

CAB PAYMENTS HOLDINGS PLC

(the Company)

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

(approved by the board of directors of the Company held on 27 November 2023)

The Company is required by law and its articles of association (the **Articles**) to have a board of directors (the **Board**). This policy is not intended to replace or supplement the legal obligations of the Board under legislation, regulation or its Articles. The Board of the Company (together with its subsidiaries, the **Group**) will delegate certain of its responsibilities to others (such as the executive management of the Group). It is however important for the Board to be clear about those matters which are required to be or, in the interests of the Company and Group should be, decided by the Board itself. Set out below are the matters reserved for the collective decision of the Board. Matters which the Board considers suitable for delegation to its committees are contained in the terms of reference for such committees of the Board.

1. STRATEGY AND MANAGEMENT

- 1.1 Responsibility for the overall management, and oversight of operations, of the Group, ensuring:
 - (a) competent, prudent and effective management;
 - (b) sound planning;
 - (c) an adequate system of internal control;
 - (d) adequate accounting and other records; and
 - (e) compliance with statutory and regulatory obligations.
- 1.2 Consideration, adoption and review of the strategic aims of the Group and its business plan, and review of the Group's performance in light of each of these.
- 1.3 Setting the Company's purpose and values and the Group's strategic aims, long-term objectives and commercial strategy.
- 1.4 Approval of the extension of the Group's activities into new business or geographic areas.
- 1.5 Approval of any decision to cease to operate all or any material part of the Group's business. For these purposes, "**material**" shall include where the relevant activities represent more than 5% of consolidated net revenues of the Group as shown in the Company's most recent audited consolidated accounts.
- 1.6 Approval of any decision to undertake a material restructuring or reorganisation of the Group (including the winding-up of a material subsidiary undertaking).
- 1.7 Oversight of overall environmental, social, and governance (**ESG**) performance of the Company, including ensuring that the Group's strategic direction (where relevant) is informed by ESG issues.
- 1.8 Approval of, and amendments to, the Company's ESG strategy.

2. CAPITAL AND STRUCTURE

- 2.1 Changes to the Group's share capital structure (including reduction of capital, share issues (except under employee share plans) and share buy backs (including use of treasury shares) and any conversion of outstanding convertible instruments.
- 2.2 Approval of changes that would have a significant impact on the Group's corporate structure, including, but not limited to, acquisitions and disposals of shares, undertakings, businesses, assets or properties which are material relative to the size of the Group (taking into account initial and deferred consideration).
- 2.3 Approval of material changes to the Company's listing or its status as a public limited company (plc) or the market on which its securities are traded.
- 2.4 Approval of material changes to the Group's management and control structure.
- 2.5 Recommendations for the alteration of the Articles, registered office and the name of the Company.
- 2.6 Any changes to the name of any member of the Group.

3. BOARD, COMMITTEE AND OTHER APPOINTMENTS

- 3.1 Approval of changes to the structure, size and composition of the Board following recommendations from the Nomination Committee.
- 3.2 Appointments to the Board, including the chair and the senior independent director, and selection of the Chief Executive Officer and the Chief Financial Officer, following recommendations by the Nomination Committee.
- 3.3 Approval of additional external appointments proposed to be undertaken by members of the Board.
- 3.4 Determining the division of responsibilities between the chair of the Board and the Chief Executive Officer, which should be set out in writing.
- 3.5 Establishing remuneration, nomination, audit, risk and any other Board committees and determining the terms of reference, membership and chairmanship of such committees on the recommendation of the Nomination Committee.
- 3.6 Ensuring adequate succession planning for appointments to the Board and to senior management so as to maintain an appropriate balance of skills and experience within the Company and on the Board with due regard to the benefits of diversity.
- 3.7 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 annual general meeting and otherwise as appropriate.
- 3.8 Suspension or termination of service of an executive director as an employee of the Company, subject to the law and their service contract.
- 3.9 Appointment and removal of the Company Secretary, on the recommendation of the Nomination Committee.
- 3.10 Decisions as to the appointment, re-appointment and removal of external auditors before such proposals are put to the shareholders for approval in general meeting, following the recommendation of the Board Audit Committee.

- 3.11 Approval of the limits of the authority to approve expenditure, investments and such other matters as the Board may determine, delegated to the Chief Executive Officer, Chief Financial Officer and other directors, officers and senior managers.
- 3.12 Receiving reports from Board committees on their activities.
- 3.13 Approval of the terms of engagement of non-executive directors, including determining their remuneration, subject to the Articles and shareholder approval, as appropriate.

4. REMUNERATION

- 4.1 Overseeing the Remuneration Committee, which is responsible for determining the policy for executive director remuneration and setting remuneration for the chair, executive directors and senior management.
- 4.2 Consideration and approval of the remuneration policy for the directors and other senior executives.
- 4.3 Determining the remuneration of the non-executive directors (excluding the chair, whose remuneration will be determined by the Remuneration Committee), within the limits set in the Articles.
- 4.4 Amendments (or recommendations for the amendment) to:
 - (a) all share schemes (including, without limitation, the share option and employee share schemes) of the Company or Group following recommendation from the Remuneration Committee; or
 - (b) any pension scheme(s) of the Group, or changes of trustees or, when this is subject to the approval of the Company, changes in the fund management arrangements,

where, in each case, such changes have or may, in the future, have a significant financial impact on the Company or the Group or which have or may, in the future have, a significant impact on the participants or future participants in such schemes (for example, by reference to the rewards or rights enjoyed by them).

