

**Schedule of Matters  
Reserved for the Board &  
Delegation of Authority  
November 2021**

## Schedule of Matters Reserved for the Board

### Bakkavor Group plc (the “Company”) and all its subsidiaries (together, the “Group”)

#### Introduction

This document summarises the matters which are reserved for the board of directors of the Company (the “Board”) and the delegation of authority in the Group. It outlines authority levels required for approvals of capital expenditure, acquisitions and disposals, contracts and the day-to-day running and management of the Group. The authority levels arise from a number of sources including, but not limited to, the Articles of Association of the Group, financing documents, and company law.

#### The Board

The Board is responsible for the overall conduct and the long-term success of the Group. A summary of the key matters that require Board approval is set out below:

#### **Leadership, strategy and management**

- Providing leadership and setting the purpose, values and general strategy and objectives of the Group, assessing and monitoring the Group’s culture and promoting the alignment of culture with purpose, values and strategy.
- Approving the Group’s annual budget (the *Group Annual Budget*) and business plan (the *Business Plan*) and any material changes to them and monitoring their implementation.
- Reviewing and approving the Group’s business strategy objectives and forecasts, including any material expansion into new business or geographic areas and any decision to cease to operate all or any material part of the Group’s business.
- Monitoring the delivery of the Group’s business strategy and objectives and ensuring that necessary corrective action is taken.
- Approving Capital expenditure in excess of the Group Annual Budget or Business Plan.
- Overseeing the Group’s operations, ensuring competent and prudent management, sound planning, maintenance of sound management and internal control systems, adequate accounting and other records and compliance with statutory and regulatory obligations.
- Approving Mergers and Acquisitions Strategy.
- Adopting (or making a material amendment or variation to) the Group’s major policies on the conduct of business, the workforce, health and safety, environmental policy, data protection, security, insurance and risk management, treasury (including, for the avoidance of doubt, interest rate and foreign exchange and financial derivatives) and employment law issues.

#### **Structure and capital**

- Approving changes to the Company’s share capital structure including reduction of capital, share buy-backs (except under employees’ share plans) and issue of shares or other securities.
- Approving any issue of securities of a company in the Group to a person not a member of a Group, where such issue is material in the context of the Group.

- Approving any proposed alteration to the articles of association of the Company.
- Approving any changes to the Company's listing or the markets on which its securities are traded.
- Approving any major changes to the Group's Senior Management or control structures.
- Approving any borrowings by the Company or another member of the Group in excess of £25 million.
- Approving guarantees given by the Company or another member of the Group for an amount in excess of £25 million.
- Approving any major restructuring or reorganisation of the Group.
- Approving any new debt facility or instrument which: (i) is for greater than £25 million; and/or (ii) when aggregated with other facilities not previously approved by the Board exceeds 15% of net debt; and/or (iii) is secured over assets of the business; and/or (iv) is publicly traded.

#### Major capital projects and contracts

- Approving any major capital project, corporate action or investment by the Company or another member of the Group that will have, or is likely to have, a financial cost in excess of £10 million.
- Approving any entry into a joint venture.
- Approving the disposal of an asset; or part of an undertaking with a book or market value of over £10 million; or where the aggregate of disposals for the whole Group in any financial year is over £30 million.
- Approving an acquisition by any means (including by share or trade asset purchase and by a single transaction or a series of transactions) of any business.
- Approving entry into contracts outside the normal course of business (i) which expose the Group to unlimited legal liability; or (ii) other than on an arm's-length basis.
- Approving entry into contracts outside the ordinary course of business which are not consistent with the Group's agreed strategy.
- Approving any Class 1 or 2 transaction or related party transaction, as defined in the Listing Rules of the Financial Conduct Authority.
- Approving any takeover offer for another company that is subject to the City Code on Takeovers and Mergers.
- Making of a recommendation to accept any takeover or merger offer.

#### Financial reporting and controls

- Approving the half-yearly reports, (including financial statements, interim management report and responsibility statement) any management statements or any other announcements relating to the financial results of the company and any preliminary announcements of the final results.
- Approving the annual report and accounts including the strategic report, directors' report, directors' remuneration report and corporate governance statement.

