

TERMS OF REFERENCE OF THE BOARD OF DIRECTORS OF INSPIRATION HEALTHCARE GROUP PLC ("the Board")

A. Meetings and Quorum

1. The Board shall meet formally (which may be in person, by video conference or other electronic communication means) at least six times a year and a formal schedule of these meetings will be agreed prior to the start of the calendar year in question.
2. A meeting of the Board may be called at any time by any director or, if so requested by a director, by the Company Secretary.
3. Decisions regarding the content of meeting agendas and the presentation of agenda items shall be taken by the Chair in consultation with the Group Chief Executive and/or the Company Secretary.
4. The quorum for any meeting shall be two, of which one must be independent.
5. In the absence of the Chair of the Board, the remaining directors present shall elect one of their number to chair the meeting.
6. The Board may invite any other people to attend and speak at meetings as it sees fit.
7. The non-executive directors shall meet on their own on a regular basis in the absence of the executive directors. At least once a year, under the leadership of the senior independent director, the non-executive directors shall meet in the absence of the Chair in order to appraise the Chair's performance.
8. The Company Secretary will be responsible to the Chair for the proper administration of all meetings of the Board and any committees of the Board and so will be entitled to attend, or be represented at, all such meetings in order to facilitate the preparation of minutes of the proceedings.

B. Board Minutes

1. The Company Secretary will be responsible for preparing or organising the preparation of minutes recording the content of the meetings, decisions taken and the background to such decisions, and matters reserved for future consideration, in sufficient detail so as to provide a clear and unambiguous record of proceedings.
2. Where possible, minutes of meetings will be submitted for approval at the next Board meeting.

C. Board Committees

1. Where the Board delegates any of its powers to a committee it should give its prior approval to the membership and quorum of any such committee, its terms of reference and the extent of any powers delegated to it.
2. Minutes of meetings of committees of the Board will be submitted for approval at a Board Meeting and, where practicable, this will be the next Board meeting to be held after the committee meeting.

D. Independent Professional Advice

1. Subject to the following procedure and limitations, the directors shall, both individually and collectively, have the right to consult the Company's advisers and, if necessary, to seek independent professional advice, at the expense of the Company, in furtherance of their duties as directors of the Company provided that allegations of negligence, breach of duty or bad faith have not been made against them. In advance of seeking such advice, a director shall notify the Chair, or in his absence, the senior non-executive director, of his intention, and provide details of the advisor to be consulted and the nature of the advice sought. For the avoidance of doubt, this procedure shall not apply to executive directors acting in furtherance of their executive responsibilities and within

their delegated powers.

For the purposes of the procedure, independent professional advice shall include legal advice and the advice of accountants and other professional financial advisers on matters of law, accounting and other regulatory matters but shall exclude advice concerning the personal interests of the director concerned (such as his service contract with the Company or his dealings in the Company's securities or disputes with the Company).

E. Professional Development

1. The Chair is responsible for ensuring that all new directors receive appropriate induction on joining the Board with the aim of building a clear understanding of the nature of the Company, its business and the markets in which it operates. Such induction shall involve site visits, meetings with senior managers and the provision of key financial and other data concerning the Group.
2. The Chair will ensure that directors update their skills, knowledge and familiarity with the Company required to fulfil their roles on the Board and Board committees.
3. The Chair is responsible for selecting an effective process for evaluating the performance of the Board, its committees and its individual directors and performance evaluations will be carried out regularly.
4. The non-executive directors, led by the senior independent director, are responsible for evaluating the performance of the Chair and, in so doing, will take account of the views of the executive directors.

F. Re-election

1. Each director will be required to submit themselves for re-election at least every year subject to continued satisfactory performance.

G. Matters reserved for the Board

1. Certain matters are reserved for decision by the Board and are set out in the document entitled "Matters Reserved for the Board of Inspiration Healthcare Group PLC, a copy of which is annexed. Any amendments to this document must be approved by the Board and not by a committee of the Board.

H. Procedure for decisions to be taken between Board meetings

1. Where it is not possible, for logistical or timing reasons, to convene a formal meeting of the Board, the directors may consider matters, and take decisions, without holding a meeting. In such circumstances, regard should be had to the necessity of balancing the need for urgency with the overriding principle that each director should be given as much information as possible on which to make a decision and be given the opportunity to call a Board Meeting to discuss the matter prior to commitment.
2. Any decisions taken should be recorded in writing and preferably in the form of a written resolution signed by all the directors. Where a written resolution is not obtained the decision should be ratified subsequently at the next Board meeting.

I. Authority

1. Each director is authorised by the Board to seek from within the Company and any of its employees any information concerning the Company he requires in order to perform his duties.
2. The Board is authorised, when the fulfilment of its duties requires, to obtain any outside legal or other professional advice and to secure the attendance of external advisors at its meetings, at the Company's expense.
3. The Board shall have full authority to commission any reports or surveys which it deems necessary to fulfil its obligations.

In carrying out their responsibilities, directors must act in accordance with the statement of directors' duties set out in sections 171 – 177 of the Companies Act 2006.

**Adopted by the Board of Inspiration Healthcare Group PLC
on 23 November 2023**

MATTERS RESERVED FOR THE BOARD OF DIRECTORS OF INSPIRATION HEALTHCARE GROUP PLC ("the Board")

1. Strategy and management

- 1.1 Responsibility for the overall leadership and setting of the values and standards of the Company.
- 1.2 Approval of the Group's vision, strategy and long-term objectives.
- 1.3 Approval of the annual operating and capital expenditure budgets (including research and development expenditure) and any material changes to them.
- 1.4 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.
- 1.5 Extension of the Group's activities into new business or geographic areas.
- 1.6 Any decision to cease to operate all or any material part of the Group's business.

