

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

THE BRITISH UNITED PROVIDENT ASSOCIATION LIMITED (the “Company”)

SCHEDULE OF MATTERS RESERVED FOR THE BOARD (Approved 12 December 2019)

References to Audit (“Audit”), Risk (“Risk”), Nomination & Governance (“Nomination”) or Remuneration (“Remuneration”) refer to the Board Committee which will consider the item and make recommendations to the Board for its final decision, unless the Terms of Reference permit the decision to be made by the Board Committee under the delegated authority of the Board.

	Recommended by:
1. Strategy and Management	
1.1 Establishing, and approval of any changes to, the purpose, values and strategy of the Company and its subsidiaries (together referred to as “Bupa”).	
1.2 Ensuring that Bupa’s culture is aligned with its purpose, values and strategy.	
1.3 Approval of the annual operating plan and capital expenditure budgets and any material changes to them.	
1.4 Approval of the Own Risk and Solvency Assessment and any other required risk reporting.	Risk
1.5 Oversight of Bupa’s operations ensuring: <ul style="list-style-type: none">• competent and prudent management• sound planning• effective internal control and risk management processes (also see 4 below)• adequate accounting and other records• compliance with statutory and regulatory obligations.	Audit
1.6 Review of performance in the light of Bupa’s strategy, objectives, purpose, business plans and budgets and ensuring that any necessary resources are in place in order to meet these objectives and that any necessary corrective action is taken.	
1.7 Extensions of Bupa’s activities into new business sectors or new countries.	Risk
1.8 Any decision to cease to operate and/or divest all or any material part of Bupa’s business.	Risk
2. Structure and Capital	
2.1 Approval of changes to Bupa’s capital structure and the issue of debt securities to external parties .	
2.2 Approval of changes to the Company’s corporate status.	

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		Recommended by:
3.	Financial Reporting and Controls	
3.1	Approval of announcements of annual and half-yearly results.	Audit
3.2	Approval of the Company's annual report and accounts.	Audit/Risk/ Remuneration/ Nomination
4.	Internal Control and Risk Management	
4.1	Overseeing effective internal control and risk management processes including: <ul style="list-style-type: none"> • undertaking an at least annual assessment of these processes • approving an appropriate statement on risk and internal control for inclusion in the annual report 	Audit
4.2	Ensuring that Bupa manages risk effectively by: <ul style="list-style-type: none"> • approving Bupa's risk appetite (the extent and categories of risk which the Board regards as acceptable) • approving any activities outside of Bupa's approved risk appetite • approving Bupa's System of Governance and Risk Management Framework • monitoring Bupa's aggregate risk exposures and risk / return. 	Risk
4.3	Approval of the policies set out below: <ul style="list-style-type: none"> • Corporate Responsibility and Sustainability; • Customer Outcomes; • Financial Crime; • Health & Safety; • Mergers and Acquisitions, Strategic Partnerships and Joint Ventures; • People; • ORSA; • Reputation Management; and • Speak Up. 	Risk Risk Risk Risk Risk Risk Risk Risk Audit
5.	M & A and Material Contracts	
5.1	Approval of capital projects over £25 million.	
5.2	Approval of contracts or arrangements with external third parties of the Company or any subsidiary not in the ordinary course of business above £25 million, for example unscheduled retirements of external loans and reductions of external borrowing facilities.	
5.3	Approval of major acquisitions or disposals of businesses or interests in companies or trade investments where the enterprise value exceeds £25 million or the making of any takeover offer for, or acquisition of a notifiable interest in, a listed company. This includes interests in joint ventures.	
5.4	Approval of the establishment of new borrowing facilities exceeding £10 million.	

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5.5	Approval of Sales and Purchase contracts over £250 million.	Recommended by:
6. Association Members		
6.1	Approval of resolutions and corresponding documentation to be put forward to Association Members at a general meeting.	Nomination
6.2	Approval of invitations to become Association Members.	Nomination
7. Board Membership and other Appointments		
7.1	Changes to the structure, size and composition of the Board.	Nomination
7.2	Ensuring adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills, experience and knowledge in order to promote the long-term success of the Company, having particular regard to gender, social and ethnic backgrounds, cognitive and personal strengths.	Nomination (Board succession only)
7.3	Approval of appointments to and removals from the Board.	Nomination
7.4	Approval of the appointment of the Chairman of the Board and the Group Chief Executive Officer (CEO).	
7.5	Approval of the appointment of the Senior Independent Director (SID).	Nomination
7.6	Agreeing the membership and Chairmanship of the Board Committees.	Nomination
7.7	Approval of the continuation in office of directors seeking election and re-election by Association Members at the AGM.	Nomination
7.8	Approval of the appointment or removal of the Company Secretary.	
7.9	Approval of the appointment, reappointment or removal of the external auditor to be put to the Association Members in general meeting for approval.	Audit
7.10	Appointment of any President or Vice Presidents or other honorary roles for the Company.	Nomination
8. Remuneration		
8.1	Approval of the remuneration policy for the Executive Directors to be put to the Association Members in general meeting for approval.	Remuneration
8.2	Approval of the fees of the Non-Executive Directors other than the Chairman. For the avoidance of doubt, no Director shall approve his or her own fees or remuneration.	
9. Delegation of Authority		
9.1	Approval of the division of responsibilities between the Chairman and the	

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	Recommended by:
Group CEO.	
9.2 Approval of the establishment and continuation of Board committees and of their terms of reference.	
9.3 Approval of the delegated levels of authority, including the Group CEO's authority limits.	
9.4 Receiving reports from Board committees on their activities.	
10. Corporate Governance matters	
10.1 Undertaking a formal review annually of its own performance, that of its committees and individual directors.	
10.2 Determining the independence of non-executive directors.	
10.3 Review of Bupa's overall corporate governance arrangements, including the governance of the arrangements with the Company's Association Members.	Nomination
11. Other	
11.1 The making of political donations.	
11.2 Prosecution, defence or settlement of litigation, the cost of which exceeds or is likely to exceed £20 million, or being otherwise material to the interests of Bupa.	
11.3 Major changes to the rules, governance or planned funding arrangements for any or all of Bupa's pension schemes.	
11.4 This schedule of matters reserved for Board decisions.	

The Board will receive reports and recommendations from time to time on any matter which it considers significant to Bupa.

Where the Board delegates a power to recommend, this will be contained in the terms of reference of the relevant Board Committee.

All other matters not specifically reserved in this schedule are delegated to the Group CEO, excluding those matters delegated by the Board to the Board Committees under their terms of reference (as approved from time to time).