

Corporate Governance Statement

Verici Dx Plc (“Verici” or the “Company”) recognises the value of good corporate governance in every part of its business. The company was admitted FTSE AIM in November 2020.

The Company is required to adopt a recognised corporate governance code and disclose how it complies with that code; to the extent the Company departs from the corporate governance provisions outlined by that code it must explain its reasons for doing so. The directors of the Company (the “Directors” or the “Board”) have resolved to adopt the Quoted Companies Alliance Corporate Governance Code (the “QCA Code”), which they believe is the most appropriate for a company of Verici’s size and stage of development.

The following table is an overview of Verici’s compliance with the QCA Code principles as at 15 January 2024. The Board shall provide updates to this statement annually on its website and in the Company’s annual report and financial statements (the “Annual Report”).

	Principle	How QCA code complied and if not complied why it hasn’t
1.	Establish a strategy and business model which promotes long-term value for shareholders	<p>The Company is an immuno-diagnostics development company, initially focused on the kidney transplantation market. The Company’s kidney transplant assays use advanced next-generation sequencing that may define a personalised, risk-profile of each patient over the course of their transplant journey, as well as may detect injury in advance of currently available clinical tests.</p> <p>Further details of the Company’s strategy and business model can be found on pages 11 – 19 of the latest annual report which is available on the Company’s website here: https://vericidx.com/investors</p>
2.	Seek to understand and meet shareholder needs and expectations	<p>The Company is too small to have a dedicated investor relations department and accordingly the Company Secretary and an external investor relationship company, Walbrook PR, are responsible for reviewing all communications received from shareholders of the Company (the “Shareholders”) and determining the most appropriate response. The Company Secretary and the Chief Executive Officer will then relay such communications to the rest of the Board.</p> <p>The Chair of the Board and the Chief Executive Officer will also meet institutional investors and those with significant shareholdings (those interested directly or indirectly in 3% or more of the Company’s ordinary share capital) at least twice annually and will be open to hold such meetings at any time.</p> <p>The Company will also plan to hold investor briefings for Shareholders with smaller shareholdings at least annually.</p>

		<p>Likewise, the Board will engage with Shareholders to understand their needs and expectations and exchange opinions at the annual general meetings, to which all Shareholders will be invited. If physical meetings cannot take place, Shareholders will be given an opportunity to put questions to the Board in advance of the meeting.</p> <p>The Shareholders can contact the Company as follows:</p> <p>Tel: +44 (0)20 7933 8780 Email: investors@vericidx.com</p>
3.	Take into account wider stakeholder and social responsibilities and their implications for long-term success	<p>The Company recognises that it is responsible not only to its Shareholders, but to a wider group of stakeholders including its employees, customers, suppliers and the local communities in which it operates. Importantly, the Company believes its stakeholders include patients affected by kidney disease, their families and caregivers, and also the patient advocacy organisations operating in the kidney disease space. The Company has a duty to be a good corporate citizen and is conscious to ensure that its business processes minimise harm to the environment and that it contributes as far as is practicable to the local communities in which it operates.</p> <p>The Company believes its business operations have the potential to serve the kidney transplantation community as a whole. Assuming successful development, regulation and reimbursement of its products, patients and doctors have the potential to rely on the Company’s tests for improved health and outcomes.</p> <p>The Company aims to commercialise its products under an efficient regulatory pathway and continue to work with an experienced team to deliver benefits to patients and doctors.</p> <p>The Company’s tests may define a personalised, risk-profile of each patient over the course of their transplant journey, as well as potentially detecting injury in advance of currently available clinical tests.</p> <p>The Company has begun to engage with leading clinicians in the kidney transplantation space and intends to increase the intensity of its outreach efforts.</p> <p>All stakeholders are encouraged to provide feedback to the Company by emailing investors@vericidx.com</p>

4.	Embed effective risk management, considering both opportunities and threats throughout the organisation	<p>The Company will adopt a risk management policy to manage the risks it faces (the “Risk Management Policy”). The Risk Management Policy will set out: (1) the Company’s approach to risk; and (2) those with the key roles and responsibilities for how risks are managed in the Company. It will be reviewed by the Board on a periodic basis.</p> <p>The key principles that will embody the Company’s risk management approach are outlined below:</p> <ul style="list-style-type: none"> - It will be the employees’ responsibility to ensure they understand and comply with the Risk Management Policy and their defined risk management roles and responsibilities. - There will be a defined risk management governance structure with clear accountabilities at the Company’s location. - A consistent risk management approach will be used throughout the Company to identify and manage risks. - Risk management will be embedded in all key processes and decision points within the Company (including strategy setting, budgeting, planning and performance), as well as in day-to-day operations and activities. <p>A Risk Register will be maintained and updated periodically. The register will include the risk description, risk owner, mitigation/control description and risk profile.</p> <p>The Company has also disclosed in the latest annual report on pages 15 to 18 the principal risks and uncertainties it faces.</p>
5.	Maintain the board as a well-functioning, balanced team led by the chair	<p>The Board currently includes five Non-Executive directors and an Executive director.</p> <p>The Board is supported by Audit, Remuneration and Nomination Committees.</p> <p>It is the Board’s opinion that Senior , Sir Ian Carruthers, OBE is independent in character and judgement, notwithstanding his disclosed purchase of shares at the IPO price. Sir Ian Carruthers holds a number of chair and non-executive board and advisory roles in the public and private sectors. He was previously Chief Executive of NHS South of England, comprising three health bodies. He was awarded the Order of the British Empire for services to health in 1997 and a Knighthood in 2003 for services to the NHS and in 2006 he took over as Interim Chief Executive of NHS England, amongst the largest organisations in the world with over 1.3 million employees and a budget in excess of £100 billion. He has been the lead author on several papers on reviewing and improving the NHS and is seen as an</p>

