

**RENEURON GROUP PLC**

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**CORPORATE GOVERNANCE POLICIES**

**NOVEMBER 2018**

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**COVINGTON**

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## **CORPORATE GOVERNANCE POLICY**

### **INTRODUCTION AND BACKGROUND TO THE POLICIES**

Rule 26 of the AIM Rules for Companies requires each AIM company to maintain a website from admission which gives details of a recognised corporate governance code that the board of directors has decided to apply, how the company complies with that code, and where it departs from its chosen corporate governance code an explanation of the reasons for doing so. This information must be reviewed annually.

ReNeuron's board of directors has resolved to apply the Quoted Companies Alliance's "Corporate Governance Code for Small and Mid-size Quoted Companies 2018" (the "QCA Code"). The QCA Code contains 10 corporate governance principles and step-by-step guidance on how to effectively apply the principles within the company, as well as requiring the publication of certain minimum disclosures, either in the company's annual report and accounts or its website (or a combination of the two). ReNeuron's corporate governance policy as set out herein is based on the QCA Code.

A summary of the QCA Code is set out in the Company's Corporate Governance Memorandum.

#### **1. COMPOSITION OF THE BOARD**

##### **1.1 Board composition**

The composition of the Company's Board and its committees as at the date of this policy is as follows:

##### **(A) Board**

###### **(1) Executive directors:**

Olav Hellebø

Michael Hunt

###### **(2) Non-executive directors:**

Independent:

John Berriman (Chair)

Simon Cartmell

Dr. Tim Corn

Dr Claudia D'Augusta

Dr Mike Owen

Sir Chris Evans

##### **(B) Board committees**

###### **(1) Audit Committee: Dr. Claudia D'Augusta (Chair), John Berriman and Simon Cartmell.**

- (2) Remuneration Committee: Simon Cartmell (Chair), John Berriman and Dr. Tim Corn.
- (3) Nomination and Corporate Governance Committee: John Berriman (Chair), Simon Cartmell and Dr. Claudia D'Augusta.

## 2. **TERMS OF REFERENCE FOR BOARD COMMITTEES**

Schedules 1 to 3 of this policy contain Terms of Reference for the Audit, Nomination and Remuneration Committees respectively; which substantially reflect the QCA Code subject to some modification appropriate for the Company (for example, the Company does not currently operate an internal audit process). These Terms of Reference are attached.

The Board remains vigilant on an on-going basis as to the continued suitability of these Terms of Reference and as to whether any additional provisions are required.

## 3. **MATTERS RESERVED TO THE BOARD**

According to best practice decisions relating to matters of importance to a company are reserved to the Board. This is a recommendation of the QCA Code. As the QCA Code is silent as to the specifics of matters to be referred to the board, ReNeuron has referred to the UK Corporate Governance Code in order to ensure best practice is followed. Schedule 4 sets out a list of matters reserved for Board approval. Where matters are marked '\*', decisions should not be delegated.

Whilst it is desirable for the full Board (or a quorate designated committee) to consider all material issues, it is recognised that urgency may dictate that this is not possible. In reserving matters for the attention of the Board, procedures should be set out which address such circumstances. The most appropriate solution is to hold a telephone/video conference meeting with as many directors attending as possible. This allows directors the opportunity to discuss the matters and ask questions. Any director who cannot attend should still be sent the relevant papers and have the opportunity to give their views to the Chairman of the Board, another director or the company secretary before the meeting. Where the matter is routine, a written resolution from Board members will suffice where a Board meeting is not possible. Any Board member should be permitted to call an emergency Board meeting should this be considered necessary. It is important to ensure that, whatever the circumstances, all of the directors are as fully informed as possible about all matters materially affecting the Company.

## 4. **CONFLICT OF INTEREST POLICY**

It is considered essential to have a robust policy setting out procedures relating to the approval and monitoring of 'related party' transactions. This is in addition to the general obligations which directors have to declare interests and conflicts to the Board. Reference to this is made in the attached draft Terms of Reference for the Audit Committee (paragraphs 10.1(B)(6) and (7)). The Audit Committee plays a key role in approving and monitoring the conduct of such transactions, and should require follow-up reports on a regular basis.

## 5. **RESTRICTIONS ON DEALINGS UNDER MAR AND SHARE DEALING CODE**

Article 19 of the Market Abuse Regulation (EU) No.596/2014 ("MAR") provides that persons discharging managerial responsibilities ("PDMRs") (broadly directors and senior managers) and their closely associated persons must not conduct any transactions on their

own account or for the account of a third party, directly or indirectly, relating to the company's shares or debt instruments or to derivatives or other financial instruments linked to them during a closed period.

MAR defines a “**closed period**” as the period of 30 calendar days before the announcement of an interim financial report or a year-end report which the issuer is required to make public according to its national rules. In the UK, issuers are not required to announce preliminary financial results, but it is market practice to do so. The Financial Conduct Authority (“**FCA**”) and the European Securities and Markets Authority (“**ESMA**”) have confirmed that where a company publishes preliminary financial results prior to the publication of full annual results, the announcement of the preliminary financial results will mark the end date of the closed period under MAR, provided that those preliminary financial results contain all the key information relating to the financial figures expected to be included in the year-end report.

A “person closely associated” (“**PCA**”) is defined in MAR (*Article 3(1)(26)*) and FSMA (*section 131AC*) as:

- (a) a spouse, or a civil partner;
- (b) a child or step-child under the age of 18 years who is unmarried and does not have a civil partner;
- (c) a relative who has shared the same household for at least one year on the date of the transaction concerned; or
- (d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a PDMR or by a person referred to in paragraphs (a), (b) or (c), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.

MAR provides limited exceptions to the restriction on dealings outlined above. The Company may give the PDMRs and PCAs permission to deal during a closed period in the following circumstances:

- (a) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares; or
- (b) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme, qualification or entitlement of shares, or transactions where the beneficial interest in the relevant security does not change.

In order to be able to trade under one of the circumstances set out in paragraphs (a) and (b), the PDMR must be able to demonstrate that the particular transaction cannot be executed at another moment in time, other than during the closed period. Circumstances will be considered to be exceptional when they are all of the following: (i) extremely urgent; (ii) unforeseen; (iii) compelling; (iv) where their cause is external to the PDMR; and (v) the PDMR has no control over them. In practice, due to these stringent requirements, it is likely to be difficult to rely on the exceptional circumstances exemption. ESMA's guidance also set out the circumstances in which a company can grant, and PDMRs and PCAs can exercise, share options or awards during a closed period, provided that certain conditions are satisfied.

Under MAR, PDMRs and PCAs must notify the company and the FCA of every transaction conducted on their own account relating to the company's shares or debt instruments or derivatives or other financial instruments linked to the company's shares or debt instruments. The notification obligation only applies once transactions totalling EUR 5,000 have been reached in a calendar year. The EUR 5,000 threshold is calculated by adding (without netting) all transactions referred to in MAR that are required to be notified. The types of transactions that are notifiable are broadly drafted in MAR and include sales, acquisitions, subscription, gifts, pledges and loans of shares.

The notification by the PDMR or PCAs to the company and the FCA must be made promptly on a prescribed form and no later than three business days after the date of the transaction. The company must also make that information public promptly via RIS and no later than three business days after the relevant transaction.

Under FSMA, the FCA has various powers to require information from issuers, PDMRs and PCAs for the purpose of protecting investors and the orderly operation of the markets. If a director, other officer, PDMR or PCA fails to provide the information requested or provides false or misleading information, such person commits an offence liable to imprisonment or a fine.

