

The Quoted Companies Alliance Corporate Governance Code 2024 Compliance Statement

Chairman's Introduction

Dear Shareholder,

As Chairman of the board of directors (**Board**) of Creo Medical Group plc (**Creo**, the **Company**, **we** or **us**), I am required to lead the Board, communicate with shareholders and ensure that Creo operates on a sound corporate governance model which is reflected throughout the group.

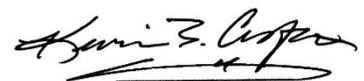
As required under the AIM Rules, Creo's Board resolved to adopt the Quoted Companies Alliance (**QCA**) Corporate Governance Code (**Code**). The Code prescribes a 'comply or explain' methodology in respect of the application of the Code's guidance.

In this, my first statement as Chairman of Creo since joining in July 2024, I provide a summary of how Creo has endeavoured to comply with the 10 principles of the Code during 2024, taking into account Creo's stage of development and its available resources. Where appropriate, I have also included reference to the updated 2023 Corporate Governance Code which applies to Creo from 1 January 2025.

Creo's vision is to improve lives through the development and commercialisation of a suite of electrosurgical medical devices powered by Creo's advance energy technology, bringing advanced energy to endoscopy. We aim to deliver value to all stakeholders, including:

- **patients**, by improving patient outcomes by bringing advanced energy to flexible medical devices;
- **customers**, by developing products with the aim of reducing procedure times and costs;
- **business partners**, by interacting in an ethical and equitable manner;
- **employees**, by offering rewarding careers with support and encouragement to allow everyone to fulfil their potential; and
- **shareholders**, by deploying capital against a well thought through and measured business plan to achieve long-term, sustainable growth;

The Board's is tasked to manage Creo for the long-term benefit of all shareholders. Our corporate governance processes are designed to ensure control and reduce risk, generate long-term value and deliver against Creo's long-term objectives.



Kevin T. Crofton
Chairman

Each principle of the 2018 edition of the Code is set out below along with a commentary of Creo's compliance. To the extent an explanation of Creo's compliance for one principle is relevant against another principle, the explanation is deemed to apply to all relevant principles.

Deliver Growth	
Principle	Application
<p>1. Establish a strategy and business model which promote long-term value for shareholders</p>	<p>Creo is a medical device company focused on the development and commercialisation of minimally invasive advanced energy medical devices. Our vision is to improve lives through the development and commercialisation of a suite of electrosurgical medical devices powered by Creo's advanced energy technology, bringing advanced energy to endoscopy.</p> <p>Creo's business model is set out in its Annual Report, including how we aim to promote long-term shareholder value. This includes an explanation of our technology and products under development and the steps being taken to commercialise our technology.</p> <p>For the 2023 edition of the Code, our purpose and vision align: to improve lives. Our technology has been demonstrated to not only benefit the patient being treated, but by reducing costs and saving time, others who rely on the availability of services from healthcare providers also indirectly benefit. We believe that by enabling more patients to benefit from Creo's technology this will, in turn, build long term shareholder value.</p>
<p>2. Seek to understand and meet shareholder needs and expectations</p>	<p>The Board is committed to regular and open communication with all shareholders to ensure that its strategy, business model and performance are clearly understood. The Board believes that by understanding shareholders' views while helping shareholders understand our business, best places the board to drive Creo's business forward. The Board engages with shareholders and prospective investors through a number of channels. This is primarily via the RNS, institutional and retail investor presentations and roadshows, but is also via the Annual Report and interim reporting process. These events provide shareholders with the opportunity to engage directly with senior management and the Board.</p> <p>The directors engage with our institutional shareholders regularly. Our CEO and the CFO are the main points of contact, supported by the Chairman. The directors meet with institutional and other significant shareholders at least twice annually through the results roadshow processes.</p> <p>In addition, the Chairman meets with institutional shareholders separately from the executive directors. Our Senior Independent Director and committee Chairs are also available to meet with shareholders on request to discuss specific areas of concern.</p> <p>Creo's NOMAD and Brokers prepare market reports which are shared with the Board for consideration and discussion to ensure that all directors have an understanding on shareholder views.</p> <p>Creo's AGM is the principal in-person forum for dialogue between private shareholders and the Board. All shareholders are invited to attend Creo's annual general meeting where they can meet with the directors and understand and exchange opinions on the direction of the Company. The Executive Directors, Chairman of the Board and all other Directors routinely attend the AGM and are available to answer questions raised by shareholders. Copies of our Annual Report and the notice of AGM are sent to all shareholders at least 21 days before the AGM. Copies of these documents, along with other information for shareholders, are also provided on our website.</p>

