

Matters reserved for the Board

Adopted by the Board on 30 January 2024

The following are the matters specifically reserved for the Board*:

1. Strategy and management

- 1.1. *Responsibility for the overall leadership of the Company, setting the Company's values and strategy and satisfying itself that these are aligned with the Company's culture.
- 1.2. *Promotion of the desired Company culture.
- 1.3. Approval of the Group's strategic aims and long-term objectives.
- 1.4. Approval of the Annual Budget and any material changes to it.
- 1.5. Oversight of the Group's operations ensuring:
 - 1.5.1. Competent and prudent management;
 - 1.5.2. Sound planning;
 - 1.5.3. Maintenance of sound management and internal control systems;
 - 1.5.4. Adequate accounting and other records; and
 - 1.5.5. Compliance with statutory and regulatory obligations.
- 1.6. Review of the Group's performance in light of its strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.7. Major portfolio capital allocation decisions, being those equal to or greater than £25m per investment. Such decisions will have been referred to the Board for approval by the Executive Committee.
- 1.8. Any other portfolio capital allocation decisions referred by the Executive Committee to the Board for approval.
- 1.9. Major disposals from the Group's portfolio, being those equal to or greater than £25m, such decisions which will have been referred to the Board for approval by the Executive Committee.
- 1.10. Any other portfolio disposal decision referred by the Executive Committee to the Board for approval.
- 1.11. Strategic acquisitions or disposals by the Group.
- 1.12. Extension of the Group's activities into new business or geographic areas.
- 1.13. Any decision to cease to operate all or any material part of the Group's business.
- 1.14. Material borrowings/debt facilities to be taken on by the Group.

2. Structure and capital

- 2.1 Changes relating to the Group's capital structure including reduction of capital, share issues and share buy backs including the use of treasury shares, other than where any of the aforementioned are in connection with employee share plans.
- 2.2 Major changes to the Group's corporate structure including, but not limited to, acquisitions and disposals of shares which are material relative to the size of the group (taking into account initial and deferred consideration).

* Those items (marked *) are not suitable for delegation to a committee of the board, for example because of the Companies Act 2006 requirements or because, under the recommendations of the UK Corporate Governance Code, they are the responsibility of an audit, nomination or remuneration committee, with the final decision required to be taken by the board as a whole.

- 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 plc.
- 2.5 Any material alteration of the Company's articles of association.

3. Financial reporting and controls

- 3.1 *Approval of the Annual Report and Accounts, including the strategic report, corporate governance statement and Directors' remuneration report.
- 3.2 *Approval of the half yearly report and any preliminary announcement of the interim or final results.
- 3.3 *Approval of any significant changes in accounting policies or practices (following recommendations by the Audit and Risk Committee).
- 3.4 *Approval of the capital allocation and dividend policy.
- 3.5 *Declaration of any interim dividend and recommendation of any final dividend.
- 3.6 Approval of treasury policies including foreign currency exposure and the use of financial derivatives.
- 3.7 Approval of material unbudgeted capital or operating expenditures (outside pre-determined authorities).

4. Internal controls and risk management

- 4.1 Determining the nature and extent of the principal and emerging risks faced and the risks the Company is willing to take in achieving its long-term strategic objectives.
- 4.2 Ensuring maintenance of a sound system of internal control and risk management including:
 - 4.2.1 Setting the Group's overall risk appetite, tolerance and strategy and approving the principal and emerging risks the Company is willing to take in order to achieve its long-term strategic objectives;
 - 4.2.2 Considering the risk aspects of proposed changes to strategy and strategic transactions including acquisitions or disposals, focussing in particular on implications for the risk appetite, tolerance and strategy of the Group;
 - 4.2.3 Receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives;
 - 4.2.4 Approving procedures for the detection of fraud and the prevention of bribery;
 - 4.2.5 Undertaking an annual assessment of these processes; and
 - 4.2.6 Approving an appropriate statement for inclusion in the annual report.

5. Contracts

- 5.1 The entry into by the Group of strategic partnerships and collaborations with new universities and other research institutions.
- 5.2 The entry into by the Group of other contracts which are material strategically or by reason of value.
- 5.3 Approval of any significant transaction under the FCA's Listing Rule 10 (Significant Transactions).
- 5.4 The making of any takeover offer.

- 5.5 Approval of significant related party transactions in which have been referred to the Board in accordance with the Related Party Transactions Policy.
- 5.6 The entry into material contracts in the ordinary course of business, for example bank borrowings or the acquisition or disposal of fixed assets including intangible assets such as intellectual property.
- 5.7 The entry into contracts outside the ordinary course of business, for example loans, foreign currency transactions and material acquisitions and disposals.
- 5.8 Grants of loans or credits outside the ordinary course of business in excess of £100,000.

6. Communication

- 6.1 *Ensuring effective engagement with, and encouraging participation from, shareholders and other stakeholders.
- 6.2 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 6.3 *Approval of all circulars, prospectuses and listing particulars (save that approval of routine documents such as periodic circulars about scrip dividend procedures or exercise of conversion rights may be delegated to a committee).
- 6.4 *Approval of press releases concerning matters decided by the Board.

