



HELICAL PLC
(the “Company”)

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

The Board of Directors of Helical plc is collectively responsible for the promotion of the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society. In discharging their duties, all the Directors shall have due regard to their legal and regulatory obligations and shall consider the requirements of Section 172 of the Companies Act 2006 when making decisions.

The Board’s roles and responsibilities are set out as follows:

1. Purpose, Values and culture

- 1.1. Responsibility for establishing the Company’s purpose, values and culture, and ensuring that these are aligned with the Company’s strategic aims and objectives.
- 1.2. Assessing, monitoring, promoting and supporting the Company’s culture and ensuring any necessary corrective action is taken.

2. Strategy and Management

- 1.1 Responsibility for the overall leadership of the Company.
- 1.2 Approval of the Group’s strategic aims and objectives, ensuring alignment with the Company’s purpose, values and culture.
- 1.3 Approval of the annual operating and capital expenditure budgets and any material changes to them
- 1.4 Oversight of the Group’s operations ensuring competent and prudent management, sound planning, adequate accounting and other records and compliance with statutory and regulatory obligations.
- 1.5 Review of performance in the light of the Group’s strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.6 Extension of the Group’s activities into new business or geographic areas.
- 1.7 Approval of major capital projects and projects outside the normal course of business.
- 1.8 Entering into a binding commitment to a major strategic alliance, joint venture partnership or profit sharing arrangements.
- 1.9 Any decision to cease to operate all or any material part of the Group’s business.

3. Structure and Capital

- 2.1 Changes relating to the Group’s capital structure including reduction of capital, share issues (except under employee share plans), share buy backs (including the use of treasury shares).
- 2.2 Major changes to the Group’s corporate structure.
- 2.3 Changes to the Group’s management and control structure.

2.4 Any changes to the Company's listing or its status as a public limited company.

4. Financial reporting and controls

- 3.1 Approval of the half yearly report, interim management statements and any preliminary announcement of the final results
- 3.2 Approval of the annual report and accounts, including the Strategic Report, the Directors' Report, Corporate Governance Statement and Directors' Remuneration Report.
- 3.3 Approval of the dividend policy, declaration of the interim dividend and recommendation of the final dividend.
- 3.4 Approval of any significant changes in accounting policies or practices.
- 3.5 Approval of material unbudgeted capital or operating expenditures (outside any pre-determined tolerances).
- 3.6 Remuneration of Auditors (where, as is usual, shareholders have delegated this power to the Board) and recommendations for appointment and removal of auditors.
- 3.7 Approval of announcements to the London Stock Exchange concerning matters decided to the Board, save that final approval of certain announcements may be delegated to individual Directors or a Committee.

5. Internal controls

Ensuring maintenance of a sound system of internal control and risk management including:

- Receiving reports on, and reviewing the effectiveness of, the Company's risk and control processes (including those for emerging risks) to support its strategy and objectives;
- Approving procedures for the detection of fraud and the prevention of bribery;
- Undertaking an annual assessment of these processes; and
- Approving an appropriate statement for inclusion in the annual report.

6. Contracts

Approval of major capital projects.

- 5.1 Approval of contracts (including loans and repayments) above the limits of authority delegated by the Board, which are major strategically or by reason of size, and acquisitions or disposals of fixed assets.
- 5.2 Approval of contracts of the Company or any subsidiary not in the ordinary course of business, including major acquisitions or disposals.
- 5.3 Approval of major investments including the acquisition or disposal of interests of more than 5 percent in the voting shares of any listed Company or the making of any takeover offer.

7. Stakeholder engagement and communication

- 6.1 Ensure effective engagement with, and encourage participation from, the Company's stakeholders (including, but not limited to, shareholders, employees, occupiers(tenants/customers), partners, suppliers and contractors, local communities, government and other regulatory bodies) and consider the views and interests of such stakeholders in Board discussions and decision making.

- 6.2 Keep stakeholder engagement mechanisms under review to ensure that they remain effective and meaningful.
- 6.3 Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
- 6.4 Seek regular engagement with major shareholders in order to understand their views on governance and performance against the Company's strategy.
- 6.5 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.

8. Board membership and other appointments

- 7.1 Changes to the structure, size and composition of the Board, following recommendations from the Nominations Committee.
- 7.2 Terms and conditions of employment of Directors and Company Secretary together with any changes thereto as the Remuneration Committee considers appropriate.
- 7.3 Ensuring adequate succession planning for the Board and senior management.
- 7.4 Appointments to the Board, following recommendations by the Nominations Committee.
- 7.5 Selection of the Chairman of the Board and the Chief Executive.
- 7.6 Appointment of the Senior Independent Director.
- 7.7 Chair appointments and membership of Board committees, following recommendations from the Nominations Committee.
- 7.8 Continuation in office of directors at the end of their term of office, when they are due to be re-elected by shareholders at the AGM and otherwise as appropriate.
- 7.9 Continuation in office of any Director at any time, including the suspension or termination of service of an Executive Director as an employee of the Company, subject to the law and their service contract.
- 7.10 Appointment or removal of the Company Secretary.
- 7.11 Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the Audit Committee.

