

**SCHEDULE OF MATTERS SPECIFICALLY RESERVED FOR  
THE BOARD OF DIRECTOR'S**  
(SUBJECT ONLY TO AMENDMENT BY THE BOARD ITSELF)

**Version adopted 5 December 2024**

**Preliminary**

The following is a schedule of matters reserved for the Board of Morgan Sindall Group plc and has been prepared in accordance with past practice together with the recommendations of the UK Corporate Governance Code (the 'Code'). In preparing the schedule, acknowledgment of the existence of an Audit Committee, a Remuneration Committee, a Nomination Committee and a Responsible Business Committee is implied if not expressed.

**1. Strategy and Management**

- Responsibility for the overall leadership of the Group and setting the Group's values and standards.
- Approval of the Group's long-term objectives and commercial strategy.
- Approval of the annual operating and capital expenditure budgets and any material changes to them.
- 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
  - compliance with statutory and regulatory obligations
- Review of performance in the light of the Group's strategy, objectives, business plans and budgets and ensuring any necessary corrective action is taken.
- Extension of the Group's activities into new business or geographic areas.
- Any decision to cease to operate all or any material part of the Group's business.

**2. Structure, capital and financing**

- Major changes relating to the Group's capital structure including reduction of capital, share issues (except in connection with the Group's share plans), share buy backs (including the use of treasury shares).
- Any significant new borrowings or loans that the Company may enter and any new or significant changes to the Company's banking facilities beyond that delegated to the Group Treasurer.
- Major changes to the Company's corporate structure, including, but not limited to acquisitions and disposals of shares which are material relative to the size of the Group in question or to the Company's listing or its status as a plc.
- Changes to the management control structure at Group Board level.

- Approval of Group treasury policies.
- Approval of material unbudgeted capital or operating expenditures (outside of pre-determined tolerances).
- All matters relating to:
  - The approval of capital expenditure projects;
  - Material contracts of the Company or any subsidiary in the ordinary course of business;
  - Contracts of the Company or any subsidiary not in the ordinary course of business;
  - Major investments including the acquisition or disposal of interests of more than 3% in the voting shares of the Company or the making of any take-over offer;

are reserved to the Board except to the extent that they have been delegated under the 'Delegation and Limits of Authority Procedures'.

### **3. Financial reporting and communications with shareholders**

- Approval of preliminary announcements of the half year and final results, and interim management statements.
- Approval of annual report and accounts (including the corporate governance statement and directors' remuneration report).
- Approval of the dividend policy.
- Declaration of the interim dividend and recommendation of the final dividend.
- On the recommendation of the Audit Committee, approval of any significant changes in accounting policies or practices.
- Approval of resolutions and corresponding documentation to be put before shareholders in general meeting and the convening of shareholder meetings.
- Approval of all circulars, prospectuses and listing particulars issued by the Company.
- Approval of press releases concerning matters decided by the Board.

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

- Assisted by the Audit Committee, ensuring maintenance of a sound system of internal control and risk management including:
  - determining the appropriate level of risk appetite for the Company and reviewing the risk register on a bi-annual basis;
  - reviewing and ensuring oversight of strategic and operational risks relating to the Company and its operations, including Board oversight of climate change and cyber security risks through receiving regular reports and presentations;
  - monitoring and reviewing the effectiveness of the Group's risk management and internal control framework to support its strategy and objectives;
  - reviewing procedures for the detection of fraud and the prevention of bribery;
  - undertaking an annual assessment of these processes; and
  - approving an appropriate statement for inclusion in the annual report.

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

- Approval of any changes to the structure, size and composition of the Board, having regard to the balance of skills, experience, independence, knowledge and diversity (on the recommendation of the Nomination Committee).
- Ensuring adequate succession planning for the Board and senior management.
- Appointments, re-appointments and removals of any director or the Company Secretary (subject to the recommendations of the Nomination Committee).
- Determining the independence of the non-executive directors in light of their character, judgement and relationships and authorising conflicts of interest where permitted by the Company's Articles of Association.
- Appointment of the chair of the board, chief executive or senior independent director of the Company (subject to the recommendation of the Nomination Committee).
- Determining the division of responsibilities between the chair, chief executive and other executive directors, and the authorities and powers delegated to each.
- Establishing any Committee of the Board and approving their terms of reference, and approving material changes thereto.
- Determining, on recommendation of the Nomination Committee, the chair and membership of any Committee of the Board.
- 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, on recommendation of the Nomination Committee.
- 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, on recommendation by the Nomination Committee.
- Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the Audit Committee.
- Appointment or removal of the Group's principal professional advisors (following recommendation of the executive directors).

## **6. Remuneration**

- Determining the remuneration policy for the directors, company secretary and other senior executives following a recommendation from the Remuneration Committee.
- Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
- Terms and conditions of directors and divisional managing directors (subject to recommendations of the Remuneration Committee).

- The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval following a recommendation from the Remuneration Committee.

## **7. Corporate governance matters**

- Undertaking a formal and rigorous annual review of the performance of the Board and its committees and individual directors on an annual basis, using external facilitators at least once every three years.
- Approval of changes to the Company's Articles of Association.
- Considering the balance of interest between shareholders, employees, customers and the community.
- Reviewing the Company's overall corporate governance arrangements.
- Approval of Group policies, including the Code of Conduct, the Dealing Code, the health and safety policy, remuneration policy, tax strategy and other such policies as deemed appropriate.
- Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the Board as a whole.
- Approval of any political donations.

## **8. Legal and administrative matters**

- Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism involving costs above £100,000 or being otherwise material to the interests of the Company except as regards proceedings arising from contractual disputes arising in the ordinary course of business.
- Approval of the overall levels of insurance for the Group including directors' & officers' liability insurance and indemnification of directors.
- Major changes in the rules of the Group's pension scheme, or changes of trustees or [when this is subject to approval of the Company] changes in the fund management arrangements.

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

- This schedule of matters reserved for Board decisions.
- Matters which the Board considers suitable for delegation are contained in the terms of reference of its Committees of the Board.
- In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the Group.