

# MATTERS RESERVED FOR THE BOARD

(Approved on 26 November 2020)

## Strategy and Management

1. Responsibility for the overall management of the group including setting the group's long term objectives and commercial strategy, and extension of the group's activities into new business or geographic areas.
2. Approval of the annual operating and capital expenditure budgets and any material changes to them.
3. Oversight of the group's operations ensuring competent and prudent management, sound planning, an adequate system of internal control, adequate accounting and other records and compliance with statutory and regulatory obligations.
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.
5. Any decision to cease to operate all or any material part of the group's business.

## Structure and Capital

6. Changes relating to the group's capital structure including reduction of capital, share issues (except under employee share plans), share buy backs (including the use of treasury shares).
7. Major changes to the group's corporate structure.
8. Changes to the group's management and control structure.
9. Any changes to the company's listing or its status as a plc.

## Financial Reporting and Communication

10. Approval of the annual report and accounts, half-yearly report, interim management statements, any preliminary announcement of the final results and any other related announcements.
11. Approval of all circulars to shareholders and material announcements to the London Stock Exchange.
12. Approval of the dividend policy and declaration of the interim dividend and recommendation of the final dividend.
13. Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.

## Internal Controls

14. Approval of any significant changes in accounting policies or practices.
15. Approval of treasury policies including foreign currency exposure and the use of financial derivatives.
16. Approval of list of banks for deposits.
17. Approval of terms and amounts of borrowing.

## Contracts

18. All acquisitions or disposals of trading companies.
19. All acquisitions or disposals of assets with a cost of more than £250,000, or in aggregate more than £1,000,000 between board meetings.
20. Contracts which are material strategically or by reason of size, entered into by the company or any subsidiary in the ordinary course of business, for example bank borrowings and acquisitions or disposals of fixed assets of a value of £2,000,000 or more and approval of all fixed asset leases for a period of 5 years or more, or for a period 3 to 5 years with an aggregate rental of £2,000,000 over the lease period.
21. Contracts of the company or any subsidiary not in the ordinary course of business.

### **Investment**

22. Major investments including the acquisition or disposal of interests of more than (5) percent in the voting shares of any company or the making of any takeover offer.
23. Any financial commitment or capital expenditure by any member of the group exceeding £2,000,000.
24. Any new product launch or development or other activity in respect of which the first twelve months' net loss (before tax) is planned to exceed £750,000.

### **Board Membership and Other Appointments**

25. Changes to the structure, size and composition of the Board, following recommendations from the Nomination Committee.
26. Appointment and removal of directors (following recommendations by the Nomination Committee).
27. Appointment and removal of company secretary.
28. Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the Audit Committee.
29. Appointments to boards of subsidiaries.
30. Approval of proposals of full-time executive directors of the company to accept appointments as directors of companies outside the group.
31. Ensuring adequate succession planning for the board and senior management.

### **Remuneration Matters**

32. Determining the remuneration policy for the directors, company secretary and other senior executives following recommendations by the Remuneration Committee.
33. Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
34. The introduction of new share incentive plans or major changes to existing plans or any new start of share options following recommendations by the Remuneration Committee.

### **Delegation of Authority**

35. The division of responsibilities between the chairman, the chief executive and other executive directors, which should be in writing.
36. Approval of terms of reference of Board Committees.
37. Receiving reports from Board Committees on their activities.

### **Corporate Governance Matters**

38. Undertaking a formal and rigorous review annually of its own performance, that of its Committees and individual directors.
39. Determining the independence of directors.
40. Considering the balance of interests between shareholders, employees, customers and the community.
41. Review of the group's overall corporate governance arrangements.
42. Maintain continuing dialogue with the company's shareholders, receive reports on the views of shareholders and develop an understanding of these views.
43. Ensuring the compliance by the group in areas of social responsibility, equal opportunities, health and safety and environment.
44. Ensuring compliance by the group of its legal, statutory and regulatory obligations, including (but not limited to) the Company's continuing obligations under the Listing Rules and Disclosure Guidance and Transparency Rules.

45. Ensuring maintenance of a sound system of internal control and risk management.

**Policies**

46. Approval of policies, including (but not limited to):
  - a. Code of Conduct
  - b. Share Dealing Code
  - c. Inside Information Policy
  - d. Whistleblowing Policy
  - e. Related Party Transactions Manual
  - f. Significant Transactions Manual
  - g. Ad Hoc Reporting Policy
  - h. Health and Safety Policy
  - i. Environmental Policy
  - j. Communications Policy
  - k. Corporate Social Responsibility Policy
  - l. Charitable Donations Policy
  - m. Modern Slavery Statement
  - n. Anti-Bribery Policy
47. The making of political donations.
48. Approval of the appointment of the group's principal professional advisers.
49. Prosecution, defense or settlement of litigation involving costs of above £100,000 or being otherwise material to the interests of the group save for actions by the Company to recover debts.
50. Approval of the overall levels of insurance for the group including Directors' & Officers' liability insurance, indemnification of directors and fidelity insurance.
51. Major changes to the rules of the group's pension scheme.
52. This schedule of matters reserved for Board decisions.

Matters that the Board considers suitable for delegation are contained in the Terms of Reference of its Committees.

In addition, the Board will receive reports and recommendations from time to time on any matter that it considers significant to the Group.