SMITH & NEPHEW PLC ("COMPANY")
TERMS OF REFERENCE OF THE FINANCE & BANKING COMMITTEE

1. PURPOSE AND DELEGATED AUTHORITY

1.1 The Board of Directors of the Company ("**Board**") resolved to establish a Finance & Banking Committee ("**Committee**") The purpose of the Committee is to approve banking and treasury-related matters, guarantees and Group structure changes relating to mergers, acquisitions, and disposals pertaining to the Company and its subsidiaries ("**Group**"), in each case, subject to the Schedule of Matters Reserved to the Board from time to time ("**Board Reserved Matters**").

1.1 The Board has delegated the authority set out in these terms of reference to the Committee. The Committee may sub-delegate any of its general duties, powers and authority as it thinks fit, including instructing employees or creating sub-committees to review and report to it on specific issues.

2. MEMBERSHIP

2.1 The Committee shall comprise up to five members: the Chief Financial Officer, the Group Controller, the Group Treasurer, the Head of Tax and the Group General Counsel and Company Secretary.

2.2 The Chief Financial Officer, the Group Treasurer or the Group Controller shall be the Chair of the Committee. In the absence of the designated Chair, those members of the Committee present shall appoint anyone of them to chair a particular meeting.

2.3 From time to time, other executives may be invited to attend, advise and report to the Committee, but shall not be members of the Committee.

2.4 A member of the Company Secretariat shall be the Secretary of the Committee.

3. MEETINGS AND THE TRANSACTION OF BUSINESS

3.1 A minimum of four meetings will be held annually and may be held physically or by electronic means. Additional meetings may be convened as the Chair or any other member of the Committee shall determine.

3.2 The quorum for the transaction of business shall be two, provided this is constituted to include at least one of the Chief Financial Officer or the Group General Counsel and Company Secretary. Any member of the Committee may appoint a deputy/alternate from their respective function(s) to attend and represent them in a meeting in the event that they are unable to attend, however appointment of a deputy/alternate should not be made by both the Chief Financial Officer or the Group General Counsel and Company Secretary in the same meeting.

3.3 Meetings of the Committee shall be summoned by the Secretary at the request of the Chair or any of its Members.

3.4 Unless otherwise agreed, notice of each meeting confirming the venue, time and

date together with an agenda of items to be discussed shall be forwarded to each member of the Committee no later than one working day before the date of the meeting together with supporting papers.

3.5 The Secretary shall minute the proceedings and resolutions of all Committee meetings and circulate them to the members of the Committee.

3.6 In the absence of a meeting, decisions may be made with unanimous approval of Committee members, confirmed by email.

4. GENERAL DUTIES

The general duties of the Committee, subject to the Board Reserved Matters, shall be to:

4.1 Review and monitor significant developments relating to treasury, taxation, insurance, defined benefit pension assets and liabilities and corporate finance.

4.2 Review and approve all treasury and banking arrangements which are submitted to it by Group Treasury including:

4.2.1 review of the Group Treasury policy manual at least annually and approval of any changes required from time to time;

4.2.2 the establishment and utilisation of banking counterparty limits up to and including $150m;

4.2.3 the addition of panel A signatories to the Company and holding companies bank mandates;

4.2.4 operating credit limits for debtors over $10m up to $50m;

4.2.5 changes to the capital, debt or equity structure of the Company or the Group within limits previously approved by the Board;

4.2.6 equity injections into subsidiary companies;

4.2.7 subsidiary dividends or other distributions which are outside of the Committee approved intra-group policy;

4.2.8 the approval of letters of support, which are outside the Committee approved intra-group policy (acknowledging that letters of support requested by the Group's auditors addressed to directors of wholly owned subsidiaries within the Group do not require approval by the Committee);

4.2.9 the issuance of letters of comfort provided to banks and other financial counterparties;

4.2.10 non-listed debt facilities (noting that publicly listed debt facilities require the approval of the Board);

4.2.11 new borrowings or renewal of existing borrowings up to $500m;

4.2.12 the provision of guarantees and indemnities from members of the Group in respect of third-party liabilities up to $50m;

4.2.13 the provision of guarantees or indemnities in favour of third parties from members of the Group of other Group members' liabilities up to an unlimited amount;

4.2.14 the procurement of bank or other third party guarantees or indemnities, where the beneficiary is a third party, in respect of Group liabilities in excess of $2m up to $50m;

4.2.15 floating interest rates up to 2 years forward and fixed interest rates and interest rate swaps up to 2 years or up to $250m in notional principal in excess of 2 years;

4.2.16 balance sheet hedging contracts including borrowings, cross currency swaps, foreign exchange contracts (noting that Board approval is required for foreign exchange hedging contracts more than 18 months forward in respect of actual and forecasted transactions), spot and forward and short foreign exchange swaps up to forecast foreign currency net assets;

4.2.17 the block listing of any shares of the Company; and

4.2.18 any periodic buyback of shares relating to maintaining the Company's issued share capital at a relatively constant level in consequence of the operation of the Company's employee share schemes.

4.3 Approve changes to the Group structure including:

4.3.1 the incorporation of any new legal entity as a direct or indirect subsidiary of the Company for acquisition or other purposes;

4.3.2 the sale, liquidation or disposal or merger of any subsidiary entity of the Company;

4.3.3 the intra-Group transfer of any legal entity;

4.3.4 the increase or decrease of the share capital of any subsidiary of the Company; and

4.3.5 material changes to the Group's internal operations insofar as they impact contractual or intercompany relationships relevant to the financial, treasury, tax or legal position either (i) of companies within the Group or (ii) businesses operated by the Group.

4.4 Following recommendation from the Mergers & Acquisitions Investment Committee, and approval from the Board where relevant, approve the detailed arrangements in relation to corporate mergers, acquisitions and disposals that have already received Group Investment Board approval. This includes:

4.4.1 reviewing and approving the detailed legal, funding (including the issue

of equity on an intra-group basis) and tax structure of proposed entities and external transactions, including without limitation the disposal or exclusive license of a product or product line by any subsidiary entity of the Company to an external third party;

4.4.2 the issue of equity on an intra-group basis;

4.4.3 general matters relating to deal structuring;

4.4.4 the provision of guarantees and indemnities up to $50m;

4.4.5 escrow arrangements;

4.4.6 payment flows;

4.4.7 hedging arrangements;

4.4.8 accounting and technical disclosures relating to any deal; and

4.4.9 the steps required to implement any transaction which has been approved by the Board or the Chief Executive Officer.

5. REPORTING

5.1 Group Treasury will report on a monthly basis compliance with counterparty limits and on a quarterly basis compliance with FX transactional hedging policy and a review of Group Treasury systems access. These items will be included in the Group Treasury management information report and will be distributed to all Committee members each month.

5.2 Group Treasury will provide a quarterly update to the Committee on intercompany funding positions, including any changes to limits which have been approved by the Group Treasurer and the Head of Tax during the quarter.

5.3 The Chief Financial Officer shall report to the Chief Executive Officer on the activities of the Committee as they see fit.

5.4 The minutes of the Committee shall be made available to the Board and the Company's external auditors.

6. ADMINISTRATION

The Committee shall review annually its own performance, constitution and terms of reference and recommend any changes it considers necessary to the Board for approval.

Approved on: 29 July 2025