Corporate Governance Statement

CRISM Therapeutics Corporation ("CRISM" or the "Company")

The directors of the Company (the "Directors" or the "Board") recognise the importance of sound corporate governance. As a company whose shares are traded on AIM, the Board has concluded that it will adopt the Corporate Governance Code published by the Quoted Companies Alliance (the "QCA Code"). In addition, the Company has adopted a code of conduct for dealings by Directors and employees in the shares of the Company and is committed to maintaining the highest standards of corporate governance.

The Board as a whole, led by the Non-Executive Chair, Dr Nermeen Varawalla, is responsible for ensuring that the Company has appropriate corporate governance standards in place and that these requirements are followed and applied within the Group as a whole (i.e. the Company and its subsidiaries). The corporate governance arrangements that the Board has adopted are designed to ensure that the Group delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Group in a manner that encourages open dialogue with the Board.

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture and performance of the Group. The Board is very aware that the tone and culture set by the Board will influence all aspects of the Group and the way that employees behave. A large part of the Company's activities are centred upon open dialogue with its stakeholders including UK, EU and US healthcare partners and regulators, Contract Research Organisations ("CRO") and key suppliers. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Group does.

The Board members recognise their collective responsibility and legal obligation to promote the interests of the Group and are collectively responsible for defining the Group's corporate governance arrangements. The Board currently consists of four Directors, of whom two are executive and two are non-executives.

Application of the QCA Code

The QCA Code sets out 10 principles that focus on the pursuit of medium to long-term value for shareholders. These are listed below together with a short explanation of how the Company applies each of the principles. Where the Company does not fully apply each principle an explanation as to why has also been provided.

Principle One: Establish a purpose, strategy and business model which promote long-term value for shareholders

Overview
CRISM was founded in the belief that there are good, effective cancer drugs available to patients; however current protocols mean that they are often inefficiently administered. This is particularly true for hard-to-treat cancers, such as brain tumours and pancreatic cancer, where getting drugs into the cancer tissue is very difficult due to the presence of the blood brain barrier ("BBB"), in the case of brain tumours, and a stroma that builds up around the pancreas hindering the effective drug delivery to cancerous tissue.

CRISM has developed an innovative drug delivery technology to improve the clinical performance of cancer treatments for solid tumours through the local delivery of chemotherapy drugs. ChemoSeed®, CRISM's lead product, can be implanted directly into the tumour or the resection margin following the removal of a tumour. This directs therapeutic concentrations of chemotherapy drugs to reach the deep-seated tumour tissue or cover the entire resection margin. In the case of treating High-Grade Glioma ("HGG"), ChemoSeeds can be implanted during surgery thereby bypassing the BBB, which prevents other treatments from being able to reach the tumour and be effective.

Investment Case
The Board believes that ChemoSeed addresses a significant unmet medical need in the treatment of glioblastoma and HGG. There are no current cures for HGG; present treatments merely seek to simply extend life, often by just a few months, with serious adverse side effects.

The number of patients suffering from cancer of the brain and central nervous system (including HGG) during 2022 in the UK, Europe and USA was 5,811, 44,220 and 24,940 respectively. Potential reimbursement for ChemoSeed in HGG in the UK and EU is estimated at £13,403 and at $52,200 in the US. This represents a total potential market in these jurisdictions in excess of £1.7 billion. The Directors therefore consider there to be a substantial potential market for the ChemoSeed.

Future Growth Strategy
The Directors' plan is to validate ChemoSeed in the treatment of high grade glioma before addressing other cancer indications such as pancreatic, bladder, prostrate and breast cancer. To achieve this, the Group aims to complete the following key milestones within the short to medium term:

