Terms of Reference of the Redx Audit, Risk & Disclosure Committee

1. Introduction

1.1. The Audit, Risk & Disclosure Committee (the "**Committee**") was established in accordance with Redx Pharma plc's Articles of Association by a resolution of the Board passed on 7 February 2018. This document contains the Committee's terms of reference and was approved by the Board on [ ] 2022.

1.2. The Committee has delegated authority from the Board in respect of the functions and powers set out in these terms of reference. The operation of the Committee shall be subject to the Articles and the U.K. Companies Act 2006.

1.3. In this document, references to:

1.3.1. "**AIM Rules**" are to the AIM Rules for Companies published by London Stock Exchange plc;

1.3.2. "**Board**" are to the board of directors of Redx;

1.3.3. "**Group**" are to the group of undertakings of which Redx is the parent;

1.3.4. "**MAR**" are to the Market Abuse Regulation as it forms part of domestic law in the UK; and

1.3.5. "**Redx**" are to Redx Pharma plc;

2. Membership

2.1. Members of the Committee shall be appointed by the Board in consultation with the chairperson of the Committee. The Committee shall be made up of at least three members, all of whom shall be non-executive directors who are considered by the Board to be independent within the meaning of the Quoted Companies Alliance Corporate Governance Code.

2.2. The Board shall appoint a member of the Committee to be the chairperson of the Committee. The chairperson shall chair each meeting. In the absence of the chairperson and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

2.3. At least annually, the Board shall satisfy itself that (i) the Committee, as a whole, has an understanding of management practices including risk management activities, both generally and in the biopharmaceutical sector, and (ii) at least one Committee member has recent relevant financial experience in order to be able to provide robust challenge and informed support to the chief finance officer.

3. Secretary

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

4. Meetings

4.1. The Committee shall meet at least four times a year and at such other times as the chairperson of the Committee shall require.

4.2. In relation to disclosure matters, the Committee shall meet at such times as shall be necessary or appropriate in order to comply with relevant legislation. The Committee will also

meet at least once a year, either as part of a meeting called under paragraph 4.1 or separately to review the operation, adequacy and effectiveness of Redx's and the Committee's procedures in relation to disclosure.

4.3. Meetings of the Committee shall be called by the secretary of the Committee at the request of the chairperson of the Committee, any other member of the Committee or Redx's external auditors or internal audit (as applicable) if they consider it necessary.

4.4. Only members of the Committee have the right to attend Committee meetings. However, other individuals and external advisers may be invited to attend for all or part of any meeting as and when appropriate. The following shall be invited to attend Committee meetings on a regular basis as the agenda requires: chief executive officer, chief financial officer, general counsel and Redx's external auditors.

4.5. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be provided to each member of the Committee and any other person invited to attend in good time before the date of the meeting. Supporting papers shall be sent to Committee members and other attendees as appropriate in advance of each meeting.

4.6. The quorum necessary for the transaction of business shall be two members including, for audit related matters, at least one member who the Board believes has recent and relevant financial experience. 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.

4.7. A resolution in writing signed by all members of the Committee will be as effective as a resolution passed at a Committee meeting. Any written resolution will be tabled and noted at the next meeting of the Committee.

5. Minutes of Meetings

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

5.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee.

6. Annual Report and Annual General Meeting

6.1. The Committee shall review and when necessary discuss with management and the external auditors and, if required, approve statements included in Redx's financial statements, interim reports and Annual Report prior to filing or publishing in accordance with applicable laws and regulations, including the Companies Act 2006 and the AIM Rules.

6.2. The Committee shall produce a report on its activities to be included in Redx's Annual Report.

6.3. The Committee shall have the right to publish in Redx's Annual Report details of any issues that cannot be resolved between the Committee and the Board.

6.4. The chairperson of the Committee shall attend Redx's Annual General Meeting prepared to respond to any

shareholder questions on the Committee's activities.

7. External Audit

7.1. Redx's external auditor shall report directly to the Committee as to:

7.1.1. its progress in conducting the annual audit of the Group;

7.1.2. the results and overall outcome of the audit;

7.1.3. any concerns it has regarding the conduct, results or overall outcome of the audit;

7.1.4. any significant issues discussed or significant disagreements with management during the conduct of the audit and how such disagreements were resolved; and

7.1.5. any matters which may affect or impair its independence in conducting the audit.

