

## **Matters Reserved for the Board and its Committees**

- (i) The Board has overall responsibility for ensuring that the Company is appropriately managed and achieves the strategic objectives it has agreed.
- (ii) To enable it to exercise this responsibility, the Board requires from the management the appropriate information concerning the business, including relevant information on risk exposures, internal controls and external developments.
- (iii) The Chief Executive Officer (CEO) reports to the Board and is responsible for the management of the Group. To assist him in this task, the CEO has established the Corporate Executive Committee (CET), which, for the avoidance of doubt, is not a Committee of the Board.
- (iv) Specific topics reserved to the Board or its Committees include:
  - Composition of the Board and its Committees.
  - Approval of top executive appointments and top management succession plans.
  - Top management terms of employment.
  - The appropriation and distribution of profits.
  - Approval of strategic plans. The Board has supervisory responsibility for overall budgetary planning, major treasury planning and scientific and commercial strategies. The Board is responsible for satisfying itself that planning procedures and the Company's overall objectives are appropriate.
  - Corporate Governance matters.
  - Monitoring of information on major risks and exposures and final decisions regarding those exposures.
  - Acquisitions, disposals, licensing transactions, mergers and joint ventures, in accordance with the company's internal approval limits, which may be reviewed by the Board from time to time (disposals being subject to the same limits as acquisitions; mergers, joint ventures etc. being handled and approved in accordance with the same principles and limits).
  - Capital investments, in accordance with the approval limits.
  - Major organisation changes.
  - Periodic and regular review of actual business performance relative to established objectives.
  - Review and approval of internal controls and risk management policies and processes.

