

# **Corporate Governance**

**Ad Astra Rocket Company**  
**A Delaware Corporation**

**141 W. Bay Area Blvd**  
**Webster, TX. 77598**  
**USA**

November, 2025

(Approved by the Board of Directors October 23, 2025)

Signed by: Franklin Chang Díaz, CEO

A handwritten signature in black ink, appearing to read "Franklin Chang Díaz", is placed over a horizontal line.

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## **2. Introduction**

This document outlines the tenets of Corporate Governance (CG) followed by Ad Astra Rocket Company (Ad Astra) and describes the principles controlling the company's relationship with its Employees, Shareholders, Government entities, Board of Directors, Executives, External auditors, its Customers and the community at large. Adherence to these principles ensures ethical behavior in a framework of management discipline and transparency throughout the corporation and in its relationship with society and is consistent with Ad Astra's stated values and best performance.

## **3. Ad Astra's Mission Statement**

For our operations in Houston related to the development of an in-space propulsion system:  
*Mission: We are revolutionizing space propulsion technology*

For our operations in *Costa Rica* related to energy efficiency and green hydrogen:  
*Mission: Implementing innovative engineering to enable a sustainable future*

## **4. Ad Astra's Vision**

For our operations in Houston related to the development of an in-space propulsion system:  
*Vision: Revolutionizing human space exploration*

For our operations in *Costa Rica* related to energy efficiency and green hydrogen:  
*Vision: Leading sustainability for humanity's future*

## **5. Ad Astra's Corporate Values**

The governance of Ad Astra Rocket Company shall rest on a solid foundation of human values, including:

### ***Integrity***

We act with honesty, accountability, and respect, building trust with our teams, partners, and communities.

### ***Innovation***

We push the boundaries of science and technology to create solutions that address humanity's greatest challenges on Earth and in space.

### ***Excellence***

We operate with the highest standards of precision, reliability, and quality to deliver results.

### ***Tenacity***

We pursue bold goals with grit and determination, learning from challenges and persisting until we succeed.

### ***Collaboration***

We work as one team, valuing diversity of thought and building partnerships to amplify our impact.

## ***Passion***

We innovate with the heart, we are deeply enthusiastic about what we do, and what we can do.

### **6. Ad Astra as a Private and Public Company**

In the United States, Ad Astra Rocket Company operates as a private Delaware Corporation under the laws of the State of Texas where it is domiciled. Ad Astra sells shares of the company's stock to accredited investors via private placements in the United States. In 2010, pursuant to Regulation S of the US Securities Act, Ad Astra offered shares of common stock for listing on the *Bolsa Nacional de Valores*, a small public market in Costa Rica where approximately 20% of the company's common shares are publicly traded. In compliance with US law, the purchase of Ad Astra's common shares in Costa Rica's public market is only available to Non-US Persons. Because of its participation in the Costa Rican public market, Ad Astra must comply with Costa Rican securities regulation as specified by the *Superintendencia General de Valores (SUGEVAL)*.

### **7. Board of Directors – Composition and Internal Governance**

The Board of Directors shall observe the highest standards of ethics and performance and endeavor to maintain and strengthen the company's culture and values.

#### **7.1. Board Composition**

Directors' loyalty should be to the company and its shareholders. A board must not be beholden to the CEO or management. A significant majority of the board must be independent (at two under Costa Rican regulations) under the New York Stock Exchange rules or similar standards. Ad Astra's independent directors shall not be company employees, family members of employees or other board members, and/or material company consultants/contractors. All directors must have high integrity and the appropriate competence to represent the interests of all shareholders in achieving the long-term success of their company. To facilitate engaged and informed oversight of the company and the performance of its management, a subset of directors shall have professional experience directly related to the company's business. At the same time, however, it is important to recognize that some of the best ideas, insights and contributions can come from directors whose professional experiences are not directly related to the company's business. Directors should be strong and steadfast, independent of mind and willing to challenge constructively but not be divisive or self-serving. Collaboration and collegiality also are critical for a healthy, functioning board.

Directors should be business savvy and have a genuine passion for the company. Directors should have complementary and diverse skill sets, backgrounds and experiences. Diversity along multiple dimensions is critical to a high-functioning board. Director candidates should be drawn from a rigorously diverse pool.

The Ad Astra board shall be large enough to allow for a variety of perspectives, as well as to manage required board processes and small enough to promote an open dialogue among directors. A board size between 7 and 10 is considered ideal.

Ad Astra Directors need to commit sufficient time and energy to their role as directors and be available to attend scheduled meetings and support teleconferences and special activities as required. The Ad Astra board shall have four scheduled meetings per year to coincide approximately with every quarter of the year. One of these meetings (typically in November) will coincide with the company's annual shareholder's meeting.

