

**Dated 5 December 2023**

**THE PEBBLE GROUP PLC (THE "COMPANY")**

**SCHEDULE OF MATTERS RESERVED FOR THE BOARD**

Certain of the matters referred to in this schedule may be delegated to the Board's Audit, Remuneration or Nomination Committees from time to time or to other committees of the Board formed for specific purposes and the terms of reference of those Committees may expand on the matters set out in this document.

The Board retains ultimate responsibility for matters delegated to its Committees.

**By specifying the following matters, the Board is not restricting its continuing general powers of control over the Company and its activities.**

Directors of the Company and each of its subsidiaries (together the "Group") have a primary fiduciary duty to act in the best interests of that company and its shareholders.

**1. Strategy and management**

1.1 Responsibility for the overall management of the group and setting the group's values and standards.

1.2 Approval of the group's long-term objectives and commercial strategy.

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:

1.4.1 competent and prudent management;

1.4.2 sound planning;

1.4.3 an adequate system of internal controls;

1.4.4 adequate accounting and other records; and

1.4.5 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 so as to create a physical presence or establishment there.

1.7 Approval of any M&A<sup>1</sup> activity, including acquisitions or disposals of fixed assets. Including approval of related Letters of Intent / Heads of Terms.

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<sup>1</sup> M&A activity means:

- a) any arrangement which may result in a company within the Group obtaining an equity interest in an incorporated third party so that it becomes a subsidiary (as defined the Companies Act 2006) within the Group, or disposing of an equity interest in any subsidiary in the Group, including in each case, by means of option or deferred consideration agreement; or

1.8 Any decision to cease to operate all or any material part of the group's business.

1.9 Ensuring that adequate succession plans are in place for the Company's Board and for senior management roles below Board level.

### **2. Structure and capital**

2.1 Changes to capital structure.

2.2 Major changes to the group's corporate structure, the creation or dissolution of any legal entity<sup>2</sup>, including any joint venture.

2.3 Changes to the group's management and control structure.

2.4 Any changes to the company's listing on AIM or its status as a plc.

2.5 Alterations to the company's articles of association.

### **3. Financial reporting and controls**

3.1 Approval of the half-yearly report, any preliminary announcement of the final results and trading updates.

3.2 Approval of the annual report and accounts (including the strategic report, directors' report, corporate governance statement and directors' remuneration report).

3.3 Approval of the dividend policy.

3.4 Declaration of any interim dividend and recommendation of the final dividend.

3.5 Approval of any significant changes in accounting policies, standards or practices.

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 tolerances).

### **4. Internal controls and risk management**

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

4.1.1 receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives;

4.1.2 approving procedures for the detection of fraud and the prevention of bribery and the prevention of tax evasion;

4.1.3 undertaking an annual assessment of these processes; and

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b) the acquisition of all or part of the business or undertaking of a third party, or the disposal of all or part of the business or undertaking of a subsidiary within the Group.

Such arrangements include mergers, acquisitions, disposals, joint ventures, the purchase or sale of assets and any loan arrangements which may be converted into equity at some future time.

<sup>2</sup> company, partnership, LLP, branch or other similar organisation

4.1.4 approving an appropriate statement for inclusion in the annual report.

4.2 Determining and reviewing the Company risk profile, including the nature and extent of the significant risks the Company is exposed to and is willing to take in achieving its strategic objectives.

### **5. Contracts**

5.1 Major capital projects of the Group.

5.2 Contracts which are significantly material strategically or by reason of size, entered into by the company or any subsidiary in the ordinary course of business, for example Customer Contracts, Contracts for Goods and Services (including IT), Outsourcing Arrangements with an estimated/anticipated contract value of over **GBP 10 million** (or equivalent) per annum.

5.3 Contracts of the company not in the ordinary course of business which shall include loans and repayments, foreign currency forward contracts and acquisitions or disposals.

