



## TULLOW OIL PLC

### SCHEDULE OF MATTERS RESERVED FOR THE BOARD

(Approved by the Board on 6 December 2018)

This schedule sets out the matters relating to Tullow Oil plc (the “Company”) that should only be decided by the Board of directors as a whole. Matters which the Board considers suitable for delegation are contained in the terms of reference of its committees. The Board and its directors remain responsible for all matters relating to the Company and will receive reports and recommendations from time to time on any matter which it considers significant to the Company and its group of subsidiaries (together, the “Group”).

<b>1.</b>	<b>Purpose, strategy, values, and culture</b>
1.1	Responsibility for the overall leadership of the Company and establishing the Company’s purpose, strategy and values, and ensuring that each of these and the culture of the Company and its Group are aligned.
1.2	Oversight of the Group’s operations ensuring: <ul style="list-style-type: none"> <li>• the sustainability of the Company’s business model;</li> <li>• competent and prudent management;</li> <li>• sound planning;</li> <li>• maintenance of sound management and internal control systems;</li> <li>• monitoring of process safety, security, health and environment management;</li> <li>• adequate accounting and other records; and</li> <li>• compliance with statutory and regulatory obligations.</li> </ul>
1.3	Review of performance and behaviours in light of the Company’s purpose, strategic aims, business plans, budgets and values, ensuring that corrective action is taken if necessary.
1.4	Any decision to cease to operate all or any material part of the Group’s business.
1.5	Any decision to re-name or materially re-brand the Company.
1.6	Any decision to re-locate the Group’s head office.
1.7	Extension of the Group’s activities into new business or geographic areas, including approval of any new country entry, including production sharing arrangements or equivalent.
1.8	Review of the Group’s overall corporate governance arrangements.
<b>2.</b>	<b>Structure and capital</b>
2.1	Changes relating to the Company’s capital structure including any reduction of equity capital, share issues (except under employee share plans) and share buy backs.
2.2	Changes relating to the Group’s debt facilities with a value of \$100 million or above.
2.2	Major changes to the Group’s corporate structure.
2.3	Major changes to the Group’s management and control structure.
2.4	Major changes to the Group’s tax status.
2.5	Any changes to the Company’s listing or its status as a plc.

<b>3.</b>	<b>Financial approvals and reporting</b>
3.1	Approval of the half-yearly report, trading update statements, preliminary announcement of final results and interim announcement of the half year results.
3.2	Approval of the annual report and accounts.
3.3	Approval of the Company's capital returns policy including the dividend policy.
3.4	Declaration of the interim dividend and recommendation of the final dividend.
3.5	Approval of any significant changes in accounting policies or practices, following recommendation by the Audit Committee.
3.6	Approval of treasury strategy including financing and hedging strategies (including oil and foreign currency exposures and the use of financial derivatives).
<b>4.</b>	<b>Audit, risk management and internal controls</b>
4.1	<p>Ensuring maintenance and monitoring of a sound and transparent system of risk management and internal control framework, including:</p> <ul style="list-style-type: none"> <li>• assessment and approval of the Group's emerging and principal risks;</li> <li>• the extent of the principal risks the Company is willing to take to achieve its long-term strategic objectives (risk appetite); and</li> <li>• the establishment of an Audit Committee with relevant financial experience, sector competence and appropriate terms of reference.</li> </ul>
<b>5.</b>	<b>Contracts and commitments</b>
5.1	Approval of the Group's annual operating and capital expenditure budgets and any material changes to them.
5.2	Approval of capital projects with a \$100 million value or above.
5.3	Approval of acquisitions or disposals of fixed assets or operations or shares in enterprises (including farm outs and farm ins) with a \$50 million value or above.
5.4	Approval of major contracts or amendments to major contracts which are materially strategic to the Company and the operations of its Group.
5.5	Approval of changes to major production sharing arrangements or equivalent, the effect of which could have a material effect on the Company or the operations of its Group.
5.6	Approval of rationalisation programmes where the cost is above of \$15 million.
5.7	Any expenditure, commitment, acquisition or disposal not envisaged by the then approved Group annual operating and capital expenditure budget (each a "Budget Category"), except budget overruns of up to 10% on any line item, so long as cumulative overruns do not exceed 5% of any Budget Category.
5.8	Notwithstanding any matter contained in this Schedule, any transaction which under the Listing Rules would be treated as Class 1, 2 or 3 transactions (i.e. above five per cent on the various assets, profits and other tests).
5.9	The making of any takeover offer for, or the acquisition or disposal of any interest (other than minimal) in the voting shares of any publicly listed company.
<b>6.</b>	<b>Communications</b>
6.1	Ensuring effective engagement with shareholders and the Group's stakeholders, including its workforce.
6.2	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.