- 4.5 Decisions regarding proposed large-scale redundancies.
- 4.6 Reporting each year to shareholders on the Company's policy on remuneration, the information required by the UK Listing Rules and the Remuneration section to the UK Corporate Governance Code following recommendation from the Remuneration Committee.

5. FINANCIAL AND ANNUAL REPORTING

- 5.1 Approval of the annual report and accounts of the Group, the interim accounts and half-yearly report, any quarterly reports or trading statements and any preliminary announcement of the final results following recommendation from the Audit and Risk Committees.
- 5.2 Preparation and approval of the strategic report including any non-financial information statement, the directors' report and the corporate governance statement in accordance with all applicable legislation, regulations and rules.
- 5.3 Preparation and approval of the directors' remuneration report in accordance with all applicable legislation, regulations and rules.

- 5.4 Approval of the Company's climate-related financial disclosures in accordance with all applicable legislation, regulations and rules.
- 5.5 Approval of the annual budget, capital expenditure, estimates and forecasts, including profit, dividend or other forecasts made public.
- 5.6 Approval of any material unbudgeted capital or operating expenditure (outside pre-determined tolerances).
- 5.7 Approval of the following regulatory financial reporting requirements:
- Internal Capital Adequacy Assessment Process (**ICAAP**);
 - Recovery Plan; and
 - Pillar 3 Disclosures.
- 5.8 Determining and approving the Company's dividend policy, and any changes to the dividend policy.
- 5.9 The determination and declaration of interim dividends, the recommendation of final dividends and the making of any other distributions.
- 5.10 Approval of accounting policies and practices and any significant changes in accounting policies or practices, including any off-balance sheet structures.
- 5.11 Approval of changes to the Company's accounting reference date.
- 5.12 Making material tax elections or the entry into any material agreement, compromise or accommodation with HM Revenue and Customs or any other tax authority.
- 5.13 In relation to the Group's tax affairs, approving any tax policy or strategy decision that may materially affect the Group's public reputation or relationship with any tax authority.
- 5.14 Review of any treasury policies (including foreign currency exposure, the use of financial derivatives and other hedging strategies).
- 5.15 Review of the Group's balance sheet foreign exchange exposure.

6. COMMUNICATION TO SHAREHOLDERS / STAKEHOLDERS

- 6.1 Ensuring effective engagement with, and encouragement of participation from, the Group's shareholders and stakeholders, including the workforce. Regular review of engagement mechanisms to ensure they are effective.
- 6.2 Understanding the views of the Company's key stakeholders and describing in the Company's annual report how their interests, and the matters set out in section 172 of the Companies Act 2006, have been considered in discussions and decision-making.
- 6.3 Approving the convening of any general meeting and approving the resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 6.4 Approval of all circulars and prospectuses and listing particulars sent to shareholders of the Company (unless delegated to a committee).

6.5 Approval of all press releases and announcements concerning matters decided by the Board.

7. **CONTRACTS**

7.1 Approval of transactions by the Company or its subsidiaries that are material strategically or by reason of size. For these purposes “**material**” means transactions which fall into the following categories. In the case of items (a) to (d), the terms are as defined in the Listing Rules issued by the Financial Conduct Authority.

- (a) reverse takeovers;
- (b) class 1 transaction;
- (c) class 2 transaction;
- (d) related party transactions;
- (e) the issue of shares or any class of listed security, excluding share options;
- (f) any transaction involving an activity of a type not previously carried on by the Company other than anything ancillary or complementary to, or in connection with, any activity currently being carried on;
- (g) a takeover bid subject to the Takeover Code; and
- (h) entering into, terminating, assigning, novating, enforcing, or waiving any rights under a contract with a value greater than £6,000,000.

7.2 Contractual agreements (or a series of related contractual arrangements) which could involve the payment or receipt by the Group of in excess of £6,000,000 in aggregate value (whether in cash or otherwise).

7.3 Any proposed acquisition or disposal of shares in a listed company.

7.4 Any binding commitment to enter into a material strategic alliance, joint venture, partnership or profit-sharing arrangement and any material outsourcing, notifiable to the regulator.

Transactions of the Company board or its subsidiaries that are material strategically or by reason of size:

- (a) entering into, terminating, assigning, novating, enforcing, or waiving any rights under a contract with a value greater than £6,000,000.

8. **CAPITAL EXPENDITURE AND FINANCING**

8.1 Approval of investments and capital projects exceeding £6,000,000 and oversight over the project’s execution and delivery.

8.2 Approval of any borrowings by the Group in accordance with the Levels of Authority.

8.3 The entering into any indemnities or guarantees where the maximum amounts payable could exceed £6,000,000, other than indemnities and guarantees given in respect of the Company's products or services or any banking facilities (including any indemnities, guarantees or facilities in substitution for or renewal of existing arrangements).