5.4 Major investments (including the acquisition or disposal of interests of more than 3 per cent. in the voting shares of any company or the making of any takeover offer).

### **6. Communication**

6.1 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.

6.2 Approval of all circulars, prospectuses and listing particulars (as required).

6.3 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 and experience, and appropriate diversity within the company and on the board.

7.3 Ensuring adequate diversity of age, gender, background, ethnicity and psychological type and attributes, as well as skills, expertise and experience on the board.

7.4 Appointments to the Board, following recommendations by the nomination committee.

7.5 Selection of the chair of the Board and the chief executive.

7.6 Appointment of the senior independent director to provide a sounding board for the chair and to serve as an intermediary for the other directors when necessary.

7.7 Membership and chairmanship of board committees, following receipt of recommendations by the nomination 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 auditor, to be put to the shareholders for approval following recommendation of the Audit Committee, determination of the audit fee and other terms of their appointment and overall oversight of the relationship with the auditor.

7.12 Appointments to boards of subsidiaries.

### **8. Remuneration**

8.1 Determining the remuneration policy for the directors, company secretary and other senior executives, following receipt of recommendations by 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 new share incentive plans or major changes to existing plans, to be put to shareholders for approval.

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

9.1 Establishing board committees and approving their terms of reference, and approving material changes thereto.

9.2 Receiving reports from board committees on their activities.

### **10. Corporate governance matters**

10.1 Determining the independence of directors (including in light of their character, judgment and relationships).

10.2 Establishing the Company's policy in respect of corporate governance (including compliance with the Quoted Companies Alliance Corporate Governance Code, the "QCA Code") and monitoring compliance with such policy.

10.4 Undertaking a formal and rigorous review annually of its own performance, that of its committees and individual directors.

10.3 Considering and authorising any conflicts or potential conflicts of directors and imposing any limitations, qualifications or restrictions following recommendations by the nomination committee.

10.4 Considering the balance of interests between shareholders, employees, customers and the community.

10.5 Review of the group's overall corporate governance arrangements.

10.6 Approving the division of responsibilities between the Chair and the Chief Executive Officer

10.7 Receiving reports on the views of the company's shareholders and communicating these to the board.

### **11. Environmental, Social and Governance (ESG) matters**

11.1 Approving group ESG strategy, ESG Policy and regularly reviewing progress against strategy.

11.2 Establishing and periodically reviewing and updating the group's ESG governance system.

11.3 Approving the Group ESG report.

## 12. Policies

12.1 Approval of policies including, but not limited to:

- AIM Rule 31 Compliance;
- Anti-bribery and corruption;
- Anti-slavery and human trafficking;
- Diversity, Equity and Inclusion;
- Group wide share dealing policy;
- Share dealing code;
- Whistleblowing;
- Environmental, Social and Governance (ESG); and
- Failure to prevent facilitation of tax evasion.

## 13. Other

13.1 The making of political donations.

13.2 Approval of the appointment of the group's principal professional advisers.

13.3 Commencement, defence or settlement of litigation or other arbitration or mediation or dispute (other than routine debt collection or day to day complaints) over **GBP 500,000** (or equivalent) likely monetary amount claimed or payable, including legal fees, per dispute/complaint.

13.4 Approval of the overall levels of insurance for the group including directors' and officers' liability insurance.

13.5 Major changes to the rules of the group's pension scheme, or changes of trustees or when this is subject to the approval of the company changes in the fund management arrangements.

13.6 This schedule of matters reserved for board decisions.

## 14. Delegated matters

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

## 15. Reports from subsidiaries

In addition to the above, the Board will request reports and recommendations from its subsidiaries from time to time on any matter which it considers significant to the group which may include capital expenditure levels for a subsidiary and employment reports / remuneration levels as requested by the Board from time to time.

This Schedule of Matters Reserved was discussed by the full board of directors of the Company and adopted by resolution of the Board on 28 November 2019.

The Board last reviewed and re-approved on 5 December 2023.