as the Company grows, and in line with the outcomes of the Board evaluation (details of which can be found in our 2020 Annual Report), will be continuing our focus on this area during the coming year.

Build trust

The Board recognises the importance of understanding the expectations of our shareholders, and a description of our activity in this area is set out in our 2020 Annual Report. Investor relations is a standing item on the Board's agenda and we receive regular feedback from the Executive team on their discussions with shareholders and potential investors. Recognising the increasing focus on environmental, social and governance ("ESG") issues in the investment community, and following the Board's approval of the Group's ESG strategy in the previous year, the Group signed up to the UN Principles of Responsible Investment during the year. More detail on our ESG activities and objectives can be found in our 2020 Annual Report.

The Board will continue to monitor its application of the QCA Code principles and ensure that our corporate governance framework continues to evolve in line with the strategic development of the Group.

Relations with shareholders and stakeholders

Regular communication with institutional shareholders is maintained through individual meetings with the Executive Directors, particularly following the publication of interim and full-year results. During the year, I also wrote to the Company's largest investors, and attended meetings with significant shareholders.

The Board encourages shareholders to attend and vote at the Company's General Meetings, at which members of the Board are in attendance and available for shareholder questions. Investor relations are a standing item on the Board's agenda, and the executive team routinely updates the Board as to outcomes of their meetings with shareholders and potential investors. These initiatives help us to understand shareholders' views and to address their concerns.

Due to the Company's relatively small employee base, the Directors are able to engage directly with employees, and the Non-Executive Directors have an open invitation to attend the Company's weekly Investment Committee meetings.

The Company's other key stakeholders are our investee companies, with which we have regular contact, in particular where we have a seat as a director or Board observer of that company. We host an annual CEO day for our investee companies, to which our Directors, shareholders and key advisers are also invited. This forms part of a wider events programme targeted towards our investee companies and early stage companies. For our portfolio companies, we participate in an annual CEO conference in Silicon Valley via the Draper Venture Network to connect them to corporates, partners and investors globally. For the wider community, we regularly hold thematic events across the regions and sectors we focus on. In addition to enabling our investee companies and wider partners to meet each other and gain valuable insight, these events also give us regular opportunities to engage with these communities and thereby strengthen our relationships with them. For more information on our stakeholder considerations please see our section 172 Companies Act 2006 disclosures found in our 2020 Annual Report.

Karen Slatford

Chair

Draper Esprit plc