- Approving the dividend policy, determination of any interim dividend and the recommendation (subject to the approval of shareholders in general meeting) of any final dividend to be paid by the Company or of any other distributions by the Company.
- Approving any significant changes in the accounting policies or practices.

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

- Ensuring the Group has effective systems of internal control and risk management in place, including approving the Group's risk appetite, in terms of risks the Group is willing to take in order to achieve its long-term strategic objectives, and its procedures for the detection of fraud and the prevention of bribery.
- Establishing formal and transparent policies and procedures to ensure the independence and effectiveness of the Company's internal and external audit functions and the integrity of the financial and narrative statements.
- Reviewing Health and Safety and Food Safety procedures.
- Reviewing the Group's Whistleblowing procedures.
- Undertaking, at least annually, a review of the Group's systems of control and risk management (covering all material controls including financial, operational and compliance controls).
- Carrying out a robust assessment of the Group's emerging and principal risks, overseeing procedures for identifying emerging risks and procedures for managing and mitigating principal risks.
- With the Audit and Risk Committee's advice, making recommendations to shareholders relating to the appointment, re-appointment or removal of the Company's external auditors.

### **Communications**

- Approving any prospectuses, circulars to holders of the Company's securities and recommendations in respect of any matters or notices which may be submitted to holders of the Company's securities in accordance with statutory requirements or requirements of the Financial Conduct Authority or London Stock Exchange or the Company's articles of association.

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

- Overseeing the Nomination and ESG Committee, which leads the process for Board appointments, ensuring plans are in place for orderly succession to the Board and senior management positions and overseeing the development of a diverse pipeline for succession.
- With advice from the Nomination and ESG Committee:
  - Changing the structure, size and composition of the Board;
  - Ensuring adequate succession planning for the Board and senior management of the Group so as to maintain an appropriate balance of skills and experience (taking account of recommendations from the Nomination Committee where appropriate);
  - Making appointments to the Board, and approving amendments thereto, including with regard to chairmanship;

- Considering and determining the independence of Non-executive directors;
  - Considering and determining whether to approve directors' external appointments;
  - Identifying and managing actual or potential conflicts of interest;
  - Considering and determining whether a director should continue in office at the end of his/her term of office and whether a director should be proposed for election or re-election by shareholders at the annual general meeting; and
  - Considering and determining whether a director should continue in office at any time, including suspending or terminating the service of an executive director as an employee.
- Approving the appointment and removal of the Company Secretary.

### Corporate Governance Matters

- Formally reviewing the performance of the Board and its committees, individual directors and the Group's overall corporate governance framework.

### ESG Matters

- With the advice of the Nomination and ESG Committee, exercising oversight and governance of ESG matters.

### Remuneration

- Overseeing the Remuneration committee and determining and agreeing with the Remuneration Committee the policy for the remuneration of the chairperson, senior management and the Executive directors.
- Introducing share incentive plans or making major changes to existing plans, to be put to shareholders for approval.
- With the advice of the Remuneration Committee, establishing a formal and transparent procedure for developing policy on the remuneration of Executive directors, the chair and senior management.
- Determining the remuneration of Non-executive directors of the Company, subject to the articles of association of the Company.

### Other Matters

- Approving and monitoring the Securities Dealing Code;
- Approving and monitoring the corporate social responsibility policy and report;
- Approving policies on the making of political donations (subject to shareholder approval in general meeting) and charitable donations.
- Approving the introduction, or any material changes to the rules, or changes in the trustees, of any pension plan or scheme.



- Approving the Group's principal financial and professional advisers.
- Material interaction with regulators, including during any investigations.
- Reviewing the Group's levels of insurance, including directors' and officers' liability insurance.
- Approving directors' indemnities.
- Approving any other matters which are reserved for decision by the Board in accordance with the requirements of applicable law, regulation or pursuant to accepted best practice or under the articles of association of the Company.
- Periodic review of this schedule of matters.