

Shaftesbury PLC - Schedule of Board Responsibilities

Purpose of the Board

The Board of Shaftesbury Plc (the “**Company**”) is collectively responsible for the long-term success of the Company, generating value for shareholders and contributing to wider society. In particular, the role of the Board is to:

1. Purpose, Values and Culture	
1.1	Establish the Company’s purpose, values and strategy, and satisfy itself that these and its culture are aligned.
1.2	Assess, monitor and support the Company’s culture and ensure any necessary corrective action is taken.
2. Strategy and Risk Assessment	
2.1	The review, approval and monitoring of the long-term strategic objectives of the Group and the basis on which the Group generates and preserves value over the long-term.
2.2	Regularly monitor performance to assess whether the business model is effective, continuing to meet tenant needs and adapting to overall trends and conditions in the London property market.
2.3	Determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives.
2.4	Carry out a robust assessment of the Company’s principal and emerging risks and opportunities.
2.5	Review: <ul style="list-style-type: none"> (a) required resourcing; (b) the group’s performance in light of the group’s strategy, objectives, business plans, forecasts and values and ensuring that any necessary corrective action is taken.
2.6	Approval of financial forecasts.
2.7	Any decision to cease to operate all or any material part of the Group’s business or extension of the group’s activities into new business or geographic areas.
3. Board Oversight	
3.1	Consider and, if see fit, approve: <ul style="list-style-type: none"> (a) property or corporate acquisitions and disposals of £5m or more for Group transactions or for Group share of joint venture transactions, including, for acquisitions, anticipated scheme capital expenditure; (b) developments and refurbishments of £5m or more for Group developments or for Group share of joint venture developments on pre-owned sites (where cumulative expenditure > £ 5m); and

	(c) terms of material contracts due to size, outside the ordinary course of business and all contracts with related parties.
3.2	Notification of: <ul style="list-style-type: none"> (a) property acquisitions and disposals between £2.5m and £5m; (b) corporate acquisitions with gross assets between £2.5m and £5m; (c) developments and refurbishments between £2.5m and £5m; and (d) lettings and voids.
4. Internal Controls and Risk Management	
4.1	Maintenance of a sound system of risk management and internal controls: <ul style="list-style-type: none"> • approving the group's risk strategy, including risk appetite, mitigation and insurance; • receiving reports on, and reviewing the effectiveness of, the group's risk and control processes, including the identification of emerging risks, to support its strategy and objectives; • undertaking a regular assessment of these processes; and • approving an appropriate statement for inclusion in the annual report.
4.2	Routinely reviewing the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence and anonymously about possible wrongdoing in financial reporting or other matters. The Board shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
5. Financing and Capital Structure	
5.1	Annual review of any major changes to funding strategy, long term interest risk rate management strategy, short term liquidity strategy, foreign exchange strategy and tax policy.
5.2	Consider and, if see fit, approve: <ul style="list-style-type: none"> (a) Changes relating to the Group's capital structure including reduction of capital, share issues (except under employees share plans), and share buy backs; (b) Changes to the Group's equity management and control structure; (c) Any changes to the Company's listing or its status as a public listed company or REIT; (d) The Group's treasury policy; (e) The issue, amendment or cancellation of all loans, bonds and derivatives; (f) Major changes to the Group's corporate structure; and (g) Any matter concerning the takeover or merger with any other listed entity.
6. Financial Reporting	
6.1	Consider and, if see fit, approve:

	<p>(a) the Group's half year results, preliminary announcement of the annual results, the Annual Report and trading updates;</p> <p>(b) significant changes in accounting policies or practices, upon recommendation of the Audit Committee;</p> <p>(c) the Company's dividend policy and recommendation and declaration of dividends;</p> <p>(d) resolutions and related documentation to be put forward to shareholders at a general meeting;</p> <p>(e) all circulars, prospectuses and listing particulars; and</p> <p>(f) press releases and/or stock exchange announcements concerning matters decided by the Board.</p>
7. Corporate Responsibility	
7.1	Ensure effective engagement with, and encourage participation from, the Company's stakeholders (including shareholders, employees, occupiers, joint venture partners, suppliers, national and local government, the local community and other stakeholders as appropriate).
7.2	Receiving reports on the views of shareholders to ensure a mutual understanding of objectives is shared by the Board as a whole.
7.3	Ensure that workforce policies and practices are consistent with the Company's values and support its long-term sustainable success.
7.4	<p>Approval of material Environmental, Social and Governance policies not already mentioned, including:</p> <ul style="list-style-type: none"> • Share Dealing Code and Policy; • Health and Safety Policy; • Diversity Policy; • Sustainability Policy; • Charitable and Community Strategy; • Whistleblowing Policy; • Bribery and Anti-Corruption Policy; • Tax Strategy; and • Modern Slavery and Human Trafficking Statement.
8. Board Membership and Other Appointments	
8.1	<p>Consider and, if see fit, approve:</p> <p>(a) Changes to the structure, size and composition of the Board, following recommendation from the Nomination Committee;</p> <p>(b) Appointment or removal of the Company Secretary; and</p> <p>(c) succession planning for Board and senior management positions (and oversee the development of a diverse pipeline for succession).</p>
8.2	<p>Following recommendations by the Nomination Committee, consider and, if see fit, approve:</p> <p>(a) Appointments to the Board;</p> <p>(b) Selection of the Chairman of the Board and the Chief Executive;</p>

	<p>(c) Appointment of the Senior Independent Director;</p> <p>(d) Membership and chairmanship of Board committees;</p> <p>(e) Continuation in office of Directors; and</p> <p>(f) The appointment of any of the Directors to an external board.</p>
8.3	Review human resource levels and diversity.
8.4	Consider and, if see fit, approve the appointment of members of the senior leadership team below the Board.
9. Remuneration	
9.1	Consider and, if see fit, approve the remuneration policy for Directors, Company Secretary and other senior executives and the terms and conditions of Directors.
9.2	Consider and, if see fit, approve the Non-Executive Director fees (to be undertaken by the Chairman and Executive Directors only).
9.3	Consider and, if see fit, approve the design of all share incentive plans and long-term incentive arrangements, and any major changes thereto, for approval by shareholders, if appropriate.
10. Delegation of Authority	
10.1	Consider and, if see fit, approve the recommendations of the Audit Committee, Nomination Committee and Remuneration Committee.
10.2	Review the role of the Chairman, Chief Executive and Senior Independent Director.
10.3	Consider and, if see fit, approve the terms of reference of the Nomination Committee, Audit Committee and Remuneration Committee.
10.4	Receiving updates from Board committees on their activities.
11. Corporate Governance Matters	
11.1	Considering the balance of interests between shareholders, employees, customers and the community.
11.2	Authorise conflicts of interest.
11.3	Undertaking a formal annual review of its own performance, that of its committees and individual Directors and the diversity of the Board.
11.4	Determining the independence of Directors.
12. Other	
12.1	Formulate policy on key issues.

12.2	Consider and, if see fit, approve the appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting.
12.3	Consider and, if see fit, approve the appointment of principal advisors including valuers, brokers and lead investment bankers.
12.4	Consider and, if see fit, the making of political donations.
12.5	Consider and, if see fit, approve this Schedule of Board Responsibilities.
12.6	Review: <ul style="list-style-type: none"> (a) approval of the overall levels of insurance for the Group including Directors' and officers' liability insurance and indemnification of Directors; and (b) major litigation.
12.7	Major changes to the rules of the Group's pension scheme or changes in the fund management arrangements.
12.8	Any decision likely to have a material impact on the Company or Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.

Approved by the Board on 10 July 2020