

The following are matters reserved for the Board of BTG plc (the “Company”). In this schedule Group means the Company and its subsidiary undertakings. Matters referred to the Board must have prior approval of an Executive Director of the Board.

### **1. Strategy and management**

- Responsibility for the overall leadership of the Company, its culture and values and standards.
- Approval of the strategic direction, budgets and long-term objectives and plans of the Group, and any material changes to them.
- Approval of the Group annual budget and three-year business plan.
- Material extension of the Group’s direct activities into new business outside the scope of the approved Strategy or into new geographic areas.
- Cessation of any material business operation or activity.

### **2. Structure and Capital**

- Approval of changes to the Company’s capital structure including the reduction of capital, share issues (except under employee share plans) and share buybacks.
- Material changes to the Group’s management and governance framework.
- Major changes to the Group’s corporate structure including changes to the Company’s listing or plc status.
- Mergers, acquisitions and disposals (or equivalent transactions such as licensing or leasing) of any company, business, assets or property including any interest in shares or other securities in any legal entity (including options and warrants etc.) where the transaction value or book value exceeds £5m or where the Group owns or will own more than 20% of the voting shares of the relevant entity or will otherwise control its board or management body (“an Associate”).
- Creation or dissolution of any trading subsidiary, Associate, joint venture or business division.

### **3. Financial reporting**

- Approval of the Company’s annual reports and accounts (including corporate governance and viability statements and directors’ remuneration report), half-yearly report, interim management statements, any preliminary announcement of final results, and annual financial statements (and related announcements).
- Setting the Company’s dividend policy, declaration of the interim dividend and recommendation of the final dividend.
- Approval of any significant changes to accounting policies or practices.
- Approval of treasury policy, including foreign currency exposure and the use of financial derivatives.
- Raising of finance of any kind (including any borrowings or lending or other credit provisions) in excess of those powers delegated by the Board to the Treasury Committee.

### **4. Risk Management and Internal controls**

- Approval of the management and internal control systems to ensure adequate accounting and other records are kept, and compliance with statutory and regulatory obligations (detailed monitoring delegated to the Audit

Committee including with respect to Healthcare Compliance and Risk Management). Board compliance certifications to any government authority.

- Approval of risk management system, including defining the Group's risk appetite.
- Approval of commencement, defence or settlement of litigation or other proceedings or disputes with a value or potential liabilities in excess of £5m, or for settlement of any governmental or other investigations (other than in circumstances where urgent action is required to be taken to protect the Company's interests, in which event approval may be provided by any two of the Chairman, CEO and CFO).

### 5. Contracts and transactions

- Approval of major capital projects; contracts which are material strategically or by reason of size in the ordinary course of business; contracts of the company not in the ordinary course of business; and major investments.
- Any contract with a term >10 years (taking into account any termination notice period), with no termination rights or automatic renewal.
- Approval of capital or other expenditure in line with Group delegated authorities agreed by the Board from time to time.
- Approval of any uncapped guarantee (or one exceeding those powers delegated by the Board to the Treasury Committee) to be provided by any Group company for the benefit of a third party (i.e. other than another group company).
- Any commitment by any member of the group not to compete with any third party with respect to any business, product, disease indication or territory.
- Granting of security interest over any asset (including intellectual property rights, other property, equipment, contract or revenue stream) where the transaction value or book value asset has a book value in excess of the level delegated by the Board to the Treasury Committee.

### 6. Communication

- Calling of Company shareholder meetings (including the matters to be put to shareholders) and approval of resolutions and corresponding documentation to be put to shareholders at a general meeting, approval of any shareholder circular, prospectus or significant Company announcements (approval of routine documents may be delegated to a sub-committee of the Board).
- Approval of press releases concerning matters decided by the Board.

### 7. Board membership and other appointments

- Appointment, termination, removal or suspension of any director of the Company including the Chairman, Senior Independent Director and Chief Executive (on the recommendation of the Nomination Committee) and division of their respective responsibilities which should be set out in writing and agreed by the board.
- Ensuring adequate succession planning for the Board and senior management.
- Establish Committees of the Board and appoint members and Chairmen to such committees and approve the terms of reference of those Board committees, and material changes thereto.
- Appointment or removal of the Company Secretary.
- Terms of engagement or termination of any director of the Company or member of the Leadership Team (payment terms to be approved by the Remuneration Committee).

- Appointment, reappointment or removal of the Company's external auditors to be put to the shareholders for approval in general meeting (on the recommendation of the Audit Committee).

### **8. Remuneration**

- Approval of the policy on executive remuneration, its costs and specific changes in executive director remuneration, on the advice of the Remuneration Committee.
- Determining the remuneration policy for the Company Secretary and other senior executives.
- Approval of fees payable to non-executive directors of the Company (in accordance with the terms of reference of the Remuneration Committee).
- Approval of annual bonus or other cash incentive schemes, Long Term Incentive Plans and payments under the same to executive directors of the Company (on the recommendation of the Remuneration Committee).
- Approval of any new share incentive plan or major changes to existing plans, to be put to shareholders for approval.

### **9. Delegation of authority**

- Delegation of Board's powers (including any approval of any matter reserved herein).
- Approval of Group approved contractual signatories and financial delegated authorities, including the Chief Executive's written authority limits.

### **10. Corporate Governance Matters**

- Approval of overall corporate governance arrangements group wide.
- Formally review the performance of the Board and its Committees, individual directors and the Group's overall corporate governance framework.
- Determining the independence of non-executive directors in light of their character, judgment and relationships.
- Disclosure and approval of directors' interests and related party transactions.
- Authorising conflicts of interest where permitted by the Company's articles of association.

### **11. Policies**

- Approval of the Group's Code of Conduct and policies related to: (i) Health and Safety; (ii) share dealing and management of inside information; (iii) Corporate Social Responsibility; (iv) Healthcare Compliance; (v) Anti-bribery & Anti-corruption policy; (vi) Whistleblowing policy; (vii) Environment and sustainability policy; and (viii) Data Protection.

### **12. Administration**

- Making of political donations.
- Approval of the overall levels of insurance for the Group, including Directors' and Officers' liability insurance.
- Major changes to the pension schemes (including the appointment of trustees).

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- Changes to the constitutional documents of the Company.
  - Change of the Company's accounting reference date.
  - 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.
  - Changes to this schedule or material changes to any Board approved matter.

Approved 22 March 2017