

**Matters Reserved to the Board**

Area	Matters Reserved Board Approval Required
Strategy	Board approval is required for setting the: <ul style="list-style-type: none"> <li>• Group strategy</li> <li>• Group long term objectives</li> </ul>
Operations	Board is responsible for: <ul style="list-style-type: none"> <li>• Approving political donations and political contributions<sup>1</sup></li> </ul>
Expansion (M&A, BD, CAPEX and Ventures)	Board approval is required for: <ul style="list-style-type: none"> <li>• Acquisitions and new business in existing geographies or business segments, capital investments and disposals (assessed at the higher of the book value or the consideration of the disposal) with a consideration of more than \$100m</li> <li>• Acquisitions and new business in new geographies or business segments with a consideration of more than \$20m</li> <li>• Acquisitions of companies listed on a stock exchange</li> <li>• Any joint ventures (including the creation or termination of joint ventures or other shared ownership arrangements)</li> <li>• Any business with related parties, whether in the normal course or otherwise, that falls under the related party transaction rules</li> <li>• Hikma Venture's total investment fund (total funding for venture investments over a given period), in conjunction with the Chief Executive</li> <li>• Venture investments in excess of \$20m in one given entity, in conjunction with the Chief Executive</li> </ul>
Legal	Board approval is required for: <ul style="list-style-type: none"> <li>• Settling litigation with a value/revenue of more than \$20m</li> </ul>
Risk and Internal Controls	Board approval is required for: <ul style="list-style-type: none"> <li>• Determining the nature and extent of the principal risks and the Group Risk Appetite</li> </ul>

<sup>1</sup> Political donations and political contributions must be approved by the Chief Counsel, the Chief Compliance Officer, the EVP of Corporate Strategy and Investor Relations prior to being submitted to the Board for approval ([Group CSR Projects, Corporate Sponsorships and Charitable Donations Policy](#))

Area	Matters Reserved
	Board Approval Required
	<ul style="list-style-type: none"> <li>• Significant changes to the policy that governs the financial internal controls framework, in conjunction with the Chief Financial Officer</li> </ul>
Structure	<p>Board approval is required for:</p> <ul style="list-style-type: none"> <li>• Change of Chief Executive or equivalent</li> <li>• Change of the Chief Financial Officer</li> <li>• Alterations to the divisional structure of the Group</li> <li>• Ceasing to operate in a significant jurisdiction that represents more than 5% of the revenue of the Group</li> <li>• Location of the Group head office and jurisdiction of incorporation</li> <li>• Changes to the holding company's name, brand or articles of association</li> <li>• Major changes to the group legal entity structure</li> <li>• Any significant structural changes associated with tax planning</li> </ul>
Regulatory Announcements	<p>Board approval is required for:</p> <ul style="list-style-type: none"> <li>• Preliminary results</li> <li>• Interim results</li> <li>• Reputational matters</li> </ul>
Shareholder Communications	<p>Board approval is required for:</p> <ul style="list-style-type: none"> <li>• Report and accounts</li> <li>• Shareholder circulars</li> <li>• Notice of shareholder meeting</li> <li>• Prospectus for shareholders and bondholders</li> </ul>
Budget	<p>Board approval is required for:</p> <ul style="list-style-type: none"> <li>• The annual Group budget</li> <li>• The annual forecasts (RFI, RFII, RFIII and RFIV)</li> <li>• Any items in the annual budget that fall within the matters reserved (separate approval)</li> <li>• The Group's 5 Year Business Plan</li> </ul>
Share Capital	<p>Board approval is required for:</p> <ul style="list-style-type: none"> <li>• Issuance of shares (including a rights issue, placing or for financing purposes)</li> </ul>

Area	Matters Reserved
	Board Approval Required
	<ul style="list-style-type: none"> <li>• Undertaking share buybacks</li> <li>• Reducing share capital</li> <li>• Proposing or declaring a dividend</li> <li>• Any alternation to the listing of the Company's shares or status as a public limited company</li> </ul>
Banking	Board approval is required for the: <ul style="list-style-type: none"> <li>• Appointment of corporate brokers, in conjunction with the Chief Financial Officer</li> <li>• Approve the appointment of authorised signatories for Hikma Pharmaceuticals PLC with "A" class authority</li> </ul>
Borrowing	Board approval is required for: <ul style="list-style-type: none"> <li>• Any new borrowing arrangement with a value of more than \$100m</li> <li>• Bond issuance, cancellation, and other bond related issues</li> <li>• Setting the Group Hedging Policy</li> </ul>
Accounting Policy	Board approval is required for: <ul style="list-style-type: none"> <li>• Accounting policy changes that would have a material impact (Group audit materiality threshold applies) on the Group's financial position</li> <li>• Policy regarding the use of financial derivatives</li> <li>• Dividend policy</li> </ul>
Board Appointments	Board approval is required for the appointment or removal of: <ul style="list-style-type: none"> <li>• Directors of Hikma Pharmaceuticals PLC</li> <li>• Chair</li> <li>• Senior Independent Director</li> <li>• Hikma Pharmaceuticals PLC Board Committee Chairs</li> <li>• Chief Executive</li> <li>• Chief Financial Officer</li> <li>• Company Secretary</li> </ul>
Committee Structure	Board approval is required for: <ul style="list-style-type: none"> <li>• The establishment or discontinuation of a Board Committee</li> </ul>
Auditors and Advisers	Board approval is required for the appointment and removal of: <ul style="list-style-type: none"> <li>• Brokers/ sponsors at the stock market</li> </ul>
Governance	Board approval is required for:

Area	Matters Reserved
	Board Approval Required
	<ul style="list-style-type: none"> <li>Changes to this schedule of matters reserved</li> </ul>
Document Execution	The Board may delegate authority as it sees fit. Statutory provisions also apply.
Executives	<p>Approval of the Executive directors of the Board is required for remuneration for:</p> <ul style="list-style-type: none"> <li>Non-executive Directors based on the benchmark or range recommended by independent party, in conjunction with the Executive Chairman</li> </ul>
Share Plans	<p>Board approval is required for approval of remuneration for:</p> <ul style="list-style-type: none"> <li>New share plans</li> </ul>
Policies	<p>Board approval is required for:</p> <ul style="list-style-type: none"> <li>changes to the Code of Conduct</li> <li>Tax Strategy Statement</li> </ul>