

Cello Health plc

Matters Reserved for the Board

This document comprises a schedule of matters which are reserved exclusively for the Board of Cello Health plc (“the Group”)

1. Strategy and Management

- 1.1 Responsibility for the overall leadership of the Group and setting the Group's values and standards.
- 1.2 Approval of the Group's strategic aims and objectives.
- 1.3 Approvals 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;
 - maintenance of sound management and internal control systems;
 - adequate accounting and other records; and
 - compliance with statutory and regulatory obligations.
- 1.5 Review of performance in the light of the Group's strategic aims, 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 Any decision to cease to operate all or any material part of the Group's business.

2. 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, including, but not limited to acquisitions and disposals of shares.
- 2.3 Changes to the Group's management and control structure.
- 2.4 Any changes to the Group's listing or its status as a plc.

3. Financial Reporting and Controls

- 3.1 Approval of the half-yearly report, trading updates and any preliminary announcement of the year-end results.
- 3.2 Approval of the annual report and accounts, including the corporate governance statement and Directors' remuneration report, taking recommendation from the Audit and Risk Committee and the Remuneration Committee as appropriate.
- 3.3 Approval of the dividend policy.
- 3.4 Declaration of the interim dividend and recommendation of the final dividend.
- 3.5 Approval of any significant changes in accounting policies or practices.

3.6 Approval of treasury policies.

3.7 Approval of material unbudgeted capital or operating expenditures (outside pre-determined tolerances).

4. Internal Controls

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

- approving the Group's risk appetite statements;
- receiving reports from the Audit and Risk Committee,
- reviewing the effectiveness of the Group's risk and control processes to support its strategy and objectives;
- approving procedures for the detection of fraud and the prevention of bribery; and

5. Contracts

5.1 Approval of contracts which are material strategically or by reason of size, entered into by the Group (or, in the case of a subsidiary, recommendations for approval) in the ordinary course of business.

5.2 Approval of contracts of the Group (or any subsidiary) not in the ordinary course of business, for example loans and repayments; foreign currency transactions; major acquisitions or disposals.

5.3 Major investments.

6. Communication

6.1 Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.

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.

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 to maintain an appropriate balance of skills and experience within the Group and on the Board.

7.3 Appointments to the Board, following recommendations by the Nomination Committee.

7.4 Selection of the Chairman of the Board and the Chief Executive.

7.5 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.

7.6 Member and leadership of Board committees following recommendations from the Nomination committee.

7.7 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.

- 7.8 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.
- 7.9 Appointment or removal of the Group Secretary.
- 7.10 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

8. Remuneration

- 8.1 On advice and recommendation from the Remuneration Committee, the determination of the remuneration policy for the Directors, Group Secretary and other senior executives.
- 8.2 Determining the remuneration of the Non-Executive Directors, subject to the articles of association and shareholder approval as appropriate.
- 8.3 On advice from the Remuneration Committee, the introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.

9. Delegation of Authority

- 9.1 The division of responsibilities between the Chairman, the Chief Executive (and other Executive Directors,) 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 Chief Executive's authority limits.
- 9.3 Establishing Board committees and approving their terms of reference, and approving material changes thereto.
- 9.4 Receiving reports from Board committees on their activities.

10. Corporate Governance

- 10.1 Undertaking an 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, customers and the community.
- 10.4 Review of the Group's overall corporate governance arrangements.
- 10.5 Receiving reports on the views of the Group's shareholders to ensure that they are communicated to the Board as a whole.
- 10.6 Authorising conflicts of interest where permitted by the Group's articles of association.

11. Policies

11.1 Approval of other Group policies, including:

- Code of Conduct;
- Share dealing code;
- Bribery prevention policy;
- Whistleblowing policy;
- Health and safety policy;
- Environment and sustainability policy;
- Human resources policy;
- Communications policy (including procedures for the release of price-sensitive information);
- Corporate social responsibility policy; and
- Charitable donations policy.

12. Other

12.1 The making of political donations.

12.2 Approval of the appointment of the Group's principal professional advisers.

12.3 Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism.

12.4 Approval of the overall levels of insurance for the Group including Directors' and Officers' liability insurance (and indemnification of Directors).

12.5 Any decision likely to have a material impact on the Group or Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.

12.6 This schedule of matters reserved for Board decisions.