- To submit a Clinical Trial Application ("CTA") in H2 2024. Based on the initial positive feedback from the MHRA, CRISM will submit a CTA to get a definitive answer if the preclinical safety and efficacy data on ChemoSeed is sufficient to support its evaluation in a Phase II clinical trial. To achieve this, the Group has engaged the services of Venn Life Sciences to submit the CTA. The Company expects the CTA to be submitted during the second half of 2024.
- To commence clinical trials, expected to begin in Q4 2025. To achieve this goal, CRISM will work with its partners to manufacture sufficient ChemoSeed beads for the clinical trials and conduct Good Laboratory Practice and Good Manufacturing Practice toxicology and regulatory studies, as required. The Group's first clinical trial, targeting HGG using ChemoSeed and irinotecan ("IRN"), is expected to begin with Stage I in Q4 2025.
- To demonstrate improved clinical outcomes for patients. Given the virulent nature of HGG, any additional benefit of ChemoSeed to patient outcomes should be evident within two years from the start of the clinical trial.
- To obtain marketing authorisation in the UK. As the target markets for ChemoSeed have orphan drug designation, the Group could potentially receive conditional marketing authorisation in the UK on the back of positive Phase II clinical trial data. This authorisation could be received as early as 2028, therefore reducing the time and cost to commercialisation of IRN loaded ChemoSeeds for HGG treatment.
- To obtain marketing authorisation in overseas jurisdictions. HGG also has orphan drug designation in Europe and the US. Since licensing regimes are closely aligned, assuming that the Phase II trial is suitably charged, the Group would seek conditional market authorisation in the EU and experimental use authorisation in the US to expand sales overseas.
- Demonstrate that ChemoSeed can be used as a platform for treatment of other cancers. As ChemoSeed can allow for the delivery of a combination of different drugs containing IRN, allowing personalised combination and dose depending on the patients' needs, the Directors believe that ChemoSeed can be used for developing novel therapies and re-purposing/formulating regulatory approved drugs. Accordingly, the Directors envisage that the ChemoSeed could be used to treat other conditions such as pancreatic, bladder, prostrate and breast cancer.

Principle Two: Promote a corporate culture that is based on ethical values and behaviours

The Board recognises that its decisions regarding strategy and risk will influence the corporate culture of the Group as a whole and that this will impact the performance of the Group. The Board is very aware that the tone and culture set by the Board will have an effect on all aspects of the Group as a whole and the way that employees behave. A large part of the Group's activities are based on its interaction with MHRA as well as addressing its healthcare customer needs. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Group to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Group does. The Board assessment of the culture within the Group at the present time is one where there is respect for all

individuals, there is open dialogue within the Group and there is a commitment to provide the best service possible to all the Group's key partners while being sensitive to the needs of all stakeholders.

In addition, the Group takes a robust approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever they occur. The Group implements effective systems to counter bribery and corruption, and as part of this has adopted an anti-bribery and anti-corruption policy. The policy provides guidance to those working for the Group on how to recognise and deal with bribery and corruption issues and the potential consequences and applies to all persons working for the Group or on its behalf in any capacity, including employees at all levels, Directors, consultants and agents.

Furthermore, the Directors believe that serving the Group's target market of hospitals, brings with it a level of public scrutiny in procurement that is transparent and easily accessible to the Board and external advisers that oversee the Group's activities.

Principle Three: Understanding shareholder needs and expectations

The Board recognises its significant responsibility towards the Company's shareholders and is committed to maintaining good communication and investor relations and having a constructive dialogue with all its shareholders. The Chief Executive will hold regular meetings with institutional shareholders to keep them updated on the Company's performance, strategy and management and provide periodic briefings to analysts who cover the industry.

The Board have engaged Buchanan PR to provide Investor Relations services allowing all investors to have the opportunity to ask questions and provide feedback via Buchanan PR – either by phone or email. Through Buchanan the Board will also allow all investors to attend Company investor presentations (held physically or virtually) and to submit questions to the management.

In addition, all shareholders are encouraged to attend the Company's Annual General Meeting and any other General Meetings which are held throughout the year.

The Board uses the Company's website to provide access to current information about the Group's activities.

Principle Four: Take into account wider stakeholder interests

The Board recognises that the long-term success of the Group is reliant upon the efforts of the directors, future employees, customers, stakeholders, suppliers and regulators. The Board has identified its key stakeholders and has put in place a range of processes and systems to ensure that there is close Board oversight and contact with these groups and seeks feedback from them whenever possible.

