

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

Approved by the Board on 4 December 2019, reviewed and updated on 8 December 2022

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 and share issues (except in connection with the Group's share plans).
- 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 its status as 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 share of the Company or the making or any take-over bid;

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

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 risks relating to the Company and its operations, including the impact of climate change, through regular reports and presentations;
 - reviewing the effectiveness of the Group's risk management and internal control processes 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 and Remuneration Committees).
- Determining the independence of the non-executive directors and authorising any actual or potential conflicts of interest.
- Appointment of the chair, 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 and reviewing its terms of reference and determining, on recommendation of the Nomination Committee, its membership.
- Receiving reports from Board committees on their activities.
- 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 following a recommendation from the executive directors.
- 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

- Any changes to the Company's listing or its status as a plc.
- Undertaking a formal review of the effectiveness of the Board and its committees 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 policies, including the Code of Conduct, the Dealing Code, the Health and Safety policy, the Responsible Business policy 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 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.
- In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the Group.