## **7.2. Election of directors**

Ad Astra Directors are nominated annually by the existing board or by the company major shareholders and are elected by a majority of votes cast by the shareholders "for" and "against/withhold" (i.e., abstentions and non-votes are not counted).

## **7.3. Director compensation and stock ownership**

Ad Astra's directors are equally compensated for board service by the issuance of stock options pursuant to Ad Astra's 2016 Stock Incentive Plan. If directors receive any additional compensation from the company unrelated to their service as a board member, such activity shall be disclosed and explained.

## **7.4. Board committee structure and service**

Ad Astra shall conduct a thorough and robust orientation program for their new directors, including background on the industry and the competitive landscape in which the company operates, the company's business, its operations, and important legal and regulatory issues, etc. Due to its present small size, Ad Astra maintains three active committees: Audit, Finance, and Compensation. Other committees shall be added as needed and as the company grows. These committees normally meet bi-annually with additional meetings scheduled in an as needed basis.

## **7.5. Director tenure and retirement age**

The nature and stage of Ad Astra's business requires for the board to retain a great deal of historic and corporate knowledge, so board members are not given term or age limits when they join. It is essential that the company attract and retain strong, experienced and knowledgeable board members. The 2025-2026 board is comprised of 9 directors.

## **7.6. Director effectiveness**

Each Ad Astra board member shall self-evaluate annually and be prepared to discuss his/her self-evaluation in an executive session to be held at the first board session of the calendar year.

## **7.7. Director communication with third parties**

Ad Astra shall maintain a robust communication with the company's shareholders. Normally, this communication is coordinated through the company's Global Communications Department and follows previously established channels, such as formal company announcements, press releases, and Material Event Notices, which the CEO approves in consultation with the members of the board. From time to time, or under special circumstances, the company, through its board, may designate certain directors to communicate directly with shareholders, the media and/or the public.

Directors should speak with the media about the company only if authorized by the board and in accordance with company policy.

### **7.8. Setting the agenda**

The Chairman of the Board sets the agenda for the board meetings with inputs from the full board. Over the course of the year, the agenda shall include a detailed status report of the business operation and a robust, forward-looking discussion of the company near and long-term strategy, including major issues such as capital commitments and strategic investments. The board shall provide feedback to the CEO on his/her performance and that of top management, as well as encourage discussions on succession planning. Without being risk-averse, the board should be well calibrated on company risks, including reputational risks. Board decisions taken outside of the board meeting require a unanimous written consent signed by all the directors. The table below shows general topics routinely covered quarterly during the calendar year.

<b>March</b>	<b>June</b>	<b>September</b>	<b>November</b>
Board Self Evaluation	Annual Audit Review	Q3 financials	Corp Governance
Annual Audit	Q2 financials		Q4 financials
Q1 financials			Shareholders Meeting
			Review next year's plan

## **8. Public Reporting**

Ad Astra shall meet the requirements of public reporting as stated by the Costa Rican regulator, *Superintendencia General de Valores* (SUGEVAL). Generally, these requirements are handled electronically through the SUGEVAL's web-based secure system. The company publishes material announcements, allocation reports, un-audited quarterly and audited annual financial statements in accordance with Generally Accepted Accounting Principles ("GAAP") in Ad Astra's Costa Rica web site (accessible only in Costa Rica). The company prospectus for the Costa Rica Stock Exchange is published annually through the SUGEVAL accompanied by a sworn declaration.

## **9. Management Succession Planning**

Ad Astra's Senior Management self-evaluate and are evaluated by the board of directors annually. The smallness of the company (less than 20 employees) implies that board of directors has direct exposure to key employees and can make an informed assessment.

## **10. Audit Committee**

The Ad Astra Audit Committee is chaired by a director and operates under the Audit Committee Charter approved by the board of directors.

## **11. Finance Committee**

The Ad Astra Finance Committee is chaired by a director and operates under the Finance Committee Charter approved by the board of directors. Its purpose is to provide oversight of budgeting, financial planning, and capital strategy.

## **12. Compensation of Management**

To be successful, Ad Astra must attract and retain the best people – and competitive compensation of management is critical in this regard. To this end, the company pays close attention to salary ranges appropriate to the skill and experience level of its employees. In addition, the company offers attractive benefits packages and has established a Stock Incentive Plan to reward outstanding performance by its employees and directors. The Compensation Committee will have at least one independent director. The Committee reviews annually the compensation packages of Ad Astra's top management and key employees.