

Reserved for the board

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

CH50	refers to The Statutes of the Republic of Singapore Companies Act (Chapter 50) Revised Edition 2006
CA06	refers to the Companies Act 2006
CGC	refers to the UK Corporate Governance Code 2018
DTR	refers to the FCA's Disclosure and Transparency Rules
LR	refers to the FCA's Listing Rules
PR	refers to the FCA's Prospectus Regulation Rules

References to Audit, Nomination or Remuneration refer to the board committee which will consider the item and make recommendations to the board for its final decision.

References to “the Company” shall be to XP Power Limited and references to “the group” mean the Company and its subsidiary undertakings.

Items marked * are not considered suitable for delegation to an ad hoc sub-committee of the board, for example under the recommendations of the CGC, they are the responsibility of an audit, nomination or remuneration committee, with the final decision required to be approved by the board.

1.	Strategy and Management	Corporate Governance Reference
1.1.	Responsibility for the overall management of the group.	CGC Principle A
1.2.	Approval of the group's purpose, values and strategy, including long term objectives and commercial strategy.	CGC Principles A & B
1.3.	Approval of the annual operating and capital expenditure budgets and any material changes to them.	
1.4.	Oversight of the group's operations ensuring: <ul style="list-style-type: none"> • 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. 	CGC Principle O
1.5.	Review of performance in the light of the group's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.	CGC Principle C CGC Provision 1
1.6.	Extension of the group's activities into new business or geographic areas.	
1.7.	Any decision to cease to operate all or any material part of the group's business.	

2.	Structure and Capital	Corporate Governance Reference
2.1.	Changes relating to the group's capital structure including reduction of capital, share issues (except under employee share plans) and share buybacks (including the use of treasury shares).	
2.2.	Major changes to the group's corporate structure, including, but not limited to acquisitions and disposals of shares which are material relative to the size of the group in question (taking into account initial and deferred consideration).	
2.3.	Changes to the group's management and control structure.	
2.4.	Any changes to the Company's listing or its status as a plc.	

3.	Financial Reporting and Controls	Corporate Governance Reference
3.1.	Approval of preliminary announcements of interim and final results.	CGC Principle N Audit DTR 4.1- 4.4
3.2.	Approval of the annual report and accounts, including the strategic report, directors' report, corporate governance statement and remuneration report.	CH50 s201 CA06 s414, s415 DTR 4, LR 9.8 CGC Principle N Audit
3.3.	*Approval of the dividend policy.	
3.4.	Approval and declaration of the interim dividend and recommendation of the final dividend.	LR 9.7 DTR 6.1.13
3.5.	*Approval of any significant changes in accounting policies or practices.	CGC Principles M & N Audit
3.6	Approval of major capital or operating expenditure exceeding the limit set out in the then current Company Global Authorisation Matrix	
3.7.	Approval of treasury policies (including foreign currency exposure and the use of financial derivatives).	
3.8.	The giving of security over any material asset of any member of the group, the entry into loan facilities with companies outside of the XP group, debt financing, sale and lease financing arrangements, subject to the limit set out in the then current Company Global Authorisation Matrix.	
4.	Risk Management and Internal Controls	Corporate Governance Reference
4.1.	Responsible for the overall approach to risk management, including: the identification and assessment of principal risks; setting the risk appetite in line with strategic objectives; and establishing the design of a risk management framework able to monitor effectiveness.	
4.2.	Ensuring the communication and implementation of a risk management framework that incorporates the maintenance of sound systems of risk management and internal control including: <ul style="list-style-type: none"> receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives on an ongoing basis; approving procedures for the detection of fraud and the prevention of bribery; undertaking an annual assessment of the Company's principal and emerging risks and the processes for identifying emerging risks; and approving an appropriate statement for inclusion in the annual report. 	CGC Principle O, Provisions 28 and 29 Audit UK Bribery Act 2010
5.	Contracts	Corporate Governance Reference
5.1.	Transactions or arrangements entered into by any member of the group with any entity or individual listed on the register of related parties maintained by the company secretary.	LR 11
5.2.	Contracts which are material strategically or by reason of size, entered into by the Company (or any subsidiary) in the ordinary course of business, for example bank borrowings or acquisitions or disposals of fixed assets exceeding the limit set out in the then current Company Global Authorisation Matrix.	

5.3.	Contracts of the Company or any subsidiary not in the ordinary course of business, for example, major acquisitions or disposals exceeding the limit for contracts or, if applicable, the specific limit for such item(s) set out in the then current Company Global Authorisation Matrix. To exclude foreign currency transactions used to fix the exchange rates for intra-group lending / borrowing.	
5.4.	Major investments including the acquisition or disposal of interests of more than 3 per cent in the voting shares of any company or the making of any takeover offer.	DTR 5
5.5.	Onerous contract terms including unlimited liability and parent company guarantees, subject to the limit set out in the then current Company Global Authorisation Matrix.	
6.	Public Communications	Corporate Governance Reference
6.1.	Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives	CGC Principle D
6.2.	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.	LR 13
6.3.	*Approval of any prospectuses or circulars to holders of the Company's securities.	LR 13 PR 5.5
6.4.	*Approval of press releases concerning matters decided by the board or which may be price sensitive, with final approval delegated to the Chair or other appointed board member or committee of the board, as authorised from time to time by the board. The publication of Policy Statements (for example, on matters such as Modern Slavery and Gender Pay) which are required to be published by any member of the group from time to time do not require board approval.	
7.	Board Membership and Other Appointments	Corporate Governance Reference
7.1.	*Changes to the structure, size and composition of the board, following recommendations from the nomination committee.	CGC Principle K Nomination
7.2.	*Ensuring adequate succession planning for the board and senior management so as to maintain an appropriate balance of skills and experience within the Company and on the board.	CGC Principle J
7.3.	*Appointments to the board, following recommendations by the nomination committee.	CGC Provision 17 Nomination
7.4.	*Selection of the Chair of the board and the Chief Executive.	Nomination
7.5.	*Appointment of the Senior Independent Director to provide a sounding board for the Chair of the board and to serve as intermediary for the other directors when necessary.	CGC Provision 12 Nomination
7.6.	*Membership and appointment of Chair of board committees, following recommendations from the nomination committee.	Nomination
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.	Nomination
7.8.	*Continuation in office of any director at any time, including the suspension or termination of service of an executive director as an employee of the Company, subject to the law and their service contract.	Nomination