Rule 21 of the rules for AIM Companies published by the London Stock Exchange plc (the "**AIM Rules**") provides that an AIM company must have in place a reasonable and effective dealing policy setting out the requirements and procedures for directors' and applicable employees' dealings in any of the Company's AIM securities. At a minimum, an AIM company's dealing policy must set out the following:

- the AIM company's closed periods during which directors and applicable employees cannot deal;
- when a director or applicable employee must obtain clearance to deal in the AIM securities of the AIM company;
- an appropriate person(s) within the AIM company to grant clearance requests;
- procedures for obtaining clearance for dealing;
- the appropriate timeframe for a director or applicable employee to deal once they have received clearance;
- how the AIM company will assess whether clearance to deal may be given; and
- procedures on how the AIM company will notify deals required to be made public under MAR.

The company is also required to appoint an individual of sufficient seniority to grant deal clearance requests, with consideration given to an alternative if a person so appointed is not independent in respect of a particular request.

The guidance on Rule 21 notes that the company will be expected to consider its wider obligations under MAR and that compliance with Rule 21 will not mean that the company has also satisfied Article 19 of MAR (and vice versa).

Schedule 5 contains the Company's Share Dealing Code. Its purpose is to ensure that directors and certain employees do not abuse, and do not place themselves under suspicion of abusing, inside information. It is also important that appropriate procedures be put in place and that all relevant staff be advised of the requirement to notify and obtain approval for any proposed share dealing and the method by which this should be done.

6. **WHISTLE BLOWING POLICY**

A copy of the policy can be found at Schedule 6 of these policies.

**SCHEDULE 1**  
**RENEURON GROUP PLC**  
**AUDIT COMMITTEE**  
**TERMS OF REFERENCE**

**(as approved by the Board of Directors of the Company on 21 November 2018)**

**Definitions:**

“the Board”	the board of directors of the Company
“the Committee”	the audit committee of the Board
“the Company”	ReNeuron Group plc

**1. CONSTITUTION**

The Committee shall be a committee of the Board within Article 157.1.2 of the Articles of Association of the Company.

**2. MEMBERSHIP**

2.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination and Corporate Governance Committee in consultation with the chairman of the Audit Committee. The Committee shall be made up of at least three members.

2.2 All members of the Committee shall be independent non-executive directors at least one of whom shall have recent and relevant financial experience. The Chairman of the Board may be a member, but not chairman, of the Committee.

2.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals (such as the CEO, CFO, other directors, department heads and the Financial Controller) may be invited to attend all or part of any meeting as and when appropriate and necessary.

2.4 The external auditors may be required to attend Committee meetings, but not generally in the presence of any of the executive directors of the Company, with a view to consulting with the Committee.

2.5 Appointments to the Committee shall be for a period of up to three years, which may be extended for further periods of up to three years, provided that the director is, at the time of the extension (and remains thereafter), independent.

2.6 The Board shall appoint the Committee chairman who shall be an independent non-executive director. In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.



2.7 Outside of the formal meeting programme, the Committee chair will maintain a dialogue with key individuals involved in the Company's governance, including the Chairman of the Board, CEO, CFO and external audit lead partner.

### 3. **SECRETARY**

The company secretary or his nominee shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consultation to be given to all issues.

### 4. **QUORUM**

The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

### 5. **FREQUENCY OF MEETINGS**

The Committee shall meet at least twice a year at appropriate times in the reporting and audit cycle and otherwise as required.

### 6. **NOTICE OF MEETINGS**

6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of any of its members or at the request of external or internal auditors if they consider it necessary.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

### 7. **VOTING**

7.1 Matters arising at any meeting of the Committee shall be decided by a majority of votes.

7.2 Each member of the Committee present at a meeting of the Committee shall have one vote on matters arising at the meeting. Save where he or she has a personal interest, the chairman of the Committee shall have a casting vote on any matter in respect of which there is equality of votes.

7.3 A member of the Committee shall not vote in respect of any matter being considered by the Committee in which he has, directly or indirectly, a personal interest and shall not be counted in the quorum at a meeting in relation to any matter on which he is debarred from voting.

### 8. **MINUTES OF MEETINGS**

8.1 The secretary of the Committee shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

8.2 The secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

8.3 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once finalised and agreed, the minutes shall be circulated to all members of the Board, unless a conflict of interest exists or it would be inappropriate to do so in the opinion of the Committee chairman.

## 9. **ANNUAL GENERAL MEETING**

The chairman of the Committee shall attend each Annual General Meeting of the Company prepared to respond to any shareholder questions on the Committee's activities.

## 10. **DUTIES**

The Committee should carry out the duties below for the Company, major subsidiary undertakings and the group as a whole, as appropriate.

### 10.1 **Financial reporting**

(A) The Committee shall monitor the integrity of the financial statements of the Company, including its annual and half-yearly reports, interim management statements, preliminary results' announcements and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgements which they contain. The Committee shall also review summary financial statements, significant financial returns to regulators and any financial information contained in certain other documents, such as announcements of a price sensitive nature.

(B) The Committee shall review and challenge where necessary:

- (1) the consistency of, and any changes to, accounting policies both on a year on year basis and across the Company and its group;
- (2) the methods used to account for significant or unusual transactions where different approaches are possible;
- (3) whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
- (4) the clarity of disclosure in the Company's financial reports and the context in which statements are made;
- (5) all material information presented with the financial statements, such as the business review/operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management);
- (6) any material financial or non-financial arrangements which do not appear in the financial statements; and
- (7) any transactions or courses of dealing with directors, employees and shareholders of the Company and persons connected with them which are significant in size or which involve terms or other aspects that differ from those which would be likely to be negotiated with independent parties.

- (C) The Committee shall review the annual financial statements of the pension funds (if any) where not reviewed by the Board as a whole.
- (D) If the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it shall report its views to the Board.
- (E) Where requested by the Board, the Committee should review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy.

## 10.2 **Internal controls and risk management systems**

The Committee shall:

- (A) keep under review the adequacy and effectiveness of the Company's internal financial controls and internal control and risk management systems; and
- (B) review and approve the statements to be included in the annual report concerning internal controls and risk management.

## 10.3 **Whistleblowing and fraud**

The Committee shall:

- (A) monitor and review the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and effective independent investigation of such matters and appropriate follow up action;
- (B) review the Company's procedures for detecting fraud; and
- (C) review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance.

## 10.4 **Internal audit**

The Committee shall review (at least annually) the desirability of the adoption by the Company of formal internal audit processes and, if the Committee determines that such processes are desirable, it shall recommend to the Board what processes should be adopted and how such policies should be monitored.

## 10.5 **External Audit**

The Committee shall:

- (A) consider and make recommendations to the Board, to be put to shareholders for approval at the Annual General Meeting, in relation to the appointment, re-appointment and removal of the Company's external auditor. The Committee shall oversee the selection process for new auditors and if an auditor resigns the Committee shall investigate the issues leading to this and decide whether any action is required;

- (B) ensure that at least once every ten years the audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms and oversee the selection process and further ensure that all tendering firms have such access as is necessary to information and individuals during the tendering process;
- (C) oversee the relationship with the external auditor including (but not limited to):
  - (1) recommendations on their remuneration, including fees for audit or non-audit services and that the level of fees is appropriate to enable an effective and high quality adequate audit to be conducted;
  - (2) approval of their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;
  - (3) assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services;
  - (4) satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the Company (other than in the ordinary course of business) which could adversely affect the auditors' independence and objectivity;
  - (5) agreeing with the Board a policy on the employment of former employees of the Company's auditor, then monitoring the implementation of this policy;
  - (6) monitoring the auditor's compliance with relevant ethical and professional guidance on the rotation of audit partners, the level of fees paid by the Company compared to the overall fee income of the firm, office and partner and other related requirements;
  - (7) assessing annually their qualifications, expertise and resources of the auditor and the effectiveness of the audit process, which shall include a report from the external auditor on their own internal quality procedures;
  - (8) seeking to ensure co-ordination with the activities of the internal audit function; and
  - (9) evaluating the risks to the quality and effectiveness of the financial reporting process and consideration of the need to include the risk of the withdrawal of their auditor from the market in that evaluation;
- (D) meet regularly with the external auditor, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the external auditor at least once a year, without management being present, to discuss their remit and any issues arising from the audit;
- (E) review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team;

- (F) review the findings of the audit with the external auditor. This shall include but not be limited to, the following:
  - (1) a discussion of any major issues which arose during the audit;
  - (2) any accounting and audit judgements;
  - (3) levels of errors identified during the audit; and
  - (4) the effectiveness of the audit; and
- (G) the Committee shall also:
  - (1) review any representation letter(s) requested by the external auditor before they are signed by management;
  - (2) review the management letter and management's response to the auditor's findings and recommendations; and
  - (3) develop and implement a policy on the supply of non-audit services by the external auditor to avoid any threat to objectivity and independence, taking into account any relevant ethical guidance on the matter.