7. Board membership and other appointments

- 7.1 *Changes to the structure, size and composition of the Board, following recommendations from the Nomination Committee.
- 7.2 *Ensuring adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills, knowledge, independence, diversity and experience within the Group and on the Board.
- 7.3 *Appointments to the Board (including the Chairman, the Chief Executive Officer and the Chief Financial and Operating Officer), following recommendations by the Nomination Committee. The Chairman should not generally remain in post beyond nine years from the date of their first appointment to the Board, though to facilitate effective succession planning and the development of a diverse Board, this period can be extended for a limited time, particularly in those cases where the Chairman was an existing Non-executive director on appointment. In such cases, a clear explanation will need to be given.
- 7.4 *Appointment of the Senior Independent Director to provide a sounding board for the Chairman and to serve as intermediary for the other Directors when necessary.
- 7.5 *Establishment, membership and chairmanship of Board committees, following recommendations from the Nomination Committee.
- 7.6 *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.
- 7.7 *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 Group, subject to the law and their service contract.
- 7.8 *Appointment or removal of the Company Secretary.
- 7.9 *Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the Audit and Risk Committee.

7.10 *Appointment of the Designated Non-Executive Director responsible for employee engagement (the “**Designated NED**”).

7.11 Appointments to boards of subsidiaries.

8. Remuneration

8.1 *Subject to shareholder approval, determining and approving the Directors’ Remuneration Policy and any changes to the same.

8.2 Overseeing the implementation of the Directors’ Remuneration Policy over the relevant financial period and approving the Annual Remuneration Report.

8.3 Determining the remuneration of the Non-executive Directors, subject to the articles of association, the approved Remuneration Policy and shareholder approval as appropriate.

8.4 *The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.

8.5 Oversight of the staff-wide remuneration policy, including salary, benefits, pension and other incentive arrangements.

9. Delegation of authority

9.1 *The division of responsibilities between the Chairman, the Senior Independent Director and the Chief Executive Officer - which should be clearly established, set out in writing and agreed by the Board.

9.2 Approval of the delegated levels of authority, including the Executive Directors’, the Executive Committee’s (including the Investment Group) and Managing Partners’ authority limits (which must be in writing).

9.3 Approval of the Delegated Investment and Realisation Authorities on an annual basis.

9.4 Approval and then oversight of wholly-owned subsidiary board authorities (where separate).

9.5 *Establishing Board committees and approving their terms of reference (and any material changes thereto).

9.6 *Receiving reports from Board committees on their activities and taking appropriate action in response to recommendations made by the same.

10. Corporate governance matters

10.1 *Undertaking a formal and rigorous annual review of its own performance, that of its Committees and individual Directors, and the division of responsibilities.

10.2 *Determining the independence of Non-executive Directors in light of their character, judgment and relationships.

10.3 *Considering the balance of interests between shareholders, employees, other stakeholders and the community.

10.4 Reviewing the Group’s overall corporate governance arrangements.

10.5 *Receiving reports on the views of the Company’s shareholders to ensure that they are communicated to the Board as a whole, and that the Board as a whole has a clear understanding of the views of shareholders.

10.6 *Receiving reports on the views of the Company’s other key stakeholders, including reports on workforce views from IP Connect and the Designated NED, to ensure that they are communicated to the board as a whole.

- 10.7 *Reviewing the Group's stakeholder engagement mechanisms.
- 10.8 *Assessing and monitoring culture within the Company and its group. Where it is not satisfied that the policy, practices or behaviour throughout the business are aligned with the Company's purpose, values and strategy, it should seek assurance that management has taken corrective action.
- 10.9 Routinely reviewing the adequacy and security of the Company's arrangements for its workforce to raise concerns, in confidence and - if they wish - anonymously, and the reports arising from the operation of those arrangements. The Board shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
- 10.10 Ensuring that workforce policies and practices are consistent with the Company's values and support its long term sustainable success.
- 10.11 Considering whether to authorise (and if so decided, authorising) conflicts of interest where permitted by the Company's articles of association, including director's conflict of interest for the purposes of section 175 Companies Act 2006 (having regard for any recommendations which may be made for this purpose by the appropriate committee of the board, including with respect to the terms and conditions upon which any such authorisation should be given).
- 10.12 Consideration of matters within section 172 Companies Act 2006 when making all Board decisions.

11. Policies

- 11.1 Approval of policies and practices, to ensure that these are consistent with the Company's values and support its long-term sustainable success, including, without limitation:
 - 11.1.1 Share dealing codes – both relating to the transactions in the Company's shares and those in the Group's portfolio companies;
 - 11.1.2 Related Party Transactions Policy;
 - 11.1.3 Anti-corruption and bribery policy;
 - 11.1.4 Speaking up policy;
 - 11.1.5 Anti-facilitation of Tax Evasion policy;
 - 11.1.6 Equality, diversity and inclusion policy;
 - 11.1.7 Sustainability & ESG policy and Ethical Investment Framework;
 - 11.1.8 Anti-Slavery, Human Trafficking and Labour Standards Policy and Modern Slavery, Human Trafficking and Labour Standards Statement; and
 - 11.1.9 Charitable donations policy.

12. Other

- 12.1 Prosecution, commencement, defence or settlement of material (by size or reputation) litigation, or an alternative dispute resolution mechanism.
- 12.2 Approval of the overall levels of insurance for the Group including Directors' & Officers' liability insurance and indemnification of Directors.
- 12.3 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.
- 12.4 Making of political donations.

- 12.5 Approval of the appointment of the Group's principal professional advisors.
- 12.6 Major changes to the rules of the Group's personal pension scheme, or changes of trustees or (when this is subject to approval of the Company), changes in the fund management arrangements.
- 12.7 This schedule of matters reserved for board decisions.

Matters which the Board considers suitable for delegation are contained 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 Group.

ENDS