Employee Annual Assessment Process
When the Group recruits employees they will participate in a structured Group-wide annual assessment process which is designed to ensure that there is an open and confidential dialogue with each person in order to assess performance and set goals for the forthcoming year. The mutual feedback process ensures that the Group can communicate developments in the business to ensure employees efforts are coordinated with Group strategy.

Medicines and Healthcare products Regulatory Agency (MHRA)
The Company has had multiple interactions with the MHRA since 2021 with the CEO and CSO responsible for the Company's regulatory processes. The Company has recently engaged with the MHRA for informational pre-submission meetings to ensure that the regulatory pathway and data collection for the system to meet the MHRA's requirements.

University of Birmingham and Birmingham Clinical Trials Unit

The Group's key collaborators include the University of Birmingham and the Birmingham Clinical Trials Unit ("BCTU").

University of Birmingham

Under the terms of the contract with the University of Birmingham, the Group is permitted to use their laboratory but retains ownership of all the foreground IP generated

Birmingham Clinical Trials Unit ("BCTU")

The BCTU has a long and established track record of offering the scientific, technical and computing expertise needed to support clinical trial research from conception to completion. The Cancer Research UK Clinical Trials Unit ("CRCTU") based within BCTU is responsible for the management of the Tessa Jowell BRAIN MATRIX ("TJBM") clinical trial platform.

Suppliers and Manufacturing partners

The Board ensures that all key relationships with suppliers are the responsibility of CEO/CSO.

Venn Life Sciences

The Group has a contract with Venn Life Sciences, part of the hVIVO plc group, which is well placed to bring therapeutics with orphan drug designation to the market and experienced in bringing new technologies within the oncology field through regulatory approval. Venn Life Sciences will assist the Group with the CTA.

Manufacturing

The Group currently outsources the manufacturing of ChemoSeed through a contract development and manufacturing organisation (CDMO) based in North America. The Group will continue to work with this CDMO for the foreseeable future. The CDMO have both Good Manufacturing Practices guidelines and standards ("cGMP") hot melt extrusion capabilities and the facilities to manufacture pharmaceutical products containing Highly Potent Active Pharmaceutical Ingredients (APIs). They have all of the manufacturing and regulatory expertise and facilities needed to produce clinical and commercial batches of ChemoSeed under ISO 13485:2016 requirement and to cGMP.

Principle Five: Effective risk management

The Audit Committee is responsible to the Board for ensuring that procedures are in place and are being followed to identify, evaluate and manage the significant risks faced by the Group. The Audit Committee reviews the risks on a regular basis and will discuss them quarterly at board level and formally in the Annual Report. The following principal risks have been identified:

Specific risks relating to terms of key contracts
The Company currently has agreements/arrangements with each of: (i) University of Birmingham; (ii) Birmingham Clinical Trials Unit ("BCTU"): (iii) Venn Life Sciences to progress the CTA and in due course assist the Group in clinical trials; and (iv) the CDMO to support continued manufacturing of ChemoSeeds.

University of Birmingham
The base period of the contract expires March 2025. This contract is significant as it allows the Group to use the University's laboratory for R&D. A decision by the University to terminate the arrangement could have an adverse impact on the Company's future business, prospects, results of operations and financial condition.

ChemoSeed for the brain tumour indication has completed R&D and no longer relies on the use of the University's laboratories for success.

While the University of Birmingham has the right to terminate the arrangement, the directors consider it is unlikely that it will terminate its arrangement with Company.

To mitigate this risk, the Company maintains a very close relationship with the University of Birmingham via the CSO. In the very unlikely event that the University of Birmingham did not extend the contract, the Company would review the adoption of suitable mitigation measures including utilising another university or CRO, cost savings, and raising funds from alternative sources to complete the development.

BCTU

This arrangement is significant as the BCTU will oversee the management of ChemoSeed within the TJBM clinical trial platform as a phase II registration grade clinical trial. A decision by the BCTU to terminate the arrangement would have an adverse impact on the Group's future business, prospects, results of operations and financial condition. However this risk has been mitigated as ChemoSeed has already been approved by the TJBM Scientific Advisory Board. The Company maintains a very close relationship with the University of Birmingham via the CSO.

