

## OXFORD NANOPORE TECHNOLOGIES PLC

### SCHEDULE OF MATTERS RESERVED FOR THE BOARD

The following schedule, approved by the board of directors of Oxford Nanopore Technologies plc (the **Board**) on 18 March 2021, identifies those matters reserved to the Board for its collective decision. The Board may delegate specific authorities to committees, but such delegation and their terms of reference must be approved by the Board in accordance with the Company's articles of association from time to time.

A successful Company is led by an effective and entrepreneurial board, whose role is to promote the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society.

All directors must act with integrity, lead by example and promote the desired culture.

The Board will meet regularly in order to discharge its duties effectively and will allow adequate time for consideration of all the issues falling within its remit in a manner designed to foster the continued innovation by the Company.

In this schedule, **Company** means Oxford Nanopore Technologies plc and **Group** means the Company and its subsidiaries from time to time.

### SCHEDULE OF MATTERS RESERVED FOR THE BOARD

#### 1 Strategy and management

- 1.1 Establishment of the Group's purpose, values, objectives, strategic and long-range plan and monitoring the Group's culture and promoting the alignment of culture with purpose, values and strategy.
- 1.2 Approval of the Group's strategic aims and objectives and overseeing allocation of resources of the Group to meet its objectives and measure performance against them.
- 1.3 Assessing the basis over which the Group generates and preserves value over the long term, considering and addressing opportunities and risks to the future success of the business model and the Group's governance.
- 1.4 Approval of annual operating and capital expenditure budgets and any material changes to them and monitoring their implementation.
- 1.5 Oversight of the Group's operations with an objective of:
  - i. competent and prudent management;
  - ii. sound planning;
  - iii. maintenance of sound management and internal control systems;
  - iv. adequate accounting and other records; and
  - v. compliance with statutory and regulatory obligations.
- 1.6 Reviewing performance in light of the Group's objectives, purpose, values, culture, strategy, business plans and budgets, including performance of corrective action when required.
- 1.7 Any decision to cease to operate all or any material part of the Group's business.

## **2 Structure and capital**

- 2.1 Approving or recommending (as the case may be) any changes relating to the Group's capital structure including reduction of capital, share issues (except under employee share plans) and share buy backs (including the use of treasury shares).
- 2.2 Approving 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 in question (taking into account initial and deferred consideration).
- 2.3 Approving major changes to the Group's management and control structures.
- 2.4 Approving any changes to the Company's listing or its status as a plc.

## **3 Financial reporting and controls**

- 3.1 Approval of the half-yearly report, interim management statements and any preliminary announcement of the final results.
- 3.2 Approval of the annual report and accounts, including the strategic report, corporate governance and Board committee reports, and any statements made therein on behalf of the Board.
- 3.3 With advice from the audit committee, reviewing the annual report and accounts and half-yearly report to confirm they are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy.
- 3.4 With advice from the audit committee, consider whether it is appropriate to adopt the going concern basis of accounting in preparing annual and half-year financial statements, and the Group's ability to continue to do so, and reporting accordingly.
- 3.5 With advice from the audit committee, assessing the prospects of the Group (and choosing the period over which to do so) and considering whether the Board can reasonably expect the Group to be able to continue in operation and meet its liabilities as they fall due over the period of their assessment and reporting accordingly in the annual report.
- 3.6 Approval of the dividend policy.
- 3.7 Declaration of any interim dividend, special dividends or other shareholder returns, and recommendation of the final dividend.
- 3.8 Approval of any significant changes in accounting policies or practices except as required to comply with law or accounting rules.
- 3.9 Approval of treasury policies including any policies regarding foreign currency exposure and the use of financial derivatives.

3.10 Approval of material unbudgeted capital or operating expenditures (outside Board-approved tolerances).

#### **4 Audit, internal controls and risk management**

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

- i. determining the nature and extent of the risks the Group is willing to take, approving the Group's risk appetite statements and reviewing the risk register on at least an annual basis;
- ii. Assessing the Group's emerging and principal risks;
- iii. receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives;
- iv. approving procedures for the detection of fraud and the prevention of bribery and modern slavery;
- v. receiving reports on, and reviewing the effectiveness of means for the Group's employees and contractors to raise concerns in confidence and anonymously and routinely review reports arising from its operation;
- vi. monitoring the Group's risk and internal control systems (covering all material controls including financial, operational and compliance controls) and receiving reports on, and reviewing the effectiveness of these processes and systems at least annually; and
- vii. approving an appropriate statement for inclusion in the annual report.

4.2 Establishing formal and transparent policies and procedures designed to maintain the independence and effectiveness of the Group's internal and external audit functions and the integrity of the financial and narrative statements.

4.3 Overseeing the audit committee and ensuring that the committee as a whole and its members have the relevant competencies.

#### **5 Contracts**

5.1 Approving major capital projects, contracts, commitments, expenditures or disposals involving any member of the Group exceeding the limits specified in the "Commitment and Expenditure of Funds Policy" (as updated from time to time by the Board) and not already approved as part of the annual operating and capital expenditure.

5.2 Approving major investments by any member of the Group not already approved as part of annual operating and capital expenditure, including the making of any takeover offer.

5.3 Approving lending or borrowing by any member of the Group made outside of the treasury policy and other than normal extension of credit to customers or similar made in the ordinary course of business.

5.4 Approving the terms for the sale of a material portion of the Group's intellectual property or any purchase of intellectual property other than in the ordinary course or not already approved as part of the business plan, annual operating and capital expenditure by the Group.

## **6 Stakeholder engagement and communication**

- 6.1 Receiving reports on, and reviewing the effectiveness of dialogue with shareholders.
- 6.2 Receiving reports on, and reviewing the effectiveness of the engagement strategy with, and encouraging participation from stakeholders.
- 6.3 Considering the balance of interests between shareholders, employees, customers, suppliers, the community and the Group's other stakeholders and receiving reports on, and reviewing the effectiveness how their interests and matters set out in section 172 of the Companies Act 2006 have been considered in Board discussions and decision-making and described in the annual report.
- 6.4 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 6.5 Approval of all circulars, prospectuses and listing particulars.

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

- 7.1 Overseeing the nomination committee, which leads the process for Board appointments, establishes plans for orderly succession to the Board and senior management positions, and oversees the development of a diverse pipeline for succession.
- 7.2 Overseeing changes to the structure, size and composition of the Board, following recommendations from the nomination committee.
- 7.3 Receiving reports on, and reviewing the effectiveness of 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. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed.
- 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 Officer, following recommendations by the nomination committee.
- 7.6 Appointment of the senior independent director to provide a sounding board for the Chair of the Board and to serve as intermediary for the other directors when necessary.
- 7.7 Membership and chairpersons of Board committees following recommendations from the nomination committee.
- 7.8 Appointment or removal of the Company Secretary.
- 7.9 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.

- 7.10 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.
- 7.11 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 annual general meeting and otherwise as appropriate.
- 7.12 Appointment of the Designated Non-Executive Director responsible for employee engagement.

## **8 Remuneration**

- 8.1 Overseeing the remuneration committee, which is responsible for determining the policy for executive director remuneration and setting remuneration for the Chair of the Board, executive directors and senior management.
- 8.2 Determining the remuneration of the non-executive directors (excluding the Chair of the Board) and overseeing the Directors' Remuneration Policy, 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 The division of responsibilities between the Chair of the Board and the Chief Executive Officer, which should be clearly established.
- 9.2 Approving the delegated levels of authority, including the Chief Executive Officer's authority limits.
- 9.3 Establishing Board committees and approving their terms of reference, and approving material changes thereto.
- 9.4 Receiving reports from Board committees on their activities and updates from the committee chairs.

## **10 Corporate governance matters**

- 10.1 Undertaking a formal and rigorous annual review of its own performance, that of its committees and individual directors, and the division of responsibilities. The Board shall also review its own composition, diversity and consider how effectively members work together to achieve objectives.
- 10.2 Determining the independence of non-executive directors in light of their character, judgment and relationships and considering whether or not to approve directors' external appointments.
- 10.3 Review of the Group's overall corporate governance arrangements.
- 10.4 Receiving reports on the views of the Company's stakeholders about issues including governance and performance against its strategy.

- 10.5 Authorising conflicts of interest where permitted by the Company's articles of association.
- 10.6 Receiving reports on, and reviewing the effectiveness of workforce engagement mechanisms to enable the Board to understand the views of the workforce.

## **11 Policies**

- 11.1 Receiving reports on, and reviewing the alignment of workforce policies and practices with the Group's values and their effectiveness in supporting the long-term sustainable success of the business and the ability of the workforce to raise any matters of concern.
- 11.2 Approving formal corporate policies and procedures, such as:
- i. data protection;
  - ii. code of conduct/ethics;
  - iii. conflicts of interest policy;
  - iv. related party transactions policy;
  - v. audit and non-audit services policy;
  - vi. anti-bribery and corruption policy;
  - vii. human rights and modern slavery;
  - viii. whistleblowing policy;
  - ix. diversity and inclusion policy;
  - x. share dealing code.

## **12 Other**

- 12.1 The making of political donations.
- 12.2 Approval of the appointment of the Group's principal professional advisers.
- 12.3 Approving/supervising the prosecution, commencement, defence or settlement of litigation, or an alternate dispute resolution mechanism which is material to the Group.
- 12.4 Approval of the overall levels of insurance for the Group including directors' & officers' liability insurance and indemnification of directors.
- 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 Approving this schedule of reserved matters for Board decision.

The Board may delegate any urgent matters to a committee of the Board which shall comprise of: (i) the Chief Executive, (ii) the Chief Financial Officer and (iii) any two directors from the Chairman, Senior Independent Director and any Chair of the Group's Audit, Remuneration and Nomination Committees. The Board shall be required to ratify any actions taken by the committee at its next full Board meeting.