

CHESNARA PLC (the 'Company')

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

The Company's board of directors (the 'Board') has established this schedule of matters which must go to the Board for approval ('Matters Reserved for the Board'), subject to any legal or regulatory rights of the Company's shareholders.

The Matters Reserved for the Board remain subject to the Company's articles of association (the 'Articles'). If there is any conflict between this schedule and the Articles, the Articles shall prevail.

If there is any doubt as to whether a particular matter falls within the scope of the Matters Reserved for the Board, the matter shall be brought to the attention of the Group Company Secretary, who will discuss the matter with the chair of the Board as appropriate. A decision of the chair of the Board as to whether a matter is reserved for the Board shall be final.

The Board delegates certain matters to its Board Committees through Board approved terms of reference. The Board delegates to the Group Chief Executive Officer full authority for the day-to-day management of the business of the group in accordance with the strategy, priorities, risk appetite and policies set by the Board, with the exception of the Matters Reserved for the Board. Nothing in this schedule will limit the power of the Board to further delegate authority as it deems appropriate from time to time in accordance with the Articles.

The Board recognises that certain decisions require independent approval of the boards of its subsidiary entities. Where these fall within the scope of the Matters Reserved for the Board, decisions taken by the subsidiary boards shall be subject to the additional approval of the Board.

The Matters Reserved for the Board, subject to any legal or regulatory rights of the Company's shareholders are as follows:

Group Strategy and Risk Management

- Responsibility for the overall leadership of the Company and establishing the group's overall strategy, priorities and related risk appetite;
- Establishment of the Company's purpose, values and cultural direction and oversight of behavioural patterns and standards across the group;
- Oversight of the impact of the group's strategy, purpose and culture on customers;
- Approval of the group business plan, including the group's operating and capital expenditure budgets;
- Approval of the group's sustainability strategy;
- Oversight of the group's system of internal control and risk management, assessing and monitoring the principal and emerging risks facing the group, taking into account feedback from the Company's Audit & Risk Committee;
- Oversight of the implementation of the group's financial and operating plans, ensuring that they are being managed appropriately in compliance with the Company's internal control system and that appropriate financial and human resources are in place to achieve the plans;
- Approval of any extension of the group's activities into new business or geographic areas;
- Approval of any decision to cease to operate all or any material part of the group's business (subject to a subsidiary board determining that it should do so in order to comply with its legal and /or regulatory obligations); and
- Adopting (or making material amendments or variations to) and undertaking a formal annual review of material Company and group policies as set out in the group's risk frameworks.

Structure and Capital

- Material changes relating to the group's capital structure including reduction of capital, share issues (except under employee share plans) or share buy backs, including the use of treasury shares;
- Material changes to the group's corporate structure;
- Any changes to the group's listing or its status as a plc; and
- Approval of, and monitoring of, the group's capital requirements, with input from the Audit & Risk Committee.

Financial Reporting and Controls

- Approval of the interim statements and the annual report and accounts of the Company and the group (on a consolidated basis) and public announcements or trading statements thereto, following the recommendation of the Audit & Risk Committee;
- Approval of any dividend policy, interim dividends and recommendation to shareholders of final dividends;
- Approval of the Management Representation Letter to the Company's auditors, following a recommendation of the Audit & Risk Committee;
- Recommendation to shareholders of the appointment and removal of the Company's auditors and the level of fees payable to the auditors, following a recommendation of the Audit & Risk Committee; and
- Approval of any significant changes in the group's accounting policies or practices, following a recommendation of the Audit & Risk Committee.

Transactions and Expenditure

- Approval of any investment, capital expenditure or financial commitment in excess of £3 million (for the avoidance of doubt, all proposed investments, capital expenditures or financial commitments relating to a single initiative will be aggregated for the purpose of determining the value of the transaction or expenditure);
- Approval of any external financing arrangements, with the exception of short-term financing arrangements with a value of less than £3 million;
- Entering into, termination of, or material changes to, contracts which are material strategically or by reason of size (i.e. with a total contract value in excess of £3 million) or have potential reputational impact in the context of the group as a whole (for the avoidance of doubt, contracts with a single counterparty covering the same or similar services will be aggregated for the purpose of determining the total contract value);
- Any agreement or arrangement which restricts the freedom of the group to carry on any business, in any part of the world or which restricts the freedom of the group to acquire or dispose of any asset;
- Approval of proposed transactions between a shareholder of the Company (or its connected persons) and any subsidiary;
- Any agreement to acquire or merge with a third party or dispose of a material interest in the group in line with the requirements set out in the group's acquisition policy; and
- Any matter which would require approval of the Company's shareholders.

Communication

- Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting;
- Authorisation to convene any meetings of shareholders and the approval of any Notice of Meeting relating thereto;
- Approval of all circulars, prospectuses and listing particulars; and

- Approval of press releases concerning matters decided by the Board.

Board membership and other appointments

- Changes to the structure, size and composition of the Board, following recommendations from the Nomination & Governance Committee;
- The appointment, re-appointment or termination of all directors of group boards, following recommendations from the Nomination & Governance Committee;
- Ensuring adequate succession planning for the Board and senior management;
- The establishment of any formal committee of the Board and its terms of reference and membership, following recommendations from the Nomination & Governance Committee for the membership and chairs of the Audit and Risk and Remuneration Committees; and
- Appointment or removal of the Group Company Secretary.

Remuneration

- Proposing to shareholders, following a recommendation from the Remuneration Committee, the remuneration policy for executive directors;
- Determining the remuneration of the Board Chair, following a recommendation from the Remuneration Committee and subject to the Articles of Association and shareholder approval as appropriate; and
- The introduction of new share incentive plans or major changes to existing plans, subject to shareholder approval as appropriate.

Corporate Governance Matters

- Undertaking a formal Board evaluation process annually (externally facilitated every three years) to assess its own performance, that of its Committees and individual Board Directors;
- Determining the independence of Board Directors;
- Approval and review of the Company's system of governance at least annually;
- Oversight of the group's corporate governance arrangements to ensure continued compliance with the UK Corporate Governance Code; and
- Authorising conflicts of interest where permitted by Chesnara's Articles of Association.

Other

- The making of political donations;
- Approval of the appointment of the group's principal professional advisers, following recommendation of the Group CEO;
- Approval of all material returns to regulators.
- Prosecution, commencement, defence or settlement of litigation or regulatory proceedings involving amounts in excess of £3 million or with the potential for significant reputational impact;
- Major changes to the rules of the group's pension schemes, or changes of trustees or when this is subject to the approval of the group changes in the fund management arrangements;
- Any other matter which, under the Articles of Association, or for any other legal or regulatory reason, requires a resolution of the Board or any matter which the Board deems to be of material significance to the group; and
- Approval of this schedule of Matters Reserved for the Board.