#### 10.6 Reporting responsibilities

- (A) The Committee chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities. The report shall include
  - (1) the significant issues that it had considered in relation to the financial statements and how these were addressed; and
  - (2) the assessment of the effectiveness of the external audit process and its recommendations on the appointment/reappointment of the external auditor;
- (B) The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- (C) The Committee shall produce a report to shareholders on its activities to be included in the Company's annual report. The report shall include an explanation of how the Committee has addressed the effectiveness of the external audit process, the significant issues that the Committee considered in relation to financial statements and how these issues were addressed having regard to matters communicated to it by the auditor.
- (D) In compiling the reports referred to in paragraph (A) and (C), the Committee should exercise judgement in deciding which of the issues it considers in relation to the financial statements are significant, but should include at least those matters that have informed the board's assessment of whether the company is a going concern. The report to shareholders need not repeat information disclosed elsewhere in the annual report and accounts, but could provide cross-references to that information.

## 10.7 **Other matters**

The Committee shall:

- (A) have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required;
- (B) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- (C) give due consideration to applicable laws and regulations and the provisions of the QCA Code, PLSA's Corporate Governance Policy and Voting Guidelines for Smaller Companies, the NAPF Corporate Governance Policy & Voting Guidelines for Smaller Companies, the recommendations for smaller companies and investment companies in ISS' UK and Ireland Proxy Voting Guidelines 2017 (as updated by the 2018 EMEA Proxy Voting Guidelines Updates, which apply to meetings on or after 1 February 2018) and the requirements of the London Stock Exchange's rules for AIM companies as appropriate;
- (D) be responsible for co-ordination of the internal and external auditors;
- (E) oversee any investigation of activities which are within its terms of reference;
- (F) arrange for periodic review of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and
- (G) consider such other matters as may be requested by the Board.

## 11. **AUTHORITY**

The Committee is authorised:

- (A) to examine any activity within its terms of reference and to have unrestricted access to the Company's external auditors;
- (B) to seek any information it requires from any director or employee of the Company in order to perform its duties;
- (C) to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference;
- (D) to call any employee to be questioned at a meeting of the Committee as and when required; and
- (E) to have the right to publish in the Company's Annual Report details of any issues that cannot be resolved between the Committee and the Board.

## **SCHEDULE 2**

### **RENEURON GROUP PLC**

#### **NOMINATION AND CORPORATE GOVERNANCE COMMITTEE**

##### **TERMS OF REFERENCE**

**(as approved by the Board of Directors of the Company on 21 November 2018)**

##### **Definitions:**

<b>“the Board”</b>	the board of directors of the Company
<b>“the Committee”</b>	the nomination and corporate governance committee of the Board
<b>“the Company”</b>	ReNeuron Group plc

#### **1. CONSTITUTION**

The Committee shall be a committee of the Board within Article 157.1.2 of the Articles of Association of the Company.

#### **2. MEMBERSHIP**

- 2.1 The Committee shall comprise at least three directors. A majority of the members of the Committee shall be independent non-executive directors. All appointments to the Committee shall be made by the Board.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals (such as the chief executive, the head of human resources and external advisers) may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for further periods of up to three years provided that the director still meets the criteria for membership of the Committee.
- 2.4 The Board shall appoint the Committee chairman who should be either the Chairman of the Board or an independent non-executive director. In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

#### **3. SECRETARY**

The company secretary or his or her nominee shall act as the secretary of the Committee.

#### **4. QUORUM**

The quorum necessary for the transaction of business at meetings of the Committee shall be two both of whom must be independent non-executive directors. A duly convened meeting of

the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

## **5. FREQUENCY OF MEETINGS**

- 5.1 The Committee shall meet at least twice a year and otherwise as required.
- 5.2 Other directors and external advisers may be invited to attend all or part of any meeting as and when appropriate.

## **6. NOTICE OF MEETINGS**

- 6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of any of its members.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

## **7. VOTING**

- 7.1 Matters arising at any meeting of the Committee shall be decided by a majority of votes.
- 7.2 Each member of the Committee present at a meeting of the Committee shall have one vote on matters arising at the meeting. Save where he or she has a personal interest, the chairman of the Committee shall have a casting vote on any matter in respect of which there is equality of votes.
- 7.3 A member of the Committee shall not vote in respect of any matter being considered by the Committee in which he has, directly or indirectly, a personal interest and shall not be counted in the quorum at a meeting in relation to any matter on which he is debarred from voting.

## **8. MINUTES OF MEETINGS**

- 8.1 The secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 8.2 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chairman of the Board and, once finalised and agreed, shall be circulated to all other members of the Board, unless a conflict of interest exists or it would be inappropriate to do so.

## **9. ANNUAL GENERAL MEETING**

The Committee chairman shall attend each Annual General Meeting of the Company prepared to respond to any shareholder questions on the Committee's activities.

## **10. DUTIES**

- 10.1 The Committee should carry out the duties below for the parent company, major subsidiary undertakings and the group as a whole, as appropriate.



10.2 The Committee shall:

- (A) regularly review the structure, size and composition (including the skills knowledge, experience and diversity) required of the Board and make recommendations to the Board with regard to any changes;
- (B) give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- (C) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- (D) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (E) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise with due respect for the diversity on the Board, including gender;
- (F) before any appointment is made by the Board, evaluate the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall:
  - (1) use open advertising or the services of external advisers to facilitate the search;
  - (2) consider candidates from a wide range of backgrounds; and
  - (3) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position;
- (G) for the appointment of the Chairman of the Board, prepare a job specification, including an assessment of the time commitment expected. A proposed Chairman of the Board's other significant commitments should be disclosed to the Board before appointment and any changes to the Chairman of the Board's commitments should be reported to the Board as they arise;
- (H) prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
- (I) ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;

- (J) review the results of Board performance evaluation process that relate to the composition of the Board;
- (K) review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- (L) work and liaise as necessary with other Board committees; and
- (M) be responsible for monitoring and ensuring the Company's compliance with applicable laws, regulations and guidance concerning corporate governance (including the QCA Code and the AIM Rules for Companies) and shall make timely recommendation to the Board as to the adoption of (or changes to) corporate governance policies or practices by the Company appropriate to the Company's circumstances;
- (N) be responsible for establishing, monitoring and reviewing the Company's procedures and controls for ensuring a robust process is in place for the appointment of new directors, the required skills and experience are identified for the Company's development, compliance with the AIM Rules and the timely and accurate disclosure of all information that is required to be disclosed in order to satisfy the Company's legal and regulatory obligations; and
- (O) at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board in general.

10.3 The Committee shall also consider and make recommendations to the Board concerning:

- (A) plans for succession for both executive and non-executive directors and, in particular, for the key roles of Chairman of the Board and chief executive;
- (B) suitable candidates for the role of senior independent director;
- (C) membership of the audit and remuneration Committees, and any other Board committees as appropriate, in consultation with the chairmen of those Committees;
- (D) the re-appointment of any non-executive director at the conclusion of their specified term of office, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
- (E) the re-election by shareholders of any director under the "retirement by rotation" provisions in the Company's articles of association, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);
- (F) any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract;

- (G) the appointment of any director to executive or other office; and
- (H) to consider such other matters as may be requested by the Board.