	<p>The results of the AGM are released via the RNS as soon as practicable after the conclusion of the meeting. This announcement also provides, for information, details of the total number of votes in favour of each resolution. At our 2024 AGM all resolutions put to shareholders were duly passed.</p> <p>Along with broker analysis, Creo retains the services of Proactive Investors and Edison Research to provide research and commentary on the business.</p>
<p>3. Take into account wider stakeholder and social responsibilities and their implications for long-term success</p>	<p>Creo's key stakeholders are our patients, customers, business partners, employees and workers, suppliers, shareholders and the wider communities in which we operate. The Board takes into account wider stakeholder and social responsibilities when making its decisions. Our Annual Report includes examples of how the business takes into account the needs of our wider stakeholders when taking key decisions.</p> <p>Creo is a socially responsible company with ESG at its core. Our Annual Report includes details of our continuing sustainability efforts and the work we have performed to meet our social responsibilities. This includes environmental responsibilities and actions we take as required under the 2023 edition of the Code.</p>
<p>4. Embed effective risk management, considering both opportunities and threats, throughout the organisation</p>	<p>The Board is responsible for maintaining a sound system of internal financial and operational control and the ongoing review of its effectiveness.</p> <p>The Board is also responsible for identifying major business risks faced by the group, setting the framework and risk appetite of the group.</p> <p>The Board's measures are designed to manage, not eliminate, risk and, as such, provide reasonable, but not absolute, assurance against material misstatement or loss. Some key features of the internal control system are:</p> <ul style="list-style-type: none"> • Management accounts information, budgets, forecasts and business risk information which are regularly reviewed by the Board; • A rigorous quality management system which is compliant with the ISO:13485 standard and which is externally audited; • Operational, accounting and employment policies which are regularly reviewed and updated as appropriate; • Clearly defined organisational and reporting structures within the Company; and • Established financial reporting and control systems within the Company which are reviewed and challenged by the Company's Audit Committee. <p>Creo reviews its internal controls regularly to ensure that they give the necessary flexibility to enable growth and the delivery of long-term shareholder value while having the correct checks and balances in place.</p> <p>The Company maintains a risk register which is reviewed regularly through a working committee within the business and ultimately by the Board who appraise external and internal threats and determine the necessary steps required to be taken to mitigate those risks. Principal risks and uncertainties that may affect the business are set out in more detail in the Annual Report.</p> <p>The Audit Committee is responsible for ensuring auditor independence. No non-audit services were provided to the group by the Company's auditor in 2024. During 2024 the Audit Committee undertook a tender for audit services and recommended</p>