7.2. The Committee shall:

7.2.1. consider and make recommendations to the Board in relation to the appointment, reappointment and removal of the external auditor, subject to the approval of Redx's shareholders at a general meeting. If the Board does not accept the Committee's recommendation, it should include in Redx's Annual Report, and in any papers recommending appointment or re-appointment, a statement from the Committee explaining the recommendation and should set out reasons why the Board has taken a different position;

7.2.2. ensure that at least once every ten years the audit services contract is put out to tender and supervise the selection process for a new auditor;

7.2.3. review the terms of engagement, negotiate and agree the audit fees of the external auditor;

7.2.4. negotiate and agree with the external auditor the scope and overall planning and timetable for the annual audit of the Group;

7.2.5. review and agree with the external auditor those areas considered to be of greatest importance for each cycle of the annual audit;

7.2.6. review annually the external auditor's independence and objectivity and the effectiveness of the external audit process, taking into consideration relevant professional and regulatory requirements and ethical standards, including requirements to rotate audit partners and staff;

7.2.7. develop and implement a policy for any permitted non-audit work to be carried out by the external auditor taking into consideration relevant ethical guidance;

7.2.8. review and pre-approve any permitted non-audit work, including the level of fees to be charged for such work and, in doing so, the Committee shall consider whether any aspect of the non-audit work may impair the independence of the external auditor; and

7.2.9. review the principal representation letters of Redx requested by the external auditor before they are signed by Redx.

7.3. The Committee shall draw to the attention of the Board any significant

concerns, results or overall outcome of the annual audit of the Group and any area or aspect of the annual audit in respect of which the external auditor believes it has been impeded or hindered, whether by management or by other circumstances, in carrying out the audit. The Committee shall report to the Board on its assessment of the effectiveness of the external audit process and any matters which may significantly affect or impair the independence of the external auditor.

8. Internal Audit

8.1. The Committee shall, for so long as Redx does not have an internal audit function, regularly review whether there is a need to establish one and make a recommendation to the Board accordingly.

8.2. Following establishment of an internal audit function, the Committee shall:

8.2.1. review and agree with the head of the internal audit function the internal audits plan for each financial year, including the scope, overall timetable and areas of focus;

8.2.2. receive and review a report on the results of the internal audit function's work on a periodic basis;

8.2.3. review the role and effectiveness of the internal audit function and its resources, and review management's responsiveness to the findings and recommendations of the internal audit function;

8.2.4. periodically review the structure and organisation of the internal audit function; and

8.2.5. review and approve the appointment and any dismissal of the head of the internal audit function and review, with the chief financial officer, succession planning for the head of the internal audit function.

8.3. The head of the internal audit function shall have direct access to the Committee and to the chairperson of the Board. The head of the internal audit function shall be accountable to the Committee directly as to:

8.3.1. the internal audit function's progress in conducting internal audits of the Group;

8.3.2. the results and overall outcome of internal audits;

8.3.3. any concerns he or she has regarding the conduct, results or overall outcome of internal audits; and

8.3.4. any significant issues discussed or significant disagreements with management during the conduct of internal audits and how such disagreements were resolved.

9. Accounting Policies and Practices

9.1. The Committee shall:

9.1.1. review and consider the appropriateness of the Group's accounting policies and practices;

9.1.2. review and approve, prior to their implementation, any material changes to the Group's accounting policies and practices;

9.1.3. review and consider how the Group's financial statements comply with required accounting policies and regulatory requirements; and

9.1.4. understand and consider the judgements made by management

and the advice given by the external auditor concerning the application of the Group's accounting policies and practices to the Group's financial results and position.

9.2. The Committee's responsibility is to obtain reasonable assurance that the Group's accounting policies and practices and management's judgement concerning the application of those policies and practices to the Group's finances are appropriate such that, in its financial reporting, Redx presents in all material respects the financial condition, results of operations and cash flows of the Group.

10. Financial Reporting

10.1. The Committee shall, prior to release by Redx, consider and challenge where necessary the key elements of and the principal disclosures and any significant estimates and judgements contained in:

10.1.1. all Group financial statements and the notes to those financial statements; and

10.1.2. management's discussion and narrative analysis and any other relevant aspects of Redx's results announcements and financial reports.

10.2. The Committee shall report to the Board on the significant issues it considered in relation to the Group's financial statements and how they were addressed. The Committee shall draw to the attention of the Board any aspect of the financial or other information which it has reviewed about which it has concerns, having regard to matters reported to it by the external auditor.

10.3. If requested by the Board, the Committee shall provide advice to the Board on whether the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to access Redx's position and performance, business model and strategy.

11. Internal Control over Financial Reporting

11.1. The Committee shall:

11.1.1. review the Group's overall framework for internal control over financial reporting and its financial reporting processes; and

11.1.2. review management's own assessment of the effectiveness of internal control over financial reporting and financial reporting processes.

11.2. The Committee shall draw to the attention of the Board any significant deficiencies or material weaknesses in the design or operation of the Group's internal control over financial reporting.