7.9.	*Appointment or removal of the company secretary.	CH50 s171 CA06 Part 12 s270-280 CGC Provision 16
7.10.	*Appointment, re-appointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the audit committee.	CH50 s205 CA06 s489 and s491 CGC Provision 25 Audit
7.11.	Appointments to boards of subsidiaries and powers of attorney. This matter is delegated to the Chief Executive Officer or Chief Financial Officer and for the board to be informed of such appointments at the next scheduled meeting.	
7.12.	Applications by directors to accept outside appointments.	CGC Provision 15
8.	Remuneration	Corporate Governance Reference
8.1.	*Approving the remuneration policy for the directors and the remuneration of the directors, company secretary and other senior executives as determined by the Remuneration committee from time to time and subject to shareholder approval, if appropriate.	CGC Principle Q Remuneration
8.2.	The Executive Directors determine the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.	CGC Provision 34
8.3.	*The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.	Remuneration
9.	Delegation of Authority	Corporate Governance Reference
9.1.	*The division of responsibilities between the Chair of the board, the Chief Executive Officer and the Senior Independent Director, which should be in writing.	CGC Principle G and Provision 14
9.2.	*Establishing board committees and approving their terms of reference and any material changes thereto.	CGC Provisions 17, 24 and 32
9.3.	*Receiving reports from board committees on their activities.	
9.4.	Authority levels applying to executive directors set out in the Company's Global Authorisation Matrix.	
10.	Corporate Governance Matters	Corporate Governance Reference
10.1.	*Undertaking a formal and rigorous review annually of its own performance, that of its committees and individual directors.	CGC Principle L
10.2.	*Determining the independence of non-executive directors in light of their character, judgment and relationships.	CGC Provision 10
10.3.	*Considering the balance of interests between shareholders, employees, customers and the community and reviewing the engagement mechanisms with the Company's key stakeholders and ensuring they remain effective.	CA06 s172
10.4.	Review of the group's overall corporate governance arrangements.	
10.5.	*Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the board as a whole.	CGC Provisions 3 and 12
10.6.	Authorising conflicts of interest where permitted by the Company's articles of association.	CH50 s156 CA06 s177

11.	Policies	Corporate Governance Reference
11.1.	Approval of policies, that control and mitigate risk in the business, including: <ol style="list-style-type: none"> i. Code of conduct ii. Share dealing code iii. Health and safety policy iv. Data protection policy v. Communications policy (including procedures for the release of price sensitive information) vi. Relevant human resources policies vii. Anti-bribery policy viii. Environmental policy ix. Whistleblowing Policy x. Human Rights Policy xi. Modern Slavery Policy and Statement 	CGC Principle A and C UK Bribery Act 2010
11.2.	Overseeing workforce policies and practices and ensuring they are consistent with the group's values and support its long term sustainable success.	CGC Principle E
11.3.	Routinely reviewing (i) the adequacy and security of the Company's arrangements for employees to raise concerns anonymously and (ii) the reports arising from the operation of such arrangements, and ensuring that arrangements are in place for the proportionate and independent investigation of such matters and for follow up action.	CGC Provision 6
12.	Other	Corporate Governance Reference
12.1.	The institution, defence or settlement of legal proceedings (or a similar process) by any member of the group where the costs appear likely to exceed \$250,000 or in relation to matters having a value or effect on any member of the group in excess of \$500,000 or being otherwise material to the group's interests or with significant reputational risk.	
12.2.	Approval of the appointment of the group's principal professional advisers.	
12.3.	Approval of any proposed alteration(s) to the articles of association of the Company (subject to shareholder approval).	
12.4.	Approval of the overall levels of insurance for the group including Directors' & Officers' liability insurance and indemnification of directors.	
12.5.	Major changes to the rules of the group's pension scheme.	
12.6.	The making of political and charitable donations exceeding the limit set out in the then current Company Global Authorisation Matrix.	
12.7.	Changes to this schedule of matters reserved for board decisions.	
12.8.	Any decision likely to have a material impact on the Company or group from any perspective, including, but not limited to, financial, operational, strategic or reputational issues.	
12.9.	Any other matter as determined from time to time by the board.	

Matters which the board considers suitable for delegation are contained in the terms of reference of its Committees. In addition, the board will receive reports and recommendations from time to time on any matter which it considers significant to the group.

Approved by the Board of Directors of XP Power Limited on 7 December 2023