## 11. **REPORTING RESPONSIBILITIES**

- 11.1 The Committee chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 11.3 The Committee shall produce a report to be included in the Company's Annual Report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. Where an external agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company. The report should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy and progress on achieving objectives.

## 12. **OTHER**

The committee shall:

- 12.1 have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required;
- 12.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 12.3 give due consideration to laws and regulations, the provisions of the QCA Code, the NAPF Corporate Governance Policy and Voting Guidelines for Smaller Companies and the requirements of the AIM Rules for Companies and any other applicable rules, as appropriate; and
- 12.4 arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.

## 13. **AUTHORITY**

The Committee is authorised by the Board:

- (A) to examine activity within its terms of reference;
- (B) to seek any information it requires from any director or employee of the Company in order to perform its duties; and
- (C) to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

**SCHEDULE 3**  
**RENEURON GROUP PLC**  
**REMUNERATION COMMITTEE**  
**TERMS OF REFERENCE**

(as approved by the Board of Directors of the Company on 21 November 2018)

**Definitions:**

<b>“the Board”</b>	the board of directors of the Company
<b>“the Committee”</b>	the remuneration committee of the Board
<b>“the Company”</b>	ReNeuron Group plc

**1. CONSTITUTION**

The Committee shall be a committee of the Board within Article 157.1.2 of the Articles of Association of the Company.

**2. MEMBERSHIP**

- 2.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination and Corporate Governance Committee and in consultation with the chairman of the Remuneration Committee. The Committee shall be made up of at least three members, all of whom shall be independent non-executive directors. The Chairman of the Board may also serve on the Committee as an additional member, but not chair the Committee, if he or she was considered independent on appointment as Chairman of the Board.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals (such as the chief executive, the head of human resources and external advisers) may be invited to attend for all or part of any meeting as and when appropriate.
- 2.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for further periods of up to three years, provided the director still meets the criteria for membership of the Committee.
- 2.4 The Board shall appoint the Committee chairman who shall be an independent non-executive director. In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board shall not be chairman of the Committee.

**3. SECRETARY**

The company secretary or his or her nominee shall act as the secretary of the Committee.

#### 4. **QUORUM**

The quorum necessary for the transaction of business at meetings of the Committee shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

#### 5. **MEETINGS**

5.1 The Committee shall meet at least twice a year and otherwise as required.

5.2 Other directors and external advisers may be invited to attend all or any part of any meeting as and when appropriate.

#### 6. **NOTICE OF MEETINGS**

6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of any of its members.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

#### 7. **VOTING**

7.1 Matters arising at any meeting of the Committee shall be decided by a majority of votes.

7.2 Each member of the Committee present at a meeting of the Committee shall have one vote on matters arising at the meeting. Save where he or she has a personal interest, the chairman of the Committee shall have a casting vote on any matter in respect of which there is equality of votes.

7.3 A member of the Committee shall not vote in respect of any matter being considered by the Committee in which he has, directly or indirectly, a personal interest and shall not be counted in the quorum at a meeting in relation to any matter on which he is debarred from voting.

#### 8. **MINUTES OF MEETINGS**

8.1 The secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

8.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes shall be circulated to other members of the Board, unless a conflict of interest exists or it would be inappropriate to do so.

#### 9. **ANNUAL GENERAL MEETING**

The chairman of the Committee shall attend each Annual General Meeting of the Company prepared to respond to any shareholder questions on the Committee's activities.

## 10. DUTIES

### 10.1 The Committee shall:

- (A) determine and agree with the Board the framework or broad policy for the remuneration of the Company's chief executive, Chairman of the Board, the executive directors, the company secretary and such other members of the executive management as it is designated to consider. The remuneration of non-executive directors shall be a matter for the Chairman of the Board and the executive members of the Board. No director or manager shall be involved in any decisions as to their own remuneration. The Committee shall recommend and monitor the level and structure of remuneration for senior management;
- (B) in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations in the QCA Code, the NAPF Corporate Governance Policy and Voting Guidelines for Smaller Companies and associated guidance. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company; and to attract, retain and motivate the executive management of the Company without paying more than necessary. The remuneration policy should bear in mind the Company's appetite for risk and be aligned to the Company's long term strategic goals. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and be designed to promote the long term success of the Company;
- (C) when setting remuneration policy for directors review and have regard to the remuneration trends across the Company or group;
- (D) review the ongoing appropriateness and relevance of the remuneration policy;
- (E) approve the design of, and determine targets for, any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- (F) review the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
- (G) review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors and other senior executives and the performance targets to be used;
- (H) determine the policy for, and scope of, pension arrangements for each executive director and other senior executives;

- (I) ensure that contractual terms on termination, and any payments made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- (J) within the terms of the agreed policy and in consultation with the Chairman of the Board and/or chief executive as appropriate, determine the total individual remuneration package of each executive director and other senior executives including bonuses, incentive payments and share options or other share awards. In particular, as part of any performance related bonus or other incentivisation arrangement, the Committee shall be responsible for establishing suitable performance targets;
- (K) in determining such packages and arrangements, give due regard to any relevant legal requirements, the provisions and recommendations in the QCA Code, the NAPF Corporate Governance Policy and Voting Guidelines for Smaller Companies and associated guidance;
- (L) monitoring the performance of the chief executive officer and other senior executives and, in particular, assessing actual performance against any performance targets linked to bonus or other incentivisation arrangements;
- (M) review and note annually the remuneration trends across the Company or group and when setting remuneration policy for directors;
- (N) oversee any major changes in employee benefits structures throughout the Company or group;
- (O) agree the policy for authorising claims for expenses from the directors;
- (P) ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
- (Q) be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- (R) obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to appoint remuneration consultants and to commission any reports, surveys or information which it deems necessary to help it fulfil its obligations within any budgeting constraints imposed by the Board; and
- (S) consider such other matters as may be requested by the Board and work and liaise as necessary with all other Board committees.

## 11. **REPORTING RESPONSIBILITIES**

- 11.1 The Committee chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

11.3 The Committee shall produce an annual report of the Company's remuneration policy and practices which will form part of the Company's annual report and ensure each year that it is put to shareholders for approval at the annual general meeting.

## 12. **OTHER**

The Committee shall:

- (A) have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required;
- (B) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members;
- (C) give due consideration to laws and regulations, the provisions of the QCA Code, the AIM Rules and any other applicable rules, as appropriate; and
- (D) at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval;
- (E) ensure that provisions regarding disclosure of information, including pensions, as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) and the QCA Code, are fulfilled and produce a report of the Company's remuneration policy and practices to be included in the Company's annual report and ensure each year that the annual report including the same is put to shareholders for approval at the Annual General Meeting. If the Committee has appointed remuneration consultants, the annual report of the Company's remuneration policy should identify such consultants and state whether they have any other connection with the Company.
- (F) through the Chairman of the Board, ensure that the Company maintains contact as required with its principal shareholders about remuneration.

## 13. **AUTHORITY**

13.1 In connection with its duties, the Committee is authorised by the Board, at the Company's expense:

- (A) to examine any activity within its terms of reference;
- (B) to seek any information it requires from any director or employee of the Company in order to perform its duties;
- (C) to obtain, at the Company's expense, any outside legal or other professional advice on any matter within its terms of reference; and
- (D) within any budgetary restraints imposed by the Board, to appoint remuneration consultants, and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.



## SCHEDULE 4

### SCHEDULE OF MATTERS RESERVED FOR THE BOARD

The QCA Code requires the Company to describe which matters are reserved to the Board, but is silent as to what those matters should be. As such, this schedule is based on the more prescriptive provisions of the UK Corporate Governance Code.

CA06 refers to the Companies Act 2006

Code refers to the UK Corporate Governance Code

GBE refers to the FRC Guidance on Board Effectiveness

References to Audit, Nomination or Remuneration refer to the Board Committee which will consider the item and make recommendations to the Board for its final decision.