		<p>international expert on healthcare systems and service delivery.</p> <p>The Company has also appointed Dr Lorenzo Gallon as independent Non-Executive Director. Dr Gallon is Professor of Medicine (Nephrology and Hypertension) and Surgery (Organ Transplantation), and currently is the Medical Director of the Translational Medicine Program, the Director of International Relations and the Director of the Renal Transplant Fellowship at Northwestern University, and also an alumnus of the University of Padua Medical School, Italy. Dr. Gallon has decades of experiences in Nephrology, Hypertension as well as Organ Transplantation. He acts as an advisor / consultant for numerous Pharmaceutical and Biotechnology companies, such as Alexion Pharmaceuticals, Inc., Horizon Therapeutics, Inc., and Argenx Pharma.</p> <p>The Board further considers that Sir Ian and Dr Gallon are uniquely well placed, through their skills, experience and knowledge, to provide appropriate challenge to the Board.</p> <p>All Directors are subject to election by Shareholders at the first Annual General Meeting after their appointment and are subject to re-election at least every three years. Non-executive Directors are appointed for a specific term of office which provides for their removal in certain circumstances, including under section 168 of the Companies Act 2006. The Board does not automatically re-nominate Non-Executive Directors for election by Shareholders.</p> <p>Further details of the composition of the Board, time commitment required from the Directors and each Director's attendance at Board and Committee meetings is included in the latest Annual Report.</p>
6	<p>Ensure directors have the necessary up-to-date experience, skills and capabilities</p>	<p>The Board currently comprises of five Non-executive Directors and an Executive Director who have appropriate balance of skills between them covering the life science industry, finance and experience in managing the public company aspects of the Company, all of which are considered important in terms of the strategic delivery of value to the shareholders over the medium- to long-term.</p> <p>A profile of each Director is provided on the website (https://vericidx.com/investors). All Directors will receive regular updates on legal, regulatory and governance issues and where necessary further training on specific issues. In addition, each Director will have access to the Company's senior employees and external advisers, including legal counsel and Nominated Advisors, to discuss any issues in order to have a full understanding before taking any decisions.</p>

		<p>The Directors also will also receive regular briefings and updates from the Company Secretary and the Company's Nominated Adviser and legal advisers with respect to continued compliance with AIM Rules for Companies and the Market Abuse Regulations. The Company Secretary is responsible for advising the Board on corporate governance matters and facilitating the flow of information to and from the Board.</p> <p>In addition, the Non-executive Directors benefit from their involvement in other companies in terms of exposure to a range of business models and growth company issues.</p> <p>The Board is considering how best to incorporate greater gender balance in its composition.</p>
7	Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	<p>Currently the annual review of the effectiveness of the Board is conducted by the Non-Executive Chairman on an informal basis which include the Board composition, experience, dynamics and the Board's role and responsibilities for strategy, risk review and succession planning. The evaluations involve a detailed questionnaire and individual discussions between the Non-executive Chairman and the Directors. Being a small listed company, the Board considers it unnecessary to have evaluations facilitated by an external consultant.</p> <p>The Senior Independent Director, Sir Ian Carruthers, will conduct an evaluation of the Non-executive Chairman's performance in conjunction with input from the other Directors. The outcome from these evaluations will be discussed by the Board at one of its Board meetings.</p> <p>The performance review of individual executive directors is undertaken by the Remuneration Committee.</p> <p>The Board is collectively responsible for the succession planning of the executive team. The succession planning is reviewed on an ongoing basis alongside the capability of the senior management and the Directors.</p>
8	Promote a corporate culture that is based on ethical values and behaviours	<p>The Company Employee handbook, which will be read by all employees as part of their induction will provide specific detail of the policies in place to promote and support ethical behaviour and values. The Company executive team will monitor and ensure that the employee handbooks are followed, that the Company's culture is visible in recruitment, nominations, training, and reward systems. Any fundamental</p>

		<p>breach of the Employee Handbook will be reported to the Board.</p> <p>In addition, the Company has also adopted a code of conduct policy. The adoption of the policy is designed to inform employees about the criminal offence of insider dealing; promote honest and ethical conduct; promote full, fair, accurate, timely and understandable disclosure in reports and other public communications made by the Company; promote compliance with applicable government laws, rules and regulations; promote fair dealing practices and deter wrongdoing.</p>
9	<p>Maintain governance structures and processes that are fit for purpose and support good decision making by the board</p>	<p>The roles and responsibilities of specific Directors and Board Committees, including terms of reference for the latter and a list of matters reserved for the Board, are available on our website.</p> <p>The Board meets formally numerous times each year. The Audit, Remuneration and Nomination Committees have terms of reference outlining the specific responsibilities delegated to them. The summarised terms of reference of each Committee are disclosed on our website.</p> <p>The appropriateness of the Board’s structures and processes will be reviewed through the ongoing Board evaluation process and on an ad hoc basis by the Non-executive Chairman. These will evolve in parallel with the Company’s objectives, strategy and business model as it develops, to include a regular assessment of governance arrangements.</p>
10	<p>Communication how company is governed and is performing by maintaining with shareholders and other relevant stakeholders</p>	<p>The Company communicates progress throughout the year through announcements notified by way of a Regulatory Information Service and in more detail in its Annual Reports and Interim results.</p> <p>The results of shareholder votes are made public on the Company’s website (https://vericidx.com/investors/) after the meetings concerned.</p> <p>Shareholders may contact the Company as follows:</p> <p>Tel: +44 (0)20 7933 8780 Email: investors@vericidx.com</p>