	that RSM UK be appointed as auditor for the Company. Our annual report sets out more details on this process and the work undertaken by the Audit Committee.
Maintain a Dynamic Management Framework	
Principle	Application
5. Maintain the Board as a well-functioning, balanced team led by the chair	<p>The Code requires boards to have an appropriate balance between executive and non-executive directors and each board should have at least two independent directors. Creo's Board is currently made up of an Independent Non-Executive Chairman (Kevin Crofton), four Executive Directors (Craig Gulliford, CEO; Richard Rees CFO; Professor Christopher Hancock CTO; and David Woods CCO), and three further independent Non-Executive Directors (John Bradshaw, Ivonne Cantu and Brent Boucher). John Bradshaw acts as Creo's senior independent Non-Executive Director. Brief biographies for each Board member can be found on our website.</p> <p>The roles of the Chairman and the Chief Executive Officer are separate, with their roles and responsibilities clearly defined.</p> <p>The Executive Directors are full time employees of the Company. Non-Executive Directors are required to devote sufficient time to prepare for and attend regular Board meetings, any <i>ad hoc</i> Board sessions, their committee duties and other stakeholder engagements. Our Annual Report contains further details the attendance at Board and committee meetings during the financial year. The Board delegates certain duties to its Audit Committee and Remuneration Committee, which operate within clearly defined terms of reference and, where applicable, in accordance with the Code. The Board Committees are constituted solely of independent non-executive directors. Executive directors may attend committee meetings when appropriate, to provide information to the members to assist in their deliberations. Details of our Board committees can be found on our website. The Board does not currently have a Nomination Committee or Disclosure Committee as matters which would be considered by these committees are undertaken by the Board as a whole.</p> <p>The Company's articles of association require one third of its directors to stand for re-election at each AGM, with each director to be re-elected at least every three years. Regardless, from 2025 onwards all directors will stand for election / re-election at each AGM.</p> <p>No non-executive director has any interest in the Company's share option plans. Kevin Crofton, John Bradshaw and Ivonne Cantu hold limited shareholdings in the Company. The Board does not consider this participation to be significant and therefore consider each to be independent non-executive directors. All Directors are encouraged to debate and use independent judgement based on their respective knowledge and experience on all matters affecting the business. The Board feels that it has an appropriate balance between independence, knowledge of the Company's technology, sector experience and professional standing to allow it to discharge its duties and responsibilities well and to effectively operate and control the business.</p> <p>The board continues to monitor its performance and structure to ensure that it is appropriate for the business.</p> <p>To address the provisions of Section 175 of the Companies Act 2006 relating to conflicts of interest, the Company's Articles of Association allow the Board to authorise situations in which a Director has, or may have, a conflict of interest. Directors are required to give notice of any potential situation or transactional conflict that are to be considered at the next Board meeting and, if considered</p>

	<p>appropriate, conflicts are authorised or Directors do not attend or participate in such discussions. Directors are not permitted to participate in such considerations or to vote regarding their own conflicts.</p>
<p>6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities</p>	<p>The Board considers that it contains an appropriate range of skills, experience and knowledge, but is mindful of the need to continuously review the needs of the business to ensure that this remains true. Brief biographies for each Board member can be found on our website.</p> <p>Creo's Board members are of sufficient calibre to bring independent judgment to issues of strategy, performance, resources and standards of conduct, which are vital to the future growth and success. The Board believes that it operates in an open and constructive manner, working effectively as a team.</p> <p>Each Director is aware of the importance of keeping their skills and capabilities up to date. The Board are kept up to date on changes to the AIM rules briefings from the Company's NOMAD, as well as other regulatory and market matters on an ad hoc basis. The Board has access to senior employees within the business and is supported by a number of professionals (both internal and external), including the Company's General Counsel, the CFO (who is a chartered accountant), the Senior Independent Non-Executive Director (who is a chartered accountant) and external advisors (details of which are available on our website).</p> <p>During 2024, Richard Craven assumed the role of Company Secretary and is responsible to assisting the Board with governance matters and ensuring that decisions regarding governance are implemented.</p>
<p>7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement</p>	<p>During 2024, Kevin Crofton replaced Charles Spicer as Chairman of the Board and Brent Boucher joined as an additional independent non-executive director. Their respective experiences bring a refreshed perspective to the Board and its performance.</p> <p>The Board continually seeks to improve the ways in which it interacts and the manner in which information is presented to it. Creo's reporting processes allow a consistent reporting approach, thus aiding analysis by the Board of all matters at hand.</p> <p>While the Company does not currently have any formal appraisal processes or evaluation criteria for the Board, the Chairman and Non-Executive Directors regularly discuss performance with members of the executive team which, in the Board's opinion, is sufficient for the Company's purposes currently. This will be kept under review and the Board will consider whether formal evaluations are appropriate in the future.</p> <p>The Audit Committee has undertaken a self appraisal during 2024, taking time to analyse and reflect on areas of improvement that can be made. A similar self appraisal will be undertaken for the Board as a whole in 2025, along with an assessment for future succession planning needs of the Board.</p>
<p>8. Promote a corporate culture that is based on ethical values and behaviours</p>	<p>The Board promotes ethical values and behaviours throughout the conduct of all of Creo's activities. Our values are set out in our policies, our working practices and our systems.</p> <p>The Board seeks to treat all persons fairly and equitably, through clearly defined parameters of operation. This includes full compliance with safe working practices but also maintaining and protecting a positive and supportive working environment.</p> <p>As part of the induction process, all employees are provided with details of Creo's policies and procedures that promote and support ethical values and behaviours.</p>

