

Corporate Governance Statement

Renalytix AI plc (“**RENX**” or the “**Company**”), a recently formed company which admitted to AIM in November 2018, recognises the value of good corporate governance in every part of its business.

RENX is required to adopt a recognised corporate governance code and disclose how it complies with that code; to the extent RENX departs from the corporate governance provisions outlined by that code it must explain its reasons for doing so. The directors of RENX (the “**Directors**” or “**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 RENX’s size and at its stage of development.

The following table is an overview of RENX’s compliance with the QCA Code principles as at the date of this statement. 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	Comply or Explain Application
1.	Establish a strategy and business model which promotes long-term value for shareholders	<p>RENX is a developer of artificial intelligence (“AI”) enabled clinical diagnostic solutions for kidney disease, one of the most common and costly chronic medical conditions globally. The Company believes kidney disease is a significantly underserved medical need and the introduction of its AI-enabled solutions will make possible significant cost savings and improved patient outcomes.</p> <p>The Company’s technology platform will draw from distinct sources of patient data, including systems containing extensive electronic health records, predictive blood-based biomarkers and other genomic information for analysis by high-performance, learning computer algorithms (machine learning). The Company intends to build a deep, unique pool of kidney disease-related data for different AI-enabled applications designed to improve predictive capability and clinical utility over time.</p> <p>The Company believes that its current business model of collaborating with major medical centres whose patients are most likely to benefit from its products will provide an effective opportunity to commercialise its products. The Company intends to enter into further collaborations beginning in 2019.</p> <p>Further details of the Company’s strategy and business model can be found on pages 12-21 of the admission document used for the admission of its entire share capital to trade on AIM (the “Admission Document”), which is available on the Company’s website here: https://renalytixai.com/investors2/company-information/</p>

		<p>In the future, the Company’s strategy will be included in the next Annual Report.</p>
2.	<p>Seek to understand and meet shareholder needs and expectations</p>	<p>The Company is too small to have a dedicated investor relations department and accordingly the Chief Executive Officer is responsible for reviewing all communications received from shareholders of the Company (the “Shareholders”) and determining the most appropriate response. The Chief Executive Officer will then relay such communications to the rest of the Board.</p> <p>The Chair and 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. RENX will also plan to hold investor briefings for Shareholders with smaller shareholdings 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.</p> <p>On an <i>ad-hoc</i> basis, all of the Directors are also happy to meet any Shareholders who wish to raise matters with them. Contact can be made as follows: Tel: 029 2071 0570 Fax: 029 2070 5715 Email: mailto:investors@renalytixai.com</p>
3.	<p>Take into account wider stakeholder and social responsibilities and their implications for long-term success</p>	<p>RENX 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. RENX 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>RENX’s believes its business operations have the potential to serve the kidney disease community as a whole. Assuming successful development, regulation and reimbursement of its products, patients and doctors have the potential to rely on its tests for improved health and outcomes. The Company</p>

		<p>aims to develop regulatory compliant quality systems which helps to achieve the former and to continue to build an experienced development team to deliver the latter.</p> <p>The Company has begun to engage with leading clinicians and patient advocacy organisations in the kidney disease 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 mailto:investors@renalytixai.com</p>
4.	<p>Embed effective risk management, considering both opportunities and threats throughout the organisation</p>	<p>RENX will adopt a risk management policy to manage the risks it faces (the “Risk Management Policy”). The Risk Management Policy will set out: (1) RENX’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 RENX’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 RENX’s location. - A consistent risk management approach will be used throughout RENX to identify and manage risks posed in the AI and life sciences industries. - Risk management will be embedded in all key processes and decision making within RENX (including strategy setting, budgeting, planning and 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>For further information on the principal risks faced by the Company, please see pages 44 to 63 of the Admission Document. The Company will also identify further details of the principal risks and how it mitigates will be disclosed in the next Annual Report.</p>
5.	<p>Maintain the board as a well-functioning, balanced team led by the chair</p>	<p>The Board currently includes five Non-Executive Directors and two Executive Directors.</p> <p>The Board is supported by Audit, Remuneration and Nomination Committees.</p>

		<p>It is the Board’s opinion that, as a leader in nephrology and transplantedation, Dr. Barbara Murphy is independent in character and judgment. Although employed by the Icahn School of Medicine at Mount Sinai (“Mount Sinai”), she is not an appointed board representative of Mount Sinai the Board considers that she has and will continue to exercise her judgement independently of Mount Sinai. The Board further considers that she is uniquely well placed, through her skills, experience and knowledge, to provide appropriate challenge to the Board.</p> <p>The Board intends to appoint a further independent non-executive director following admission.</p> <p>The Board members have collective responsibility and legal obligation to promote the interests of RENX and for guiding its strategy, including the consideration of significant financing and matters of corporate structure. Julian Baines (the Non-Executive Chair) has ultimate responsibility for the quality of, and approach to, corporate governance, including, with the assistance of the Company Secretary, the dissemination of relevant information to the Board. The Board believes that his independence and experience on the Board of EKF Diagnostics Holdings plc makes him suitable for this role.</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>Given that the Company is newly-formed, it cannot report on the attendance at Board and Committee meetings of its Directors. Further details of this and the time commitment required from the Directors will be included in the next Annual Report.</p>
6	<p>Ensure directors have the necessary up-to-date experience, skills and capabilities</p>	<p>The Board believes that its five Non-Executive Directors and two Executive Directors have the appropriate balance of skills between them, covering the AI and life sciences industries, finance and public company management, all of which are considered important in terms of the strategic delivery of value to Shareholders and stakeholders over the medium to long term.</p> <p>A profile of each Director is provided on the Company’s</p>