9. Remuneration

- 8.1 Determining the remuneration policy for the Chairman, Executive Directors, Company Secretary and other senior executives following recommendation from the Remuneration Committee.
- 8.2 Determining the remuneration of the Non-Executive Directors subject to the Articles of Association and shareholder approval as appropriate.
- 8.3 The introduction of any share and long term incentive plans or major changes to existing plans, to be put to shareholders for approval.
- 8.4 Major changes in employee share schemes and the allocation of executive share options.

9. Whistleblowing, Fraud and Compliance

- 9.1 The routine review of the adequacy and security of the Company's arrangements for its workforce to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Board shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.
- 9.2 The annual review of the Company's procedures for detecting fraud.
- 9.3 The review of the Company's systems and controls for ethical behaviour and the prevention of bribery and modern slavery and receive reports on non-compliance.

10. Delegation of Authority

- 10.1 The division of responsibilities between the Chairman and the Chief Executive, which should be in writing.
- 10.2 Approval of any delegated levels of authority.
- 10.3 Establishment of Board committees and approval of their terms of reference.
- 10.4 Receiving reports from Board committees on their activities.

11. Corporate Governance matters

- 11.1 Undertaking a formal and rigorous annual review of its own performance, that of its committees and individual directors.
- 11.2 Determining the independence of Non-Executive Directors.
- 11.3 Considering the balance of interests between shareholders, employees and other stakeholders.
- 11.4 Approval of the Company's report on how the interests of key stakeholders and the matters set out in section 172 Companies Act 2006 have been considered in Board discussions and decision making.
- 11.5 Assess and monitor culture, and where unsatisfied with regard to the alignment of policies, practices or behaviour throughout the Company with the Company's purpose, values and strategy seek assurance that management has taken corrective action.
- 11.6 Review of the Company's overall corporate governance arrangements.
- 11.7 Receiving reports on the views of the Company's shareholders.
- 11.8 Authorising conflicts of interest where permitted by the Company's Articles of Association.
- 11.9 Approval of all circulars and listing particulars, save that detailed final approval of any such documents may be delegated to a Committee.

12. Corporate Responsibility

- 12.1. Approval of core policies relating to the Company's system of internal controls and risk management including: Corporate Responsibility Objectives, Corporate Health and Safety Policy, Anti-Bribery Policy and Procedures, Whistleblowing Policy and Procedures, Anti-Facilitation of Tax Evasion Policy, Employment Policy, Modern Slavery Act Statement, Environmental Policy and Objectives, Disclosure Policy, Diversity and Inclusion Policy and Share Dealing Code.

- 12.2. Ensuring that workforce policies and practices are consistent with the Company's values and support its long-term sustainable success.
- 12.3. The provision of oversight and leadership of Helical's sustainability framework to ensure the delivery of long-term sustainable success, including the monitoring and assessment of sustainability risks.
- 12.4. Provide oversight and leadership on all matters concerning Health & Safety, ensuring that the commitment to health and safety is embedded in the culture and all aspects of Helical's business.

13. Other

- 11.10 Formulation of a policy regarding charitable donations.
- 11.11 Approval of any political donations (pursuant to shareholder approval).
- 11.12 Approval of the appointment of the Company's principal professional advisers.
- 11.13 Prosecution, defence or settlement of material litigation.
- 11.14 Approval of the overall levels of insurance for the Company including Directors & Officers liability insurance.
- 11.15 Major changes to the rules of the Company's pension scheme, or changes of trustees or changes in the fund arrangements.
- 11.16 Any decision likely to have a material impact on the Company or Group from any perspective including, but not limited to, financial, operational, strategic or reputational.
- 11.17 The disposal by any person of any material confidential information relating to the affairs of the Company or any subsidiary.
- 11.18 Identify and manage conflicts of interest and ensure third party influence does not compromise or override the independent judgement of Board members.
- 11.19 This schedule of matters reserved for Board decisions.

Matters which the Board considers suitable for delegation are documented in the terms of reference of its committees.

In addition, the Board will receive reports and recommendations from time to time on any matter, which it considers significant to the Company.

Updated and approved by the Board of Directors of Helical plc on 13 February 2020.