8.4 The creation of any mortgage, charge (fixed or floating), pledge, hypothecation or other encumbrance of a similar nature over all or any part of the undertaking, property and assets (both present and future) and uncalled capital of the Company.

8.5 Issue by any member of the Group of any debt instruments including bond issues, debenture issues and loan stock instruments (but excluding intragroup debt instruments).

9. CORPORATE GOVERNANCE

9.1 Overall review of corporate governance arrangements of the Group.

9.2 Undertaking formal and rigorous review of the Company's corporate governance arrangements, including evaluation of the performance of the Board, its committees, the chair and individual directors, diversity and effectiveness and the division of responsibilities.

9.3 Determining whether each non-executive director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could affect, the director's judgement.

9.4 Considering the balance of interests between shareholders, employees, customers and the community, to create an ethical and supportive business culture.

9.5 Receiving reports on the views of the Company's shareholders and ensuring that they are communicated to the Board as a whole.

9.6 Identifying potential conflicts of interest of members of the Board and authorising these where permitted by the Company's Articles.

9.7 Authorising any external appointments of members of the Board that may involve substantial time commitment prior to being undertaken.

9.8 Regularly assessing and monitoring the culture of the Group and where it is not satisfied that policy, practices or behaviour are aligned with the Company's purpose, values and strategy, seeking assurance that management has taken corrective action.

9.9 Ensuring that there are adequate means for the workforce to raise concerns in confidence (e.g. a whistleblowing policy and procedures) and routinely reviewing reports arising from its operation.

10. INTERNAL CONTROL

10.1 Consideration and approval of the nature and extent of the significant risks the Group is willing to take in achieving its strategic objectives and setting and maintaining appropriate policies on risk management and internal control so as to ensure the effectiveness of the Group's systems of risk management and internal control. "**Internal control**" shall comprise all material controls, including financial, operational and compliance controls and risk management systems and procedures for the detection of fraud and the prevention of bribery.

10.2 Reviewing and approving the statements to be included in the annual report concerning internal control, risk management, including the assessment of principal risks and emerging risks, and the viability statement.

10.3 Considering and reporting on whether it is appropriate to adopt the going concern basis of accounting in preparing the annual and half-yearly financial statements and identifying any material

uncertainties to the Company's ability to do so over a period of at least 12 months from the date of approval of the financial statements.

11. POLICIES

11.1 Adopting and maintaining the following policies and procedures of the Group:

- (a) Group Levels of Authority;
- (b) the MAR Procedures Manual / Share Dealing Code;
- (c) the LR 10 (Significant Transactions) policy;
- (d) the LR 11 and DTR 7.3 (Related Party Transactions) policy;
- (e) the Regulatory Compliance and Conduct Risk policy;
- (f) the Whistleblowing policy;
- (g) the Group Enterprise Risk Management Framework,
- (h) the Risk Appetite Statement & Tolerance Limits

and reviewing any other Group policies identified, from time to time, as being material.

12. OTHER

- 12.1 Approval of the Group's policy on the making of any political donations and charitable donations.
- 12.2 Approval of the appointment of the Group's principal professional advisers, including financial advisers, corporate brokers and legal advisers.
- 12.3 Approval of overall levels of insurance cover and key insurance policies, including, without limitation, directors' and officers' liability insurance and indemnification of directors or any other member of the Group.
- 12.4 Making any major decision relating to the conduct (or settlement) of any litigation or arbitration proceedings involving Group companies above £1,000,000 or otherwise being material to the interests of the Group (not including any debt collection and recoveries activity carried out in the ordinary course of the Group's business).
- 12.5 Approval of recommendation to shareholders of entering a liability limitation agreement between the Company and its auditors.
- 12.6 Granting powers of attorney to undertake actions for and on behalf of the Company which are outside the ordinary course of business.
- 12.7 Amendments to this schedule of matters reserved for Board decisions.
- 12.8 Approval of any other matters that are reserved for decision by the Board in accordance with applicable law or regulation, or pursuant to accepted best practice, or under the Articles of the Company.
- 12.9 Amendments to the Company's risk management framework.

12.10 Any other decision likely to have a material impact on the Group from any perspective, whether financially or otherwise (e.g. reputational). When assessing the financial impact, regard should be had to the definition of material in paragraph 1.5 for guidance.

12.11 Any other matter requiring the convening of a general meeting of shareholders or any class of shareholders, including, but not limited to, financial, operational, strategic or reputational.

Once a decision in principle has been taken by the Board on any matter referred to in this Schedule, the Board shall identify any documents relating to such matter which will require multiple Board signatures and shall agree the procedure to be followed when any decisions are required between Board meetings. Subject to these issues, implementation of the matter can be delegated to a committee of the Board.

Matters which the Board considers suitable for delegation are contained in the terms of reference of its committees and the Board may constitute further committees if thought fit.

13. VERSION HISTORY

Issue No	Version No	Issue Date	Summary of Changes
1	1.0	26.06 2023	Initial Document
2	1.1	27.11. 2023	Amendments to Initial Document LM