Loss of a major customer
The Company has provided contract development services in the past and may do so in the future. However this is not considered a major risk at this stage.

Research and development risk
The Company will be operating in the life sciences sector and will look to exploit opportunities within that sector. The Company will therefore be involved in complex scientific research and industry experience indicates that there may be a risk of delay or failure to produce results. In order to obtain the necessary regulatory approvals required to commercialise the Company's products, the Company will need to conduct clinical trials and demonstrate safety and efficacy. There is a risk that safety and efficacy issues may arise when the products are evaluated. There is also a risk that there will be delays to the clinical evaluation of ChemoSeed. These risks are common to all new medical products and there is also a risk that the clinical trials may not be successful.

The Company is mitigating such risks through the recruitment and retention of highly skilled and experienced senior managers, clinicians, CDMOs, CROs and regulatory partners with all of the expertise and capabilities needed to ensure that ChemoSeed is manufactured to ISO 13485:2016 requirements and to cGMP giving it the best chance of success in the clinic.

Product development timelines
Product development timelines are at risk of delay, particularly since it is not always possible to predict the rate of patient recruitment into clinical trials. There is a risk therefore that product development could take longer than presently expected by the Directors. If such delays occur the Company may require further working capital.

The group have mitigated this risk by utilising the TJBM platform which has already successfully run brain tumour clinical trials and have the infrastructure for expedient patient recruitment.

Regulatory approvals and compliance
The Company will need to obtain various regulatory approvals, including the UK MHRA and, in due course, the European Medicines Agency ("EMA") and US Food and Drug Administration ("FDA") and otherwise comply with extensive regulations regarding safety, quality and efficacy standards in order to market its future products. These regulations, including the time required for regulatory review, vary from country to country and the review and approval processes can be lengthy, expensive and uncertain. While efforts will be made to ensure compliance with government standards, there is no guarantee that any products will be able to achieve the necessary regulatory approvals to promote that product in any of the targeted markets and any such regulatory approval may include significant restrictions on the uses for which the Company's products can be promoted and used.

To ensure that it has the best possibility of receiving appropriate regulatory approvals to market its products, the Group has partnered with Venn Life Sciences, experienced in regulatory approval and commercialisation within the orphan drug and oncology fields. Venn will provide all of the regulatory support needed to ensure the CTA process is managed properly and that ChemoSeed is manufactured to ISO 13485:2016 requirements and to cGMP guidelines and standards. The relationship with Venn will be managed by the CSO/CEO with regular meetings to gauge and approve progress. In the event that the Company is unable to continue satisfactory commercial arrangements with Venn, the Group would enter into a contract with another qualified vendor to assist in the CTA and progress clinical trials.

Technological change
The markets for the Group's products are characterised by changing treatments and patient requirements. Changing patient requirements and the introduction of products or services or enhancements embodying new treatments may render the Group's existing products and services obsolete, unmarketable or competitively impaired and may exert downward pressures on the pricing of existing products and services.

There has been relatively little progress on the treatment of glioma over the past 20 years, with surgical resection followed by radiotherapy and chemotherapy the most common action. The Directors are aware of other companies that are pursuing alternatives in the treatment of gliomas. However the Directors consider these alternatives have drawbacks in terms of cost, poor drug penetration or toxicity.

The Group intends to continue to invest in technical developments in order to mitigate the impact of future competition. The Group has also registered a portfolio of patents to defend its technological lead over other market offerings in the relevant clinical space.

Principle Six: Establish a well-functioning board led by the chair

The Board comprises the Independent Non-Executive Chair, Dr Nermeen Varawalla, the CEO, Andrew Webb, the CSO Dr Chris McConville and one other Non-Executive Director ('NED'), Gerry Beaney. Each Director has agreed to devote as much time as is required to carry out the roles and responsibilities that the Director has agreed to take on.

Dr Nermeen Varawalla and Gerry Beaney are considered by the Board to be independent.

The Board meets at least every two months and at any other time deemed necessary for the good management of the business and at a location agreed between the Board members. It has established an Audit Committee (see Principle Seven) and Remuneration Committee (see Principle Nine).