6.3	Approval of all Circulars, Prospectuses and Listing particulars as required by the Listing Rules.
6.5	Approval of material press releases concerning matters decided by the Board.
<b>7.</b>	<b>Board composition, succession and evaluation and other appointments</b>
7.1	The establishment a Nomination Committee with appropriate terms of reference.
7.2	The establishment an Environment, Health & Safety Committee with appropriate terms of reference.
7.3	Approval of changes to the structure, size and composition of the Board, following recommendations from the Nomination Committee.
7.4	Succession planning for the Board and senior management, following recommendations by the Nomination Committee.
7.5	Appointments to the Board, following recommendations by the Nomination Committee.
7.6	Appointment of the Chair of the Board and the Chief Executive.
7.7	Appointment of the Senior Independent Director.
7.8	Membership and Chairmanship of Board committees, following recommendations from the Nomination Committee.
7.9	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.
7.10	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.
7.11	Appointment or removal of the Company Secretary.
7.12	Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the Audit Committee.
7.13	Annual evaluation of the performance of the Board, its committees, the Chair and individual directors and ensure any action required is addressed.
7.14	Authorising a director's conflict of interest, where permitted by the Company's articles of association.
<b>8.</b>	<b>Remuneration</b>
8.1	Ensuring remuneration of the executive directors and senior executives is aligned to the Company's purpose and values, and is clearly linked to the successful delivery of the Company's long-term strategy.
8.2	<p>Establish a remuneration committee with delegated responsibilities, including:</p> <ul style="list-style-type: none"> <li>determining the remuneration policy for executive directors, to be put to shareholders for approval as required; and</li> <li>setting the remuneration for each of the Chair, executive directors, and designated senior executives, including the Company Secretary, (taking into account workforce remuneration and related policies to ensure the alignment of incentives and rewards with the Company's values and culture).</li> </ul>
8.3	Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
8.4	The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.

<b>9.</b>	<b>Delegation of Authority</b>
9.1	The division of responsibilities between the chairman and the chief executive which should be in writing.
9.2	Establishing board committees and approving their terms of reference, and approving material changes thereto.
9.3	Receiving reports from Board committees on their activities.
<b>10.</b>	<b>IMS and statutory requirements</b>
10.1	<p>Approval of the following integrated management system (IMS) documents:</p> <ul style="list-style-type: none"> <li>• Code of Ethical Conduct;</li> <li>• Business Principles (<i>These are the Company's set of high level statements outlining Tullow's business behaviours in line with its values. These are the highest level of governance within the IMS and support our vision &amp; strategy and how they will be executed across the business</i>);</li> <li>• Corporate Policies, which are: <ul style="list-style-type: none"> <li>○ Risk Management Policy;</li> <li>○ Human Rights Statement of Policy; and</li> <li>○ Safe and Sustainable Operations Policy.</li> </ul> </li> </ul>
10.2	<p>Approval of:</p> <ul style="list-style-type: none"> <li>• Annual Tax Strategy Statement</li> <li>• Annual Modern Slavery Statement</li> </ul>
<b>11.</b>	<b>Other</b>
11.1	<p>Any amendment to the Company's policies to:</p> <ul style="list-style-type: none"> <li>• not make donations to any political party; or</li> <li>• not explore for or exploit hydrocarbons in designated UNESCO World Heritage Sites.</li> </ul>
11.2	Approval of the appointment of the Group's principal professional advisers comprising: brokers; defence advisors; and external auditor.
11.4	Approval of the prosecution, defence or settlement of litigation involving above \$30 million or being otherwise material to the interests of the Group.
11.5	This schedule of matters reserved for the Board.

Approved by the Board on 6 December 2018