		<p>website, here: https://renalytixai.com/investors2/directors/</p> <p>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 RENX’s senior employees, Company Secretary and external advisers, including legal counsel and the Company’s Nominated Advisor (the “Nomad”), to discuss any issues in order to have a full understanding before taking any decisions.</p> <p>The Directors also will also receive briefings and updates from the Company Secretary, Nomad and legal counsel where necessary, with respect to continued compliance with the AIM Rules for Companies and the Market Abuse Regulations. The Non-Executive Chair (assisted by 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 the boards of other companies in terms of exposure to a range of business models and growth company issues.</p> <p>As the Company develops and grows, it is committed to challenging its own diversity, including by achieving a greater gender balance.</p>
7	Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	<p>The annual review and evaluation of the effectiveness of the Board will be conducted by the Non-Executive Chair which will include Board composition, experience, dynamics, training/mentoring needs and the Board’s role and responsibilities for strategy, risk review and succession planning. The evaluations will involve a detailed questionnaire and individual discussions between the Non-Executive Chair and the Directors.</p> <p>Being a small listed company, the Board considers it unnecessary to have evaluations facilitated by an external consultant. Independent Director, Richard Evans, will conduct an evaluation of the Non-Executive Chair’s performance in conjunction with input from another independent Director, Barbara Murphy and input from the other Directors. The outcome from these evaluations will be discussed by the Board at one of its meetings.</p> <p>In future Annual Reports, a summary will be provided of any Board performance evaluation results and future</p>

		<p>recommendations, as well as progress against any prior recommendations.</p> <p>The performance review of individual Executive Directors will be undertaken by the Remuneration Committee.</p> <p>The Board is collectively responsible for the succession planning of the executive team. The succession planning will be 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 supports a transparent and communicative culture in which individuals are encouraged to offer suggestions for improvement.</p> <p>The RENX employee handbook (the “Employee Handbook”), which will be distributed to 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’s 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 breach of the Employee Handbook will be reported to the Board.</p> <p>In addition, the Board has adopted a code of conduct policy (the “Code of Conduct”). The adoption of the Code of Conduct is designed to: (1) inform employees about the criminal offence of insider dealing; (2) promote honest and ethical conduct; (3) promote full, fair, accurate, timely and understandable disclosure in reports and other public communications made by RENX; (4) promote compliance with applicable government laws, rules and regulations; and (5) promote fair dealing practices and deter wrongdoing.</p>
9	Maintain governance structures and processes that are fit for purpose and support good decision making by the board	<p>The roles and responsibilities of the Chair, Chief Executive Officer and specific Directors and a list of matters reserved for the Board are available on the Company’s website, here: https://renalytixai.com/investors2/corporate-governance/</p> <p>The Board will meet formally on numerous occasions 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, here: https://renalytixai.com/investors2/corporate-governance/</p> <p>The Audit Committee will comprise Erik Lium and Richard Evans, who will act as Chair. The Audit Committee will,</p>

		<p>among other things, determine and examine matters relating to the financial affairs of the Company including the terms of engagement of the Company's auditors and, in consultation with the auditors, the scope of the audit. It will receive and review reports from management and the Company's auditors relating to the half yearly and annual accounts and the accounting and the internal control systems in use throughout the Company.</p> <p>The Remuneration Committee will comprise Christopher Mills and Julian Baines, who will act as Chair. The Remuneration Committee will review and make recommendations in respect of the Executive Directors' remuneration and benefits packages, including share options and the terms of their appointment. The Remuneration Committee will also make recommendations to the Board concerning the allocation of share options to employees under the intended share option schemes.</p> <p>The Nomination Committee will comprise Christopher Mills and Julian Baines, who will act as Chair. The Nomination Committee will review and recommend nominees as new Directors to the Board.</p> <p>The appropriateness of the Board's structures and processes will be reviewed through the ongoing Board evaluation process and on an <i>ad-hoc</i> basis by the Non-Executive Chair (see Principle 7). 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 with Shareholders and stakeholders throughout the year through announcements notified by way of a Regulatory Information Service and in more detail in its Annual Reports and Interim results (which will be uploaded to the Company's website annually).</p> <p>The results of Shareholder votes are made public on RENX's website (https://renalytixai.com/investors/) after the meetings concerned.</p> <p>Where a significant proportion of votes are cast against a resolution posed to Shareholders at a general meeting, the Company will explain the actions it intends to take to understand the reasoning for said voting.</p> <p>Please see Principles 2 and 3 for further information on how the Company maintains dialogue with Shareholders and other stakeholders.</p>

		<p>Shareholders and stakeholders with specific queries about RENX may contact the Company directly as follows: Tel: 029 2071 0570 Fax: 029 2070 5715 Email: mailto:investors@renalytixai.com</p>
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