Nominations to the Board will be considered by the whole Board given the size and stage of development of the Group. In this context the board will establish the process for appointments, ensure plans are in place for orderly succession to both the Board and senior management positions and oversee the development of a diverse pipeline for succession. It will periodically review the Board's structure and identifying potential candidates to be appointed as Directors, as the need may arise.

Director candidates will also be assessed to ensure appropriateness to act as a director of a London AIM-listed company. The board will meet once a year and at such other times as considered necessary to consider nominations.

The Directors are subject to re-election intervals as prescribed in the Company's Articles, the effect of which is that no director may serve a term longer than three years without standing for re-election by the Company's stockholders in general meeting.

Principle Seven: Maintain appropriate governance structures and ensure the directors have the necessary skills and experience

The Company has put in place a board structure that can best provide the strategic advice and leadership required.

The Board currently consists of four Directors. The biographical details of the Board are set out under "Leadership Team" on the Group's website.

The Directors are of the view that the Company does not currently require a Board-level Chief Financial Officer given its current stage of development. The primary responsibility at board level for managing and reporting the Group's financial position to the Directors will be the CEO, Andrew Webb. Mr Webb will be supported in this by Westend Corporate. Westend Corporate is a specialist financial consultancy which provides outsourced financial administration and reporting services for smaller quoted companies and has supported the Company in this role for three years. Westend Corporate is invited to attend Board meetings, audit and remuneration committee meetings as required. Gerry Beaney, the independent Non-Executive Director, is a member of the Institute of Chartered Accountants of Scotland and holds a Bachelor of Accountancy degree from the University of Glasgow. Mr Beaney has substantial experience in corporate finance, the UK capital markets and financial reporting. He was a non-executive director of Spectral MD Holdings Ltd (subsequently renamed Spectral AI, Inc.) a medical technology company quoted on AIM between June 2021 and September 2023 where he acted as Chair of the Nomination Committee and was a member of the audit committee.

Currently, the Board has an appropriate balance of sector, financial, and public markets skills and experience and brings a range of skills and capabilities to the Company. The Board members are kept up to date on a regular basis on key issues and developments pertaining to the Group as well as their responsibilities as members of the Board and have access to management as required. As the Group progresses on its strategy, it will review the structure of the Board and appoint a Board-level CFO at the appropriate time.

Audit Committee
The Audit Committee's role is to assist the Board with the discharge of its responsibilities in relation to internal and external financial reporting, audits and controls, including reviewing the Group's annual and half-yearly financial statements, reviewing and monitoring the scope of the annual audit and the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors and the tendering process and reviewing the effectiveness of the Group's corporate governance, internal audit and controls, insurance and risk management, whistle-blowing and fraud-prevention systems. The ultimate responsibility for reviewing and approving the Group's annual report and accounts and its half-year reports remains with the Board.

The Audit Committee will be chaired by Gerry Beaney and its other member will be Nermeen Varawalla. The Board has satisfied itself that Gerry Beaney has recent and relevant financial experience, having previously served on the audit committee of Spectral AI, Inc and that the committee as a whole has competence relevant to the sector in which the Group operates. The Audit Committee will normally meet no fewer than three times in each financial year and at such other times as the chair of the committee requires. It will have unrestricted access to the Company's auditors.

Principle Eight: Evaluation of board performance

Internal evaluation of the Board, its Committees and individual Directors is seen as an important component of good governance. This will be undertaken on an annual basis in the form of peer appraisal, facilitated by self-assessment questionnaires and discussions to determine the effectiveness and performance in each individual's role. The criteria against which effectiveness is considered will be aligned to the strategy of the Group and management forecasts and budgets that are already in place. Development needs of individuals will form part of the appraisal process.

The board may consider an externally facilitated review in the future. In addition, NEDs independence will be confirmed on an ongoing basis.

Principle Nine: Establish a remuneration policy that supports long-term value creation and the Group's purpose strategy and culture

Remuneration Committee
The Remuneration Committee has delegated responsibility for all elements of the remuneration of the executive Directors of the Company and such other senior executives of the Group as it is designated to consider. It must ensure that the remuneration policy and practices of the Company are designed to support strategy, purpose and values that are linked to the Company's long-term success. The remuneration of non-executive Directors will be a matter for the executive Directors. No Director may be involved in any decision as to their own remuneration.

