

COHORT PLC

MATTERS RESERVED FOR THE BOARD

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**SCHEDULE**

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Revised 26 April 2018

## COHORT PLC (the “Company”)

### SCHEDULE OF MATTERS RESERVED FOR DECISION BY THE BOARD

The Schedule of Matters Reserved for Decision by the Board was adopted by a resolution of the board of directors of the Company (the “Board”) at a meeting held on 27 February 2006 and amended by the Board in meeting on 14 December 2010 and 8 December 2015 and 26 April 2018.

The following matters are reserved for the Board:

#### **1. Strategy and Management**

- 1.1. Responsibility for the overall leadership of the Company and its subsidiaries (the “Group”) and setting the Group's values and standards.
- 1.2. Approval of the Group’s strategic aims and objectives.
- 1.3. Approvals of the annual revenue, operating and capital expenditure budgets and any material changes to them.
- 1.4. 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
- 1.5. Review of performance in the light of the Group’s strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.6. Approval of any significant extension of the Group’s activities into new business or geographic areas.
- 1.7. Any decision to cease to operate all or any material part of the Group’s business.
- 1.8. Any proposal to merge or amalgamate the Company or any of its subsidiaries with any other company.

#### **2. Structure and Capital**

- 2.1 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.
- 2.2 Major changes to the Group’s corporate structure, including, but not limited to acquisitions and disposals of shares which are material relative to the size of the Group, setting up of joint ventures and incorporation and winding up of legal entities.
- 2.3 Major changes to the Group’s management and control structure.
- 2.4 Any changes to the company’s listing or its status as a plc.
- 2.5 The allotment of any shares in the Company or the granting of any options over any shares in the Company or the shares of its subsidiaries.

#### **3. Financial Reporting and Controls**

- 3.1 Approval of the half-yearly report and preliminary announcement of the final results and any trading statements.

- 3.2 Approval of the annual report and accounts, including but not limited to the corporate governance statement and directors' remuneration report.
- 3.3 Approval of 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.
- 3.6 Approval of treasury policies including interest rate and foreign currency management and the use of financial derivatives.
- 3.7 Approval of material unbudgeted capital or operating expenditures (outside pre-determined tolerances), and any material write-off of assets.
- 4. Internal Controls**
- 4.1 Approving the system of internