

**HELIOS UNDERWRITING PLC (THE 'COMPANY')  
AND SUBSIDIARY COMPANIES (TOGETHER COMPRISING THE 'GROUP')**

**MATTERS RESERVED FOR THE BOARD - APPROVED 23 MARCH 2023**

**1. Strategy and management**

- 1.1 Responsibility for the overall leadership of the Company and setting the Company's vision, purpose, values and standards.
- 1.2 Approval of the group's long-term objectives and commercial strategy with the aim of promoting long-term value for shareholders.
- 1.3 Approval of the annual Operating, Risk Management and LLV (Limited Liability Vehicle) Acquisition Consideration Budgets and any material changes to them.
- 1.4 Oversight of the group's operations and those of its contractual partners ensuring:
  - Competent and prudent management
  - Sound planning
  - An adequate system of internal control
  - Adequate accounting and other records
  - 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.
- 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 reductions of capital, share issues (except under employee share plans) and share buy backs.
- 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 that are in excess of the annual LLV consideration budget (taking into account initial and deferred consideration).
- 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 public company.

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

- 3.1 Approval of the interim and final financial statements and any preliminary announcement of the interim and final results.
- 3.2 Approval of the annual report and accounts, including the corporate governance statement and of adopting the going concern basis for the financial accounts.
- 3.3 Approval of the group's investment strategy including treasury and foreign currency exposure management.
- 3.4 To set, annually, the risk budget and risk appetite of the group.
- 3.5 Ensure that there are clear and effective systems and controls over the activities of the group and monitor them to ensure the business operates within the risk appetite set by the board.
- 3.6 Borrowing or changing credit arrangements or other similar facilities to borrow more than £5 million (includes letters of credit).
- 3.7 Appointment of bankers and signing powers.
- 3.8 Approval of the dividend policy.
- 3.9 Declaration of dividends.
- 3.10 Approval of any significant changes in accounting policies or practices.

### **4. Internal controls**

- 4.1 Ensuring maintenance of a sound system of internal control and risk management including:
  - Approving the group's risk appetite annually, following advice from the Audit Committee and approving any risk management statements.
  - Receiving reports on, and 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.
  - Undertaking an annual assessment of these processes.
  - Approving an appropriate statement for inclusion in the annual report.
  - Approving the assessment of viability over a specified period.
  - Approving an environmental, social and governance policy.
  - Approving a diversity and inclusion policy.

## **5. Contracts**

- 5.1 Approval of individual contracts for either capital or operational costs above £5 million.
- 5.2 Contracts which are material strategically or by reason of size, entered into by the Company or any subsidiary in the ordinary course of business.
- 5.3 Contracts of the Company or any subsidiary not in the ordinary course of business, for example loans and repayments above £5 million; major acquisitions or disposals other than LLV' s above £5 million.
- 5.4 Major investments including the acquisition or disposal of interests of more than 5 per cent in the voting shares of any company, other than for the acquisition of an LLV, or the making of any takeover offer.
- 5.5 Approval of guarantees, indemnities and giving of security outside the normal course of business.

## **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.
- 6.5 Oversight of the Group's engagement with other stakeholders including the Group's employees, subsidiaries, partners, suppliers and regulatory authorities.

## **7. Board membership and other appointments**

- 7.1 Changes to the structure, size and composition of the board following recommendations from the Remuneration and 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 within the Company and on the board.
- 7.3 Appointments to the board following recommendations by the Remuneration and Nomination Committee.
- 7.4 Selection of the chairman of the board and 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 Membership and chairmanship of board committees following recommendations from the Remuneration and 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 company, subject to the law and their service contract.
- 7.9 Appointment or removal of the company secretary.
- 7.10 Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the audit committee.

## **8. Remuneration**

- 8.1 Determining the remuneration policy for the directors, company secretary and any 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 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 any material changes.
- 9.2 Receiving reports from board committees on their activities.
- 9.3 Details of any potential contracts or changes to agreed terms whether concerning acquisitions, loans or otherwise under £5m envisaged by paragraphs 5.1 and 5.3 shall be provided to the Board by email for the directors to consider and confirm their agreement to proceed and thereafter two directors (usually Mr Hanbury and Mr Manners, but in any event at least one of them) be authorised to finalise and approve such contracts or changes to terms.

## **10. Corporate governance matters**

- 10.1 Undertaking a formal and rigorous review annually 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 Company's shareholders to ensure that they are communicated to the board as a whole.
- 10.6 Authorising conflicts of interest where permitted by the Company's articles of association.

## **11. Policies**

- 11.1 Approval of policies, including:
  - Code of conduct
  - Share dealing code
  - Bribery prevention policy
  - Communications policy (including procedures for the release of price sensitive information)
  - Corporate social responsibility policy
  - Charitable donations policy
  - Environmental, social and governance policy and
  - Diversity and inclusion policy.

## **12. Others**

- 12.1 The making of political or charitable 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 involving above £0.5 million or being otherwise material to the interests of the group.
- 12.4 Approval of the overall levels of insurance for the group including directors' and officers' liability insurance.

- 12.5 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.
- 12.6 This schedule of matters reserved for board decisions.