The Remuneration Committee will be chaired by Nermeen Varawalla. The other member of the committee will be Gerry Beaney. The Board has satisfied itself that Nermeen Varawalla and Gerry Beaney have recent and relevant sector experience. Gerry Beaney has previously held senior positions at London-based institutional stockbrokers and AIM advisory firms. The Remuneration Committee will normally meet not less than twice in each financial year and as otherwise required by its Chair.

Remuneration of Directors is split into three categories:

• Basic salaries and benefits in kind: Basic salaries are recommended to the Board by the Remuneration Committee, taking into account the requirements of the role and the rates for similar positions in comparable companies. Certain benefits in kind are available to certain senior staff and Executive Directors.

• Bonus Scheme: The Group has a discretionary bonus scheme for staff and Executive Directors which is specific to each individual and the role performed by that individual within the Group. Bonuses will be linked to achievement of a range of KPIs (financial and non-financial).

• Share Options: The Company may issue share options to Directors and employees to attract, retain and reward those individuals through equity participation in the Company's shares. Options can also be granted to non-employees (including consultants). Exercise of share options will be subject to specified exercise periods, other conditions and compliance with the AIM Rules and the Market Abuse Regulation. The grant of share options is overseen by the Remuneration Committee which recommends to the Board all grants of equity and share options to directors and employees based on the Remuneration Committee's assessment of personal performance and specifying the terms under which eligible individuals may be invited to participate. Any grant of options to NEDs will be determined by the Executive Directors.

Following admission, the Company intends to implement a new equity incentive plan at the appropriate time.

Principle Ten: Communicate Company performance and governance by dialogue with shareholders and stakeholders

Ultimate authority for all aspects of the Group's activities rests with the Board with the respective responsibilities of the Chair and Chief Executive Officer arising as a consequence of delegation by the Board. The Chair is responsible for the effectiveness and leadership of the Board, promoting a culture of openness and debate by facilitating the effective contribution of NEDs and ensuring constructive relations between Executive and Non-Executive Directors. The CEO is responsible for ensuring that the Directors receive accurate, timely and clear information. Management of the Group's day-to-day business resides with the Chief Executive Officer. As stated in Principle Three, primary contact with shareholders has been delegated by the Board to the Chief Executive Officer who may further delegate with the consent of the Board.

NEDs are appointed not only to provide independent oversight and constructive challenge to the Executive Directors and senior management but also to provide strategic advice and guidance. There is a rigorous and transparent procedure for the appointment of new Directors to the Board. The search for Board candidates is

conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board.

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Investors section of the Company's website provides all required regulatory information as well as additional information shareholders may find helpful including: information on Board members, advisors and significant shareholdings, a historical list of the Company's Announcements, its corporate governance information, the Company's publications including historic annual reports and notices of annual general meetings or special meetings, together with share price information.

The Group also takes a proactive approach to Investor Relations initiatives with ongoing support from Buchanan PR, the Group's Financial PR and IR Advisers. These investor relations initiatives include (but are not limited to):

- responsive IR enquiry service for all investors to ask questions and provide feedback via phone or email;
- shareholder events in London and elsewhere;
- access to virtual investor presentations and Q&A sessions;
- the use of social media, in accordance with the Group's Social Media Policy; and
- access to media commentary or video interviews providing a summary of Company strategy and around other key developments.

Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. The Board have engaged Buchanan PR to provide Investor Relations services allowing all investors to have the opportunity to ask questions and provide feedback via Buchanan – either by phone or email. Through Buchanan the Board will also allow all investors to attend Company investor presentations (held physically or virtually) and to submit questions to the management. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting or any other Special Meetings that are held throughout the year.

Results of shareholder meetings and details of votes cast will be publicly announced via the Regulatory News Service and displayed on the Company's website with suitable explanations of any actions undertaken as a result of any significant votes against resolutions.

This statement was last reviewed on 30 May 2024.