<b>1.</b>	<b>Strategy and management</b>	
1.1	Responsibility for the overall leadership of the Company and setting the Company's values and standards.	Code A.1
1.2	Approval of the group's long-term objectives and commercial strategy.	Code A.1
1.3	Approval of the annual operating and capital expenditure budgets and any material changes to them.	Code C.2
1.4	Oversight of the group's operations ensuring: <ul style="list-style-type: none"> <li>• competent and prudent management;</li> <li>• sound planning;</li> <li>• maintenance of sound management and internal control systems;</li> <li>• adequate accounting and other records; and</li> <li>• compliance with statutory and regulatory obligations.</li> </ul>	Code C.2
1.5	Review of performance in the light of the group's strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.	Code B.6
1.6	Extension of the group's activities into new business or geographic areas.	
1.7	Any decision to cease to operate all or any material part of the group's business.	
<b>2.</b>	<b>Structure and capital</b>	
2.1	Changes relating to the group's capital structure including reduction of capital, share issues (except under employee share plans), share buy backs including the use of treasury shares.	
2.2	Major changes to the group's corporate structure, including, but not limited to acquisitions and disposals of shares which are material relative to the size of the group in question (taking in to account the initial and deferred consideration).	
2.3	Changes to the group's management and control structure.	
2.4	Any changes to the Company's AIM listing or its status as a plc.	
<b>3.</b>	<b>Financial reporting and controls</b>	
3.1	* Approval of the half-yearly report, interim management statements and any preliminary announcement of the final results.	Code C.1 Audit

3.2	* Approval of the annual report and accounts, including the corporate governance statement and directors' remuneration report.	CA06 s.414 s.421 Code C.1 Audit
3.3	* Approval of the dividend policy.	
3.4	* Declaration of the interim dividend and recommendation of the final dividend. <sup>11</sup>	
3.5	* Approval of any significant changes in accounting policies or practices.	Code C.1 and C.3
3.6	Approval of treasury policies including foreign currency exposure and the use of financial derivatives.	
3.7	Approval of material unbudgeted capital or operating expenditures (outside pre-determined tolerances).	
4.	<b>Internal controls</b>	
4.1	Ensuring maintenance of a sound system of internal control and risk management including: <ul style="list-style-type: none"> <li>• receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives;</li> <li>• approving procedures for the detection of fraud and the prevention of bribery;</li> <li>• undertaking an annual assessment of these processes; and</li> <li>• approving an appropriate statement for inclusion in the annual report.</li> </ul>	Code C.2 and C.2.1  Audit  UK Bribery Act 2010
5.	<b>Contracts</b>	
5.1	Approval of major capital projects.	
5.2	Contracts which are material strategically or by reason of size, entered into by the Company or, in the case of a subsidiary, recommendations for approval in the ordinary course of business.	
5.3	Contracts of the Company or any subsidiary not in the ordinary course of business.	
5.4	Major investments including the acquisition or disposal of interests of more than (3) per cent in the voting shares of any company or the making of any takeover offer.	DTR 5
6.	<b>Communication</b>	
6.1	Ensuring a satisfactory dialogue with shareholders based upon a mutual understanding of objectives.	Code E.1
6.2	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.	
6.3	* Approval of all circulars, prospectuses and listing particulars.	Prospectus Rule 5.5
6.4	* Approval of press releases where the Company's Communications Policy would require that such press release be approved by the board.	

<b>7.</b>	<b>Board membership and other appointments</b>	
7.1	* Changes to the structure, size and composition of the Board, following recommendations from the Nomination and Corporate Governance Committee.	Code B.1 Nomination
7.2	* Ensuring adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills and experience within the Company and on the Board..	Code B.2
7.3	* Appointments to the Board, following recommendations by the Nomination and Corporate Governance Committee.	Code B.2.1 Nomination
7.4	* Selection of the Chairman of the Board and the chief executive.	GBE 1.4 - 1.8, 1.12-1.17, 4.1 - 4.7
7.5	* Appointment of the senior independent director (if any) to provide a sounding board for the chair and to serve as an intermediary for the other directors when necessary.	Code A.4.1  GBE 1.9-1.11
7.6	* Membership and chairmanship of Board Committees following approval of relevant terms of reference and recommendations from the Nomination and Corporate Governance Committee.	Nomination
7.7	* Continuation in office of directors at the end of their term of office, when they are due to be re-elected by shareholders at the Annual General Meeting and otherwise as appropriate.	Nomination
7.8	* Continuation in office of any director at any time, including the suspension or termination of service of an executive director as an employee of the Company, subject to the law and their service contract.	Nomination
7.9	* Appointment or removal of the company secretary.	CA 06 Part 12 ss.270-280 Code B.5.2 GBE 2.1 - 2.4
7.10	* Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meetings, following the recommendation of the Audit Committee.	CA06 ss. 489 and 491 Code C.3.2 Audit
7.11	Appointments to boards of subsidiaries.	
<b>8.</b>	<b>Remuneration</b>	
8.1	* Determining the remuneration policy for the directors, company secretary and other senior executives.	Code D.2 Remuneration
8.2	Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.	Code D.2.3
8.3	* The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.	Remuneration
<b>9.</b>	<b>Delegation of authority</b>	
9.1	* The division of responsibilities, and approval of the delegated levels of authority, as between directors and senior management.	Code A.2.1
9.2	* Establishing Board Committees and approving their terms of reference, and approving material changes thereto.	Code B.2.1, C.3.1 and D.2.1

<b>10.</b>	<b>Corporate governance matters</b>	
10.1	* Undertaking a formal and rigorous annual review of its own performance, that of its Committees and individual directors, and the division of responsibilities.	Code B.6
10.2	* Determining the independence of non-executive directors in light of their character, judgement and relationships.	Code B.1.1
10.3	* Considering the balance of interests between shareholders, employees, customers and the community.	CA06, s172
10.4	Review of the group's overall corporate governance arrangements.	
10.5	* Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the board as a whole.	Code E.1.1
10.6	Authorising conflicts of interest where permitted by the Company's articles of association.	
<b>11.</b>	<b>Policies</b>	
11.1	Approval of policies, including (if applicable): <ul style="list-style-type: none"> <li>• code of conduct;</li> <li>• share dealing code;</li> <li>• anti-bribery policy;</li> <li>• whistleblowing policy;</li> <li>• health and safety policy;</li> <li>• environment and sustainability policy;</li> <li>• human resources policy;</li> <li>• communications policy;</li> <li>• corporate social responsibility policy; and</li> <li>• charitable donations policy.</li> </ul>	Code A.1
<b>12.</b>	<b>Other</b>	
12.1	The making of political donations.	
12.2	Approval of the appointment of the group's principal professional advisers.	
12.3	Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism.	
12.4	Approval of the overall levels of insurance for the group including directors' & officers' liability insurance.	Code A.1.3
12.5	Major changes to the rules of the group's pension scheme, or changes of trustees or changes in the fund management arrangements.	
12.6	Any decision likely to have a material impact on the Company or group from any perspective, including, but not limited to, financial, operational, strategic or reputational.	
12.7	This schedule of matters reserved for board decisions.	

Where matters are marked with “\*”, decisions should not be delegated.

Matters which the Board considers suitable for delegation are contained in the terms of reference of its Committees. In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the group.

