

## Arana Therapeutics Limited Duties and responsibilities of the Board and Management

### BOARD (roles delegated to committees are indicated)

#### Overall

1. Direct and supervise the affairs of the company
2. Entrepreneurial leadership within framework of prudent and effective control
3. Ensure resources are in place to meet its objectives
4. Set the company's values and standards

#### Strategic Framework

1. Set the strategy of the company and review annually
2. Approve the annual budget
3. Approve any M & A activity
4. Monitor performance against strategies to assess the suitability of those strategies and the performance of management
5. Ensure that the board and the company operates at the highest standards of ethical behaviour

#### Governance

1. Sign off on annual report and half-year announcements (ACC)
2. Have a formal, rigorous and transparent procedure for the appointment of new directors to the Board
3. Ensure company has applicable mix of directors (skills; independence; experience)
4. Implement appropriate policies for running the business including expenditure authority levels; contract signing authorities; risk management including insurance and foreign exchange risk management;
5. Approve any share allocations or commitments to issue shares
6. Review operational performance to understand at all times the health of the company
7. Conduct an annual review of the effectiveness of the company's system of internal control covering financial, operational, compliance and risk management (ACC)

#### Employment Related

1. Appoint and dismiss CEO
2. Prepare CEO contract
3. Appoint and dismiss the Company Secretary

4. Set the framework for any management contracts (RC)
5. Advise on any appointments/dismissals that are direct reports to the CEO
6. Set the remuneration of the CEO and direct reports, ensuring the management
7. and shareholder interests are aligned (RC)
8. Determine any incentive programmes involving equity/options (RC)
9. Set board fees
10. Arrange for an annual assessment of Board performance
11. Ensure management develop appropriate career paths and succession planning

## MANAGEMENT

### Business Activities

1. Run the affairs of the company in line with the strategic framework
2. Execute M & A activity in line with Board approvals
3. Run the affairs of the company in line with Board policy
4. Present approvals to the board in such a manner that they can be efficiently dealt with

### Employment Related

1. Present CEO direct report candidates to the Board (or delegated Board member)
2. Prepare management contracts in line with framework set by RC

### Board Committees

RC = Remuneration committee

ACC = Audit and compliance committee meeting

### Specific Responsibilities

#### Chairman of the Board

1. Leadership of the Board
2. Call board meetings
3. Ensure active participation at board meetings
4. Set the Board agenda for each meeting
5. Arrange for appropriate papers to be presented to the Board
6. Ensure directors are not faced with unrealistic deadlines to make decisions
7. Interview CEO candidates
8. Ensure adequate minutes are prepared after each meeting
9. Ensure effective communication with shareholders
10. Arrange induction material and site visits for new directors
11. Arrange for directors to keep their skills base up to date

#### Chairman of the Audit and Compliance Committee

1. Call meetings of the committee
2. Ensure active participation at committee meetings
3. Arrange for appropriate papers to be presented to the committee
4. Ensure adequate minutes are prepared after each meeting
5. Report to the Board on any recommendations from the committee
6. Discuss annually with the Chairman of the Board the composition of the committee, its performance and recommend any changes

#### Chairman of the Remuneration Committee

1. Call meetings of the committee
2. Ensure active participation at committee meetings
3. Arrange for appropriate papers to be presented to the committee
4. Ensure adequate minutes are prepared after each meeting
5. Report to the Board on any recommendations from the committee
6. Discuss annually with the Chairman of the Board the composition of the committee, its performance and recommend any changes