

Calnex Solutions plc

Matters reserved for the Board

The matters set out below require Board approval before commitment. The Board may at its discretion delegate decision-making responsibility to any of its properly constituted Board Committees.

The quorum required for decisions on the matters below is three Directors, of whom two must be independent non-executives.

- **Board and Management structure**

- Board and other senior management appointments or removals, including Chairman, CEO, CFO and Senior Independent Director
- Size, composition and diversity of the Board
- Board Committee structure, composition of committees and terms of reference
- Appointments to Boards of subsidiary entities
- Board and senior management succession and appraisal
- Appointment or removal of Company Secretary
- Appointment or removal of internal auditor, if appropriate
- Remuneration, contracts, grants of options and incentive arrangements for Board and senior management
- Delegation of the Board's powers including scheme of delegation to management
- Appointment of principal advisors (e.g NOMAD, Auditor, Legal, Financial, Tax)

- **Strategic and risk matters**

- Development of and commitment to business strategy and significant changes in strategic planning
 - Extension of the group's activities into new business areas
 - Cessation of any material part of the group's business
- Specific risk management policies including insurance, hedging and borrowing limits
- Annual assessment of significant risks and effectiveness of internal controls
 - Review and overseeing of Corporate Risk Register
 - Reviewing the effectiveness of the group's risk management and control processes to support its strategy and objectives

- **Shareholder and market communications and regulatory compliance**
 - Calling of shareholders' meetings and terms of resolutions and related documentation
 - Approval of all circulars and listing particulars
 - Issue of RIS documents
 - Issue of Annual, Interim and other financial information
 - Matters relating to compliance with MARs and AIM Regulations
 - Published policy statements
 - Rule 26 Disclosure
 - Any changes to the company's listing or its status as a plc.

- **Transactions**
 - Acquisitions and disposals of subsidiaries or businesses
 - Investment and other capital projects, outside of the Financial Plan, with a capital cost of >£100k
 - Non-capital financial commitments (not including recruitment of people), outside of the Financial Plan, with prospective cash outlay of >£100k
 - Creation of security or encumbrances over group assets
 - Any contract not in the ordinary course of business
 - Terms of commission or similar payments to distributors or other intermediaries which fall under the remit of Anti Bribery risk assessment
 - Transactions with directors or other related parties
 - Prosecution, defence or settlement of litigation or being otherwise material to the financial, reputational or other interests of the group.

- **Finance**
 - Raising new capital or changes to share capital terms
 - Borrowing arrangements in excess of £50,000
 - Changes to or first time application of accounting policies
 - Appointment or removal of external auditors
 - Political donations
 - Approval and recommendation of dividends
 - Approval Annual Financial Plan