

SYNCONA LIMITED

MATTERS RESERVED FOR DECISION BY THE BOARD OF DIRECTORS

Approved 1 March 2018

1. Strategy, and oversight of SIML and other service providers

- 1.1. Responsibility for the overall leadership of the Company and setting the Company's values and standards.
- 1.2. Recommending any changes in Investment Policy to shareholders.
- 1.3. Approval of the Company's strategic objectives within the Investment Policy.
- 1.4. Approval of the annual budget of SIML and any material changes to it.
- 1.5. Oversight of the operations of SIML ensuring competent and prudent management, maintenance of sound management and internal control systems and compliance with statutory and regulatory obligations.
- 1.6. Review of the performance of the Company's portfolio in light of the Company's investment policy and strategic objectives.
- 1.7. Oversight of SIML's review of performance and engagement of the Company's Administrator, Custodian, Auditor, Corporate Broker and Registrar to ensure continued competitiveness and effectiveness of the same.

2. Structure and capital

- 2.1. Changes relating to the Company's capital structure including reduction of capital, share issues, redemption offers, scrip dividends, share purchases and buy backs.
- 2.2. Approval of changes to the Company's group structure other than the establishment of new entities (whether subsidiaries or otherwise) for a life science investment.
- 2.3. Changes to the Company's management and control structure.
- 2.4. Any changes to the Company's listing or its regulatory status.
- 2.5. Approval of the Company's funding structure and any changes thereto, as recommended by the Investment Manager.

3. Financial reporting and controls

- 3.1. Approval of the half yearly report and any preliminary announcement of the final results.
- 3.2. Approval of the annual report and accounts, including any corporate governance statement and remuneration disclosures.
- 3.3. Approval of any change to dividend policy.
- 3.4. Declaration of dividends.
- 3.5. Approval of any significant changes in accounting policies or practices.

4. Internal controls

- 4.1. Ensuring maintenance and review of the system of internal control and risk management, including:
- Approving the Company's risk appetite statements;
 - Receiving reports on, and reviewing the effectiveness of, the Company'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; and
 - Approving an appropriate statement for inclusion in the annual report.

5. Transactions

- 5.1. Approval of any investment transaction with a value equal to more than 10% of net asset value. In determining this the following will apply:
- Where the transaction is a follow-on investment, the value in question will only be the amount of the new investment.
 - Where the price of the investment (on a sale) is different from the holding value of the asset in question, net asset value will be adjusted to reflect the price proposed.
- 5.2. Approval of borrowings not in the ordinary course of business and all borrowings over £5 million. This does not include borrowings within a portfolio company.
- 5.3. Approval of contracts between the Company and SIML or other service providers.
- 5.4. Approval of any related party transactions.

6. Communication

- 6.1. Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 6.2. Approval of all circulars and prospectuses.
- 6.3. Approval of press releases concerning matters decided by the board.

7. Board membership and other appointments

- 7.1. Review of the structure, size and composition of the board following recommendations from the nomination committee.
- 7.2. Ensuring adequate succession planning for the board.
- 7.3. Appointments to the board, following recommendations by the nomination committee.
- 7.4. Selection of the chairman of the board.
- 7.5. Appointment of a senior independent director (if required).
- 7.6. Membership and chairmanship of board committees.
- 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.
- 7.9. Remuneration of auditors and appointment, reappointment or removal of the auditors to be put to shareholders for approval, following the recommendation of the audit committee.
- 7.10. Appointments to boards of subsidiaries (other than entities established for a life science investment).

8. Remuneration

- 8.1. Determining the remuneration policy for, and remuneration of, the directors.
- 8.2. Approval of awards under the Company's long term incentive plan.
- 8.3. The introduction of new incentive plans or major changes to existing plans, to be put to shareholders for approval.

9. Delegation of Authority

- 9.1. Approval of terms of reference of board committees.
- 9.2. Receiving reports from board committees on their activities.

10. Corporate governance matters

- 10.1. Undertaking a formal and rigorous review of its own performance, that of its committees and individual directors.
- 10.2. Determining the independence of directors.
- 10.3. Considering the balance of interests between different stakeholders.
- 10.4. Review of the Company's overall corporate governance arrangements.
- 10.5. Receiving reports on the views of the Company's shareholders.

11. Policies

- 11.1. Approval of policies which may be required from time to time, including:
 - Share dealing code; and
 - Communications policy, including procedures for the release of price sensitive information.

12. Other

- 12.1. The making of political and charitable donations.
- 12.2. Approval of the appointment of the Company's principal professional advisers.
- 12.3. Prosecution, defence or settlement of litigation.
- 12.4. Approval of the overall levels of insurance for the Company, including Directors' & Officers' liability insurance and indemnification of directors.
- 12.5. This schedule of matters reserved for Board decisions.