2. Financial reporting, Controls, Structure and Capital

- 2.1 Any changes to the Company's listing or its status as a plc or its corporate structure.
- 2.2 Approve changes relating to the Group's capital structure including reduction of capital and matters relating to shares (except under employee share plans).
- 2.3 Approval of the half-yearly report, interim management statements and any preliminary announcement of the final results.
- 2.4 Approval of the annual report and accounts, including the corporate governance statement and remuneration report.
- 2.5 Approval of the interim dividend and recommendation of the final dividend.
- 2.6 Approval of the dividend policy.
- 2.7 **Approval of treasury or accounting policies including foreign currency exposure and the use of financial derivatives.
- 2.7 Approval of Changes to the Group's management and control structure.
- 2.8 Approval of the Group's delegated authority policy and limits.

3. Internal Controls, Governance and Risk Management

- 3.1 The Board has responsibility for the Group's overall approach to risk management and internal controls, including:
 - 3.1.1 Ensuring the Group's Health and Safety policies and procedures are reviewed in line with its control framework to gain assurance that the Group's policies and procedures to this end are aligned with its operational objectives;
 - 3.1.2 Ensuring the design, implementation and maintenance of appropriate risk management and internal control systems that identify the risks facing the Company and enable the Board to make a robust

assessment of the principal risks;

- 3.1.3 Determining the nature and extent of the principal risks faced and those risks which the Group is willing to take in achieving its strategic objectives;
- 3.1.4 Ensuring the appropriate culture and reward systems have been embedded throughout the Group;
- 3.1.5 Agreeing how the principal risks should be managed or mitigated to reduce the likelihood or their incidence or their impact;
- 3.1.6 Monitoring and reviewing the Group's risk management and internal control systems, and senior management's process of monitoring and reviewing, and satisfying itself that they are functioning effectively and that corrective action is being taken where necessary;
- 3.1.7 Approving procedures for the detection of fraud and the prevention of bribery;
- 3.1.8 Approving appropriate statements for inclusion in the annual report;
- 3.1.9 Ensuring that a regular formal review of the Board's performance and its committees is undertaken;
- 3.1.10 Ensuring the independence of the Non-Executive Directors as well as reviewing their individual performance;
- 3.1.11 Receiving reports on the views of the Company's stakeholders;
- 3.1.12 Reviewing the Group's overall corporate governance arrangements; and
- 3.1.13 Where appropriate, authorising any conflict of interest of a director where permitted by the Company's Articles of Association.

4. Public communications

- 4.1 Approval of all circulars, prospectuses and listing particulars (not including approval of routine documents such as periodic circulars re scrip dividend procedures).
- 4.2 Approval of press releases concerning significant matters decided by the Board.
- 4.3 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 4.4 Ensuring the maintenance of satisfactory dialogue with its members on the understanding of the Group's objectives.

5. Board membership and other appointments

- 5.1 Changes to the structure, size and composition of the Board, following recommendations from the Nomination Committee.
- 5.2 Appointments to the Board, following recommendations by the Nomination Committee.
- 5.3 Selection of the Chair of the Board and the Group Chief Executive.
- 5.4 Appointment of the senior independent director.
- 5.5 Membership and Chair of Board committees.
- 5.6 ***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.
- 5.7 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.

- 5.8 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.
- 5.9 Appointment or removal of the Company Secretary.
- 5.10 **Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the Audit Committee. This will include approval of their fees.

6. Delegation of Authority

- 6.1 Approval of terms of reference of the Chair, Group Chief Executive and other executive directors.
- 6.2 Approval of terms of reference of Board committees.
- 6.3 The division of responsibilities between the Chair and the Group Chief Executive which should be in writing.

7. Remuneration

- 7.1 *Determining the remuneration policy for the executive directors, Company Secretary and other senior executives.
- 7.2 *Approving the remuneration of the non-executive directors as proposed by the Group Chief Executive, subject to the articles of association and shareholder approval as appropriate.
- 7.3 *The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.

8. Contracts & investments

- 8.1 Major capital projects in excess of £0.5 million.
- 8.2 Material contracts of the Group in the ordinary course of business including new committed bank facilities**, interest rate swaps**, money market cash deposits in excess of £0.5 million with unapproved institutions and the acquisition or disposal of fixed assets in excess of £0.5 million.
- 8.3 Contracts of the Group not in the ordinary course of business, e.g. speculative foreign currency transactions.
- 8.4 Transactions involving the acquisition, investment in or disposal of a company, business, partnership or joint venture regardless of the level of capital commitment or receipt involved.
- 8.5 Capital investments in companies, businesses or partnerships, including further stage funding or investment, regardless of the level of capital commitment involved.
- 8.6 New Lease commitments with an annual total liability (Rent, rates etc.) in excess of £0.5 million.

9. Policies

- 9.1 Approval of policies including:
- Share Dealing Code
 - Group Treasury Policy
 - Health and safety policy
 - Environmental policy
 - Corporate social responsibility policy
 - Charitable donations policy
 - Political donations policy

10. Other

- 10.1 Prosecution, defence or settlement of litigation involving above £250k or being otherwise material to the interests of the Company.
- 10.2 Approval of the appointment of the Group's principal professional advisers including its Nominated Adviser.
- 10.3 **Approval of the overall levels of insurance for the Group including directors' & officers' liability insurance and indemnification of directors.
- 10.4 Major changes to the rules of the Group's pension schemes or changes of trustees.

* - Usually delegated to the Remuneration Committee

** - Usually delegated to the Audit Committee

*** - Usually delegated to the Nominations Committee

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