**SCHEDULE 5**  
**RENEURON GROUP PLC**  
**(the “Company”)**

**SHARE DEALING CODE FOR DIRECTORS AND APPLICABLE EMPLOYEES**  
**(as approved by the Board of Directors of the Company on 21 November 2018)**

**PART A: CLEARANCE PROCEDURES**

**1. INTRODUCTION**

- 1.1 The freedom of directors and certain employees of AIM companies to deal in their company’s securities is restricted in a number of ways; by statute, by common law, by the rules for AIM companies issued by the London Stock Exchange plc (“**AIM Rules**”) and by the Market Abuse Regulation (EU) No. 596/2014 (“**MAR**”).
- 1.2 Rule 21 of the AIM Rules provides that an AIM company must have in place a reasonable and effective dealing policy setting out the requirements and procedures for directors and applicable employees dealings in any of the Company’s AIM securities. At a minimum, an AIM company’s dealing policy must set out the following:
- the AIM company’s close periods during which directors and applicable employees cannot deal;
  - when a director or applicable employee must obtain clearance to deal in the AIM securities of the AIM company;
  - an appropriate person(s) within the AIM company to grant clearance requests;
  - procedures for obtaining clearance for dealing;
  - the appropriate timeframe for a director or applicable employee to deal once they have received clearance;
  - how the AIM company will assess whether clearance to deal may be given; and
  - procedures on how the AIM company will notify deals required to be made public under MAR.

This document comprises the Company’s share dealing code. Its purpose is to ensure that directors and certain employees of the Company and its subsidiaries do not abuse, and do not place themselves under suspicion of abusing, Inside Information and comply with their obligations under MAR.

Part A of this code contains the dealing clearance procedures which must be observed by the Company’s PDMRs and those employees who have been told that the clearance procedures apply to them. This means that there will be certain times when such persons cannot deal in Company Securities.

Part B sets out certain additional obligations which only apply to PDMRs.

Failure by any person who is subject to this code to observe and comply with its requirements may result in disciplinary action. Depending on the circumstances, such non-compliance may also constitute a civil and/or criminal offence.

Part C sets out the meaning of capitalised words used in this code.

- 1.3 Company directors, like other individuals, are prohibited from insider dealing by the Criminal Justice Act 1993. Under that Act it is a criminal offence for an individual who has information as an insider to deal on a regulated market, or through a professional intermediary, in securities whose price would be significantly affected if the inside information were made public. It is also an offence to encourage insider dealing and to disclose information with a view to others profiting from it. In addition, there are civil penalties under MAR if a person (i) engages or attempts to engage in insider dealing; (ii) recommends that another person engage in insider dealing or induces another person to engage in insider dealing; (iii) unlawfully discloses inside information; or (iv) engages in or attempts to engage in market manipulation.

## **2. CLEARANCE PROCEDURE**

- 2.1 The code requires that a designated director authorise in advance all transactions in Company Securities by a Restricted Person. The Chairman of the Board has been appointed for this purpose.
- (i) A Restricted Person wishing to deal in Company Securities, must obtain prior consent from the designated director, and may not deal without his prior written approval.
  - (ii) Applications for clearance to deal including details of the proposed deal must be submitted to the Company Secretary in writing in the form attached as Appendix 1.
- 2.2 You must not submit an application for clearance to deal if you are in possession of Inside Information. If you become aware that you are or may be in possession of Inside Information after you submit an application, you must inform the Company Secretary as soon as possible and you must refrain from dealing (even if you have been given clearance).
- 2.3 You will receive a written response to your application, normally within five business days. The Company will not normally give you reasons if you are refused permission to deal. You must keep any refusal confidential and not discuss it with any other person.
- 2.4 If you are given clearance, you must deal as soon as possible and in any event within 48 hours of receiving clearance.
- 2.5 Clearance to deal may be given subject to conditions. Where this is the case, you must observe those conditions when dealing.
- 2.6 You must not enter into, amend or cancel a Trading Plan or an Investment Programme under which Company Securities may be purchased or sold unless clearance has been given to do so.
- 2.7 Different clearance procedures will apply where dealing is being carried out by the Company in relation to an employee share plan (e.g. if the Company is making an option grant or share award to you, or shares are receivable on vesting under a long-term incentive plan). You will be notified separately of any arrangements for clearance if this applies to you.
- 2.8 If you act as the trustee of a trust, you should speak to the Company Secretary about your obligations in respect of any dealing in Company Securities carried out by the trustee(s) of that trust.
- 2.9 You should seek further guidance from the designated director before transacting in:
- (A) units or shares in a collective investment undertaking (e.g. a UCITS or an Alternative Investment Fund) which holds, or might hold, Company Securities; or
  - (B) financial instruments which provide exposure to a portfolio of assets which has, or may have, an exposure to Company Securities.

This is the case even if you do not intend to transact in Company Securities by making the relevant investment.

#### 2.10 Further Guidance

If you are uncertain as to whether or not a particular transaction requires clearance, you must obtain guidance from the Company Secretary before carrying out that transaction.

### **PART B: ADDITIONAL PROVISIONS FOR PDMRs**

#### **3. CIRCUMSTANCES FOR REFUSAL**

You will not ordinarily be given clearance to deal in Company Securities during any period when there exists any matter which constitutes Inside Information or during a Closed Period.

#### **4. NOTIFICATION OF TRANSACTIONS**

4.1 You must notify the Company and the FCA in writing of every Notifiable Transaction in Company Securities conducted for your account as follows:

(A) Notifications to the Company must be made using the template in Appendix 2 and sent to the Company Secretary as soon as practicable and in any event within one business day of the transaction date. You should ensure that your investment managers (whether discretionary or not) notify you of any Notifiable Transactions conducted on your behalf promptly so as to allow you to notify the Company within this time frame.

(B) Notifications to the FCA must be made within three business days of the transaction date. A copy of the notification form is available on the FCA's website. If you would like, the Company Secretary can assist you with this notification, provided that you ask him or her to do so within one business day of the transaction date.

4.2 If you are uncertain as to whether or not a particular transaction is a Notifiable Transaction, you must obtain guidance from the Company Secretary.

#### **5. PCAs AND INVESTMENT MANAGERS**

5.1 You must provide the Company with a list of your PCAs and notify the Company of any changes that need to be made to that list.

5.2 You should ask your PCAs not to deal (whether directly or through an investment manager) in Company Securities during Closed Periods.

5.3 Your PCAs are also required to notify the Company and the FCA in writing, within the time frames given in paragraph 4.1, of every Notifiable Transaction conducted for their account. You should inform your PCAs in writing of this requirement and keep a copy; the Company Secretary will provide you with a letter that you can use to do this. If your PCAs would like, the Company Secretary can assist them with the notification to the FCA, provided that your PCA asks the Company Secretary to do so within one business day of the transaction date. A copy of the form for notifying the FCA is available on the FCA's website.

5.4 You should ask your investment managers (whether or not discretionary) not to deal in Company Securities on your behalf during Closed Periods.

## PART C: DEFINITIONS

6 In this code the following definitions, in addition to those contained in the AIM Rules, apply unless the context otherwise requires:

<b>“AIM”</b>	means the AIM Market of London Stock Exchange plc;
the <b>“Company”</b>	the <b>“Company”</b> means ReNeuron Group plc;
<b>“Closed Period”</b>	means:  (A) the period of 60 calendar days before the release of a preliminary announcement of the Company’s annual results or, where no such announcement is released, the period of 60 calendar days before the publication of the Company’s annual financial report; and  (B) the period of 60 calendar days before the publication of the Company’s half-yearly financial report.
<b>“Company Securities”</b>	means any publicly traded or quoted shares or debt instruments of the Company (or of any of the Company’s subsidiaries or subsidiary undertakings) or derivatives or other financial instruments linked to any of them, including phantom options.
<b>“deal”</b> (together with corresponding terms such as <b>“deals”</b> and <b>“dealing”</b> )	means any type of transaction in Company Securities, including purchases, sales, the exercise of options, the receipt of shares under share plans, using Company Securities as security for a loan or other obligation and entering into, amending or terminating any agreement in relation to Company Securities (e.g. a Trading Plan).
<b>“FCA”</b>	means the UK Financial Conduct Authority.
<b>“Inside Information”</b>	means information which relates to the Company or any Company Securities, which is not publicly available, which is likely to have a non-trivial effect on the price of Company Securities and which an investor would be likely to use as part of the basis of his or her investment decision.
<b>“Investment Programme”</b>	means a share acquisition scheme relating only to the Company’s shares under which: (A) shares are purchased by a Restricted Person pursuant to a regular standing order or direct debit or by regular deduction from the person’s salary or director’s fees; or (B) shares are acquired by a Restricted Person by way of a standing election to re-invest dividends or other distributions received; or (C) shares are acquired as part payment of a Restricted Person’s remuneration or director’s fees.
<b>“Market Abuse Regulation”</b>	means the EU Market Abuse Regulation (596/2014).
<b>“Notifiable Transaction”</b>	means any transaction relating to Company Securities conducted for the account of a PDMR or PCA, whether the transaction was



conducted by the PDMR or PCA or on his or her behalf by a third party and regardless of whether or not the PDMR or PCA had control over the transaction. This captures every transaction which changes a PDMR's or PCA's holding of Company Securities, even if the transaction does not require clearance under this code. It also includes gifts of Company Securities, the grant of options or share awards, the exercise of options or vesting of share awards and transactions carried out by investment managers or other third parties on behalf of a PDMR, including where discretion is exercised by such investment managers or third parties and including under Trading Plans or Investment Programmes.