12. Other Internal Controls

12.1. The Committee shall:

12.1.1. review the Group's overall framework for other (non-financial) internal controls; and

12.1.2. review reports from the external auditor and the internal audit function, if established, relating to internal controls and consider the conclusions of those reports.

12.2. The Committee shall draw to the attention of the Board any significant deficiencies or material weaknesses in

the design or operation of the Group's internal controls and any significant breaches of internal controls which come to its attention.

13. Risk Management

13.1. The Committee shall:

13.1.1. review the Group's overall framework for identifying, assessing, understanding and managing the emerging and principal risks it faces consistent with the risk appetite defined by the Board;

13.1.2. oversee management's monitoring of, and be responsible for the review and assurance of, financial, compliance and control risks, including:

13.1.2.1. reviewing Redx's treasury and investment policies and overseeing their application and the associated risks;

13.1.2.2. the risks associated with the Group's business activities from the perspective of compliance with laws and regulations and consider the way the Group manages those risks;

13.1.2.3. the risks associated with the Group's internal controls over financial reporting and non-financial matters and consider the way the Group manages those risks; and

13.1.2.4. reviewing reports from the external auditor and the Group's internal audit function, if established, relating to risk management and the conclusions of those reports; and

13.1.3. report to the Board on how, taking into account Redx's position and principal risks, Redx's prospects have been addressed, over what period and why the period is regarded as appropriate. The Committee shall also advise the Board on whether there is a reasonable expectation that Redx will be able to continue in operation and meet its liabilities as they fall due over said period, drawing attention to any qualifications or assumptions as necessary.

14. Compliance

14.1. The Committee shall:

14.1.1. establish procedures for, and review the adequacy and security of, Redx's arrangements for the Group's employees and contractors to raise concerns, anonymously and in confidence, about possible wrongdoing in financial reporting, accounting, internal accounting controls, auditing matters or other matters, and ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action;

14.1.2. review the adequacy and effectiveness of Redx's systems and controls for maintaining ethical behaviour, including the prevention of bribery and corruption and managing risk to ensure ongoing legal and regulatory compliance, and receive reports on non-compliance, provided that the Science Committee shall oversee good governance of the Group's research and development activities in line with regulatory and ethical standards; and

14.1.3. review Redx's procedures for detecting fraud.

14.2. The Committee shall be responsible for overseeing the investigation of any material complaints received or non-compliance identified and shall draw to the attention of the Board any significant issues raised as a result of the investigation.

15. Disclosures

15.1. The Committee shall:

15.1.1. review the adequacy and effectiveness of Redx's systems and controls for the identification, treatment and disclosure of inside information and other information under MAR, the AIM Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority; and

15.1.2. consider the appropriate treatment of information notified to the Committee and review and advise on the scope and content of disclosures to be made.

15.2. The Committee shall draw to the attention of the Board any significant deficiencies or material weaknesses in the design or operation of the Group's systems and controls and any significant breaches which come to its attention.

16. Private Sessions with the Committee

16.1. At the discretion of the chairperson of the Committee or at the request of the external auditor, head of Redx's internal audit function if established, chief financial officer or general counsel, time may be set aside at each meeting of the Committee for the Committee to meet in private with such person, without management present. Any private session shall be minuted separately from the main session of the Committee.

17. Reporting to the Board and Interaction with other Board Committees

17.1. In addition to the specific issues noted above, the chairperson of the Committee shall report to the Board after each meeting on all matters within its duties and responsibilities and on any matters on which the Board has requested the Committee's opinion.

17.2. A member of the Committee, who is also a member of the Remuneration Committee, shall draw to the attention of the Remuneration Committee, the Committee's assessment of the Group's financial results and any exceptional matters for consideration by the Remuneration Committee in respect of remuneration matters.

18. Other

18.1. The Committee shall, at least once a year, review its own performance, constitution and remit to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

18.2. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the company secretary of Redx for assistance as required.

18.3. The Committee shall 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.

19. Authority

19.1. The Committee is authorised by the Board to seek any information it requires from any director or employee of Redx in order to perform its duties.

19.2. The Committee may, from time to time and at Redx's expense within any limits prescribed by the Board, obtain outstide legal or other professional advice in order to perform its duties.

20. Delegation

The Committee may form and delegate authority to one or more subcommittees to the extent consistent with the Articles, the AIM Rules and other applicable law, including a subcommittee composed of one or more officers of Redx. By delegating an issue to a subcommittee, the Committee does not surrender any authority over that issue. Although the Committee may act on any issue that has been delegated to a subcommittee, doing so will not limit or restrict future action by the subcommittee on any matters delegated to it.