	<p>Creo's HR team continually monitor and support employees on their working practices and provide timely reminders and updates on policies and procedures, including formal online training. Breaches of Creo's policies and procedures are reported to relevant line managers and ultimately to the Board to ensure that matters are dealt with in a timely and fair manner. Creo has a whistleblowing policy to allow and encourage all employees to bring matters which cause them concern to the attention of designated persons within the Company and, ultimately, to the attention of the Chairman of the Board.</p> <p>The nature of our products requires a robust quality management system which is third party audited to the ISO:13485 standard. Underpinning this quality management system are processes to ensure that necessary safeguards are in place to ensure the integrity of this system and accordingly the quality of the products under development.</p>
<p>9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board</p>	<p>The Board seeks to meet regularly, but in any event holds Board meetings on a quarterly basis, together with meeting for an annual strategy event. In addition to the scheduled meetings, members of the Board regularly hold informal discussions with both executive directors and senior operational managers of the Company to discuss strategic business developments and other topics important to the Company's progress. Further, Board calls are held when needed to allow the executives to update the Board on specific matters and/or to approve specific actions for which Board approval is required.</p> <p>The Board delegates certain duties to Board Committees, all of which operate within clearly defined terms of reference and, where applicable, in accordance with the Code. Further information on our Board committees can be found on our website.</p> <p>The Board and its committees are provided with information ahead of meetings to give time for review and analysis. For each Board meeting an agenda is prepared and approved by the Chairman and followed. The Board maintains an ongoing list of matters arising from the Board meetings which are then followed up at subsequent meetings to ensure that matters and decisions are being implemented.</p> <p>The Board has adopted a schedule of specific matters reserved for the Board to consider and, if thought appropriate, decide upon. These reserved matters relate to:</p> <ul style="list-style-type: none"> • Strategy and oversight, including the approval of annual budgets; • Changes to the capital structure of the Company and the corporate structure of the group; • Approval of financial statements and reports and any capital spend above agreed limits; • Approval of contracts outside of the ordinary course of the business; • Changes to Board and committee membership; • Remuneration of executive directors and issues relating to share options; • Any delegation of authorities; • Governance; and • Approval of policies. <p>As Chairman, Kevin Crofton provides leadership to the Board and is responsible for agreeing the agenda for Board meetings, ensuring (with the Company Secretary) that the Directors receive the information that they need to participate in Board meetings in a timely fashion, and that the Board has sufficient time to discuss issues on the agenda, especially those relating to strategy and governance.</p> <p>Craig Gulliford, Creo's Chief Executive Officer, is responsible for the day-to-day leadership of Creo, the management team and its employees. The Chief Executive Officer is responsible, in conjunction with senior management, for the execution of</p>

	<p>the Company's strategy, as approved by the Board, and the implementation of Board decisions.</p> <p>The Board is collectively responsible for the long-term success of the Company. Its principal role is to provide leadership within a framework of prudent and effective controls, which enables risk to be assessed and managed. The Board considers the management team's strategic proposals and determines strategy and ensures that the necessary resources are in place for the management team to execute against that strategy.</p> <p>The Board is satisfied that the governance arrangements for the business remain appropriate and that the delegations in place are effective and with strong oversight and controls. This is, of course, subject to regular Board and managerial oversight and review.</p> <p>From 1 January 2025 the Board will follow the 2023 edition of the Code. The Board believes that it is well placed to meet the requirements of the update Code.</p>
Build Trust	
Principle	Application
<p>10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders</p>	<p>Principle 2 above sets out how we communicate with our shareholders and other relevant stakeholders.</p> <p>Our Annual Report, full year and half year announcements are the primary sources of information for shareholders. This information is supplemented by regular and appropriate RNS and RNS Reach announcements. Other, non-regulatory, updates on the Company's activities can be found on our social media channels.</p> <p>This information, together with other relevant and historical regulatory information on the Company, can be obtained from our website.</p> <p>Information on shareholding voting at the 2024 Annual General Meeting of the Company is also available on our website.</p> <p>Walbrook PR advises the Company on its communications strategy and assists in the drafting and distribution of regular news and regulatory announcements. Shareholders or interested parties can contact Walbrook regarding any communications at creo@walbrookpr.com.</p>

This statement of compliance was last updated on 3 March 2025