**“PCA”**

means a person closely associated with a PDMR, being:

- (A) the spouse or civil partner of a PDMR; or
- (B) a PDMR's child or stepchild under the age of 18 years who is unmarried and does not have a civil partner; or
- (C) a relative who has shared the same household as the PDMR for at least one year on the date of the relevant Dealing; or
- (D) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a PDMR (or by a PCA referred to in paragraphs (A), (B) or (C) of this definition), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person or which has economic interests which are substantially equivalent to those of such a person.

**“PDMR”**

means a person discharging managerial responsibilities in respect of the Company, being either:

- (A) a director of the Company; or
- (B) any other employee who has been told that he or she is a PDMR.

**“Restricted Person”**

means:

- (A) a PDMR; or
- (B) any other person who has been told by the Company that the clearance procedures in Part A of this code apply to him or her.

**“Trading Plan”**

means a written plan entered into by a Restricted Person and an independent third party that sets out a strategy for the acquisition and/or disposal of Company Securities by the Restricted Person, and:

- (A) specifies the amount of Company Securities to be dealt in and the price at which and the date on which the Company Securities are to be dealt in; or
- (B) gives discretion to that independent third party to make trading decisions about the amount of Company Securities to be dealt in and the price at which and the date on which the Company Securities are to be dealt in; or
- (C) includes a method for determining the amount of Company Securities to be dealt in and the price at which and the date on which the Company Securities are to be dealt in.

**APPENDIX 1**  
**RENEURON GROUP PLC**  
**(the “Company”)**  
**SHARE DEALING CODE - SHARE DEALING CONSENT FORM**

**ReNeuron Group plc (the “Company”)**

**Application for clearance to deal**

If you wish to apply for clearance to deal under the Company’s dealing code, please complete sections 1 and 2 of the table below and submit this form to the Company Secretary. By submitting this form, you will be deemed to have confirmed and agreed that:

- (i) the information included in this form is accurate and complete;
- (ii) you are not in possession of inside information relating to the Company or any Company Securities;
- (iii) if you are given clearance to deal and you still wish to deal, you will do so as soon as possible and in any event within 48 hours; and
- (iv) if you become aware that you are in possession of inside information before you deal, you will inform the Company Secretary and refrain from dealing.

<b>1.</b>	<b>Applicant</b>	
a)	Name	
b)	Contact details	<i>[For executive directors and other employees, please include work email address and extension number.] [For non-executive directors, please include personal email address and telephone number]</i>
<b>2.</b>	<b>Proposed dealing</b>	
a)	Description of the securities	<i>[e.g. a share, a debt instrument, a derivative or a financial instrument linked to a share or debt instrument.]</i>
b)	Number of securities	<i>[If actual number is not known, provide a maximum amount (e.g. ‘up to 100 shares’ or ‘up to £1,000 of shares’).]</i>
c)	Nature of the dealing	<i>[Description of the transaction type (e.g. acquisition; disposal; subscription; option exercise; settling a contract for difference; entry into, or amendment or cancellation of, an investment programme or trading plan).]</i>
d)	Other details	<i>[Please include all other relevant details which might reasonably assist the person considering your application for clearance (e.g. transfer will be for no consideration).] [If you are applying for clearance to enter into, amend or cancel an investment programme or trading plan, please provide full details of the relevant</i>

		<i>programme or plan or attach a copy of its terms.]</i>
<b>3.</b>	<b>Other</b>	
a)	Date Request Submitted	
b)	Signature of Director/employee	

Approved/Declined

Date

Signature of Designated Director

**APPENDIX 2  
RENEURON GROUP PLC**

(the “Company”)

**SHARE DEALING CODE - NOTIFICATION OF DEALING**

**Transaction notification**

Please send your completed form to the Company Secretary. If you require any assistance in completing this form, please contact the Company Secretary.

<b>1. Details of PDMR / person closely associated with them ('PCA')</b>									
a)	Name <i>[Include first name(s) and last name(s).][If the PCA is a legal person, state its full name including legal form as provided for in the register where it is incorporated, if applicable.]</i>								
b)	Position / status <i>[For PDMRs, state job title e.g. CEO, CFO.][For PCAs, state that the notification concerns a PCA and the name and position of the relevant PDMR.]</i>								
c)	Initial notification / amendment <i>[Please indicate if this is an initial notification or an amendment to a prior notification. If this is an amendment, please explain the previous error which this amendment has corrected.]</i>								
<b>2. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>									
a)	Description of the financial instrument <i>[State the nature of the instrument e.g. a share, a debt instrument, a derivative or a financial instrument linked to a share or debt instrument.]</i>								
b)	Nature of the transaction <i>[Description of the transaction type e.g. acquisition, disposal, subscription, contract for difference, etc.] [Please indicate whether the transaction is linked to the exercise of a share option programme.] [If the transaction was conducted pursuant to an investment programme or a trading plan, please indicate the fact and provide the date on which the relevant investment programme or trading plan was entered into.]</i>								
c)	Price(s) and volume(s)								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Price(s)</th> <th style="width: 50%;">Volume(s)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Price(s)	Volume(s)						
	Price(s)	Volume(s)							
<i>[Where more than one transaction of the same nature (purchase, disposal, etc.) of the same financial instrument are executed on the same day and at the same place of transaction, prices and volumes of these transactions should be separately identified in the table above, using as many lines as needed. Do not aggregate or net off transactions.]</i>									
<i>[In each case, please specify the currency and the</i>									

		<i>metric for quantity.]</i>
d)	Aggregated information Aggregated volume Price	<i>[Please aggregate the volumes of multiple transactions when these transactions: - relate to the same financial instrument; - are of the same nature; - are executed on the same day; and - are executed at the same place of transaction.] [Please state the metric for quantity.] [Please provide: - in the case of a single transaction, the price of the single transaction; and - in the case where the volumes of multiple transactions are aggregated, the weighted average price of the aggregated transactions.] [Please state the currency.]</i>
e)	Date of the transaction	<i>[Date of the particular day of execution of the notified transaction, using the date format: YYYY-MM-DD and please specify the time zone.]</i>
f)	Place of the transaction	<i>[Please name the trading venue where the transaction was executed. If the transaction was not executed on any trading venue, please state 'outside a trading venue' in this box.]</i>

## APPENDIX 3

### DEALING

The following is a non-exhaustive list of transactions which are Dealings for the purposes of the Company's Dealing Code:

