

## **SCHEDULE OF MATTERS RESERVED FOR THE BOARD**

<b>1. Strategy and Management</b>		<b>Recommended by</b>
1.1	Responsibility for the overall management of the group.	
1.2	Approval of the group's long-term objectives and commercial strategy.	
1.3	Approval of financial forecasts.	
1.4	Oversight of the group's operations ensuring: <ul style="list-style-type: none"> <li>• competent and prudent management</li> <li>• sound planning</li> <li>• an adequate system of risk identification and internal control</li> <li>• adequate accounting and other records</li> <li>• compliance with statutory and regulatory obligations</li> </ul>	
1.5	Review of performance in the light of the group's strategy, objectives, business plans and forecasts and ensuring that any necessary corrective action is taken.	
1.6	Risk management strategy.	
1.7	Corporate responsibility strategy and monitoring.	
<b>2. Structure and Capital</b>		<b>Recommended by</b>
2.1	Changes relating to the group's capital structure including reduction of capital, share issues (except under employees share plans), and share buy backs.	
2.2	Major changes to the group's corporate structure.	
2.3	Changes to the group's management and control structure.	
2.4	Any changes to the company's listing or its status as a plc.	
<b>3. Financial reporting and controls</b>		<b>Recommended by or reviewed by</b>
3.1	Approval of the half-yearly report and interim management statements.	Audit
3.2	Approval of the preliminary announcement of the final results and annual report and accounts, including the corporate governance statement, corporate responsibility report, and remuneration report.	Audit
3.3	Approval of the dividend policy.	
3.4	Declaration of the interim dividend and recommendation of the final dividend.	Audit
3.5	Approval of any significant changes in accounting policies or practices.	Audit

3.6	Approval of treasury policies.	
<b>4.</b>	<b>Internal controls</b>	<b>Recommended by</b>
4.1	Maintenance of a robust internal control and risk management including: <ul style="list-style-type: none"> <li>receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives</li> <li>undertaking a regular assessment of these processes</li> <li>approving an appropriate statement for inclusion in the annual report.</li> </ul>	Audit
<b>5.</b>	<b>Contracts</b>	<b>Recommended by</b>
5.1	Contracts which are material strategically or by reason of size, entered into by the company or any subsidiary in the ordinary course of business.	
5.2	Contracts of the company or any subsidiary not in the ordinary course of business, including any bank loan arrangements.	
5.3	Major investments including the acquisition or disposal of interests of more than 5 per cent in the voting shares of any company or the making of any takeover offer.	
<b>6.</b>	<b>Communication</b>	<b>Recommended by</b>
6.1	Approval of resolutions and related documentation to be put forward to shareholders at a general meeting.	
6.2	Approval of all circulars, prospectuses and listing particulars.	
6.3	Approval of press releases and/or stock exchange announcements concerning matters decided by the board.	
<b>7.</b>	<b>Board membership and other appointments</b>	<b>Recommended by</b>
7.1	Changes to the structure, size and composition of the board, following recommendation from the nomination committee	Nomination
7.2	Ensuring adequate succession planning for the board and senior management.	
7.3	Appointments to the board, following recommendations by the nomination committee.	Nomination
7.4	Selection of the chairman of the board and the chief executive.	Nomination
7.5	Appointment of the senior independent director.	Nomination
7.6	Membership and chairmanship of board committees.	Nomination
7.7	Continuation in office of directors who are subject to annual re-election by shareholders at the AGM and otherwise as appropriate.	Nomination

7.8	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.	Nomination
7.9	Appointment or removal of the company secretary.	
7.10	Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the audit committee and remuneration of the auditors (where, as is usual, shareholders have delegated this power to the board).	Audit
7.11	Appointment to boards of subsidiaries.	
<b>8.</b>	<b>Remuneration</b>	<b>Recommended by</b>
8.1	Determining the remuneration policy for the directors, company secretary and other senior executives and terms and conditions of directors.	Remuneration
8.2	Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.	
8.3	The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.	Remuneration
<b>9.</b>	<b>Delegation of authority</b>	<b>Recommended by</b>
9.1	The division of responsibilities between the chairman and the chief executive which should be in writing.	
9.2	Approval of terms of reference of board committees.	
9.3	Receiving reports from board committees on their activities.	Remuneration Nomination Audit
<b>10.</b>	<b>Corporate governance matters</b>	<b>Recommended by</b>
10.1	Review of the company's overall corporate governance arrangements.	
10.2	Undertaking a formal annual review of its own performance, that of its committees and individual directors.	
10.3	Determining the independence of directors.	
10.4	Considering the balance of interests between shareholders, employees, customers, and the community.	
10.5	Receiving reports on the views of the company's shareholders.	
<b>11.</b>	<b>Policies</b>	<b>Recommended by</b>
11.1	Approval of policies, including: <ul style="list-style-type: none"> <li>• Share Dealing code</li> </ul>	

	<ul style="list-style-type: none"> <li>• Health and Safety policy</li> <li>• Environmental policy</li> <li>• Corporate Responsibility policy</li> <li>• Whistle blowing policy</li> <li>• Human resources policies</li> <li>• Directors access to external advice</li> <li>• Competition policy</li> </ul>	
<b>12.</b>	<b>Other</b>	<b>Recommended by</b>
12.1	The making of political donations (it is the policy not to make such donations).	
12.2	Approval of the appointment of the group's principal professional advisers.	
12.3	Prosecution, defence or settlement of litigation involving amounts material to the interests of the company.	
12.4	Approval of the overall levels of insurance for the group including directors' and officers' liability insurance and indemnification of directors.	
12.5	Major changes to the rules of the group's pension scheme, or changes of trustees or changes in the fund management arrangements.	
12.6	Authorisation of directors' conflicts of interests subject to delegated authority from shareholders.	
12.7	This schedule of matters reserved for board decisions.	
<b>13.</b>	<b>Urgent Matters</b>	<b>Recommended by</b>
13.1	<p>Where matters arise which require to be dealt with urgently and it is not practical to convene a board meeting, the Secretary will ensure that:</p> <ul style="list-style-type: none"> <li>• Every step is taken to notify each director of the matter and to seek their views before proceeding.</li> <li>• No action will be taken until a majority of the board have given it's approval.</li> <li>• Where appropriate, a written resolution will be obtained to confirm approval.</li> </ul>	

Matters which 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 which it considers significant to the group.

Approved by the Board  
20 November 2013