- (A) the pledging or lending of Company Securities (although a pledge, or a similar security interest, of Company Securities in connection with the depositing of Company Securities in a custody account is not 'Dealing', unless and until such pledge or other security interest is designated to secure a specific credit facility);
- (B) transactions in Company Securities carried out by persons professionally arranging or executing transactions or by another person on behalf of a Restricted Person, including where discretion is exercised;
- (C) transactions in Company Securities made under a life insurance policy, where (i) the policyholder is a Restricted Person; (ii) the investment risk is borne by the policyholder; and (iii) the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy;
- (D) an acquisition, disposal, short sale, subscription or exchange of Company Securities;
- (E) the acceptance or exercise of an option over Company Securities, including of a share option granted as part of a remuneration package, and the disposal of shares stemming from the exercise of a share option;
- (F) entering into or exercise of equity swaps related to Company Securities;
- (G) transactions in or related to derivatives over Company Securities, including cash-settled transactions and phantom options;
- (H) entering into a contract for difference on Company Securities;
- (I) the acquisition, disposal or exercise of rights in relation to Company Securities, including put and call options and warrants;
- (J) subscription to a share capital increase or debt instrument issuance of the Company;
- (K) transactions in derivatives and financial instruments linked to a debt instrument of the Company including credit default swaps;
- (L) conditional transactions relating to Company Securities. The completion of such transactions upon fulfilment of the conditions (provided no further action is required by the Restricted Person) does not constitute Dealing and therefore does not require clearance, but such completion would be a "Notifiable Transaction" under Part B of the Dealing Code;
- (M) the automatic or non-automatic conversion of a Company Security into another Company Security, including the exchange of convertible bonds to shares;\*
- (N) gifts and donations of Company Securities made or received, or an inheritance of Company Securities received;\*
- (O) transactions executed in index-related products, baskets and derivatives transacting in Company Securities;
- (P) transactions executed in shares or units of investment funds which transact in Company Securities;

- (Q) transactions in Company Securities executed by a manager of an investment fund in which a Restricted Person has invested;\*
- (R) transactions in Company Securities executed by a third party under an individual portfolio or asset management mandate on behalf or for the benefit of a Restricted Person; and
- (S) borrowing or lending of Company Securities.

*\* Note: Certain transactions which fall within these paragraphs may not constitute “Dealing” as they are passive transactions over which the relevant Restricted Person has no control (e.g. the receipt of a gift by a Restricted Person). Until further guidance is received, it would be prudent for the Company to take advice when deciding whether or not a particular passive transaction would constitute “Dealing” for the purposes of this manual and the Dealing Code. Even if such transaction does not constitute ‘Dealing’, it would still be a “Notifiable Transaction” under Part B of the Dealing Code.*



## **SCHEDULE 6**

### **RENEURON GROUP PLC**

**(the “Company”)**

#### **PUBLIC INTEREST DISCLOSURE (“WHISTLEBLOWING”)**

##### **POLICY AND PROCEDURE**

###### **1. POLICY**

As an organisation the Company prides itself on its honesty, integrity and high professional standards in everything it does to deliver its services to its customers and in dealing with its staff and the public. The Company demands the maintenance of these high standards in everything that it does. To this end, the Company has devised this policy and procedure in order to give encouragement and support to employees in coming forward and reporting certain types of conduct or activities that fall short of these high standards. This policy and procedure does not form any part of any employee’s contract of employment and the Company may amend it at any time.

This policy and procedure is aimed at ensuring that any employee who wishes to voice a concern regarding potential or actual wrongdoing on the part of the Company or anyone with whom the Company is associated feels sufficiently comfortable to do so. This policy is designed to provide guidance as to how to raise any such concerns and to reassure employees that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

Any report made by any employee under this policy will be treated as confidential so far as is practicable in all the circumstances.

Any report made by any employee under this policy will be treated seriously.

A report under this policy should be made by any employee who either knows or reasonably believes that wrongdoing (as listed below) is taking place, has taken place or may take place.

The types of wrongdoing in respect of which a report should be made under this policy include:

- criminal offences;
- failure to comply with legal or professional obligations or regulatory requirements;
- miscarriage of justice;
- endangering of the health and safety of any person;
- damage to the environment;
- financial fraud or mismanagement;
- conduct likely to damage the Company’s reputation;
- unauthorised disclosure of confidential information; and
- deliberate concealment of any information tending or likely to show any of the above wrongdoings.

## 2. **PROCEDURE**

### 2.1 **Making a Report**

#### (A) **Verbal Report**

In the first instance making a report need not be a formal matter if the employee concerned wishes to make an informal and in-confidence verbal report.

An informal approach to the employee's direct superior or other similar level of management will be treated as confidential and will not go further than that manager unless the employee agrees.

When making a verbal report it is essential that the employee makes clear that he or she is seeking to invoke this Procedure so that any potential misunderstanding is avoided.

Where further investigation is necessary, the employee making the report will be informed of this and kept informed at reasonable intervals of the progress of the investigation.

Once the investigation has been completed, the employee making the report will be informed of the outcome and any further action that the Company proposes to take. However, sometimes the need for confidentiality may prevent the Company giving the employee specific details of the investigation or any disciplinary action taken as a result. The employee should treat any information about the investigation or its outcome as confidential.

#### (B) **Written Report**

If the employee concerned feels that an informal verbal approach is not appropriate and/or wishes, in any event, to make a more formal report, this should be directed to a senior member of the Company's managerial staff who may be either operational or personnel.

A formal report should be in writing.

If the employee does not feel comfortable putting their concerns into writing, a meeting will be held as soon as possible with the employee and their concerns taken down in writing by the manager handling the matter. This meeting will be in confidence and the employee will be asked to confirm that their concerns have been accurately recorded. The employee may bring a colleague to any meetings under this policy, who must respect the confidentiality of the employee's disclosure and subsequent investigation.

When making a formal report that is not initially in writing, it is essential that the employee makes clear that he or she is seeking to invoke the formal part of this Procedure so that any potential misunderstanding is avoided.

Where further investigation is necessary following a formal report, this will be undertaken by the senior manager to whom the report was directed or another senior and appropriate manager if deemed appropriate in the circumstances.

The employee will be kept informed at reasonable intervals of the progress of the investigation and any outcomes or further action. Once the investigation has been completed, the employee making the report will be informed of the outcome and any further action that the Company proposes to take. However, sometimes the need for confidentiality may prevent the Company giving the employee specific details of the investigation or any disciplinary action taken as a result. The employee should treat any information about the investigation or its outcome as confidential.

Anyone involved in the investigation will be informed on a strict need-to-know basis.

Where the employee has reason to be unhappy with the progress of any investigation or the manner in which the matter has been resolved, he/she should then refer the matter to the Company Secretary. An investigation of this matter will be undertaken by the Company and the result will be notified to the employee concerned as soon as possible.

(C) **External**

The aim of this policy is to provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace. In most cases the employee should not find it necessary to alert anyone externally.

The law recognises that in some circumstances it may be appropriate for the employee to report his/her concerns to an external body such as a regulator. The Company strongly recommends that the employee seeks advice before reporting a concern to anyone external. Public Concern at Work operates a confidential helpline ([www.pcaaw.co.uk](http://www.pcaaw.co.uk)).

3. **PROTECTION**

The Company aims to encourage openness and will support staff who raise genuine concerns under this policy and procedure, even if they turn out to be mistaken.

Any employee who raises a genuine concern under this procedure will be protected from suffering any detriment as a result. Detrimental treatment includes dismissal, disciplinary action, treats or other unfavourable treatment connected with raising a concern. If the employee who has made a report under this procedure (whether formal or informal) genuinely believes that they are being subjected to a detriment as a result, he/she should report this to the Company Secretary as soon as possible and action will be taken to investigate and to prevent any such detriment. Staff must not threaten or retaliate against whistleblowers in any way and any staff involved in such conduct may be subject to disciplinary action.

Should it become clear after investigation that any report under this procedure has not been made in good faith or with a reasonable belief that such report is in the public interest, but has been made for other reasons, for example, maliciously or to pursue a personal grudge against another employee of the Company or to try to deflect attention from the reporting employee's own misconduct, this will be dealt with under the disciplinary procedure and may result in disciplinary action against the employee making such a report.

Where matters are raised under this procedure which cannot be dealt with by the Company on an internal basis, it reserves the right to refer such matters to an appropriate external agency or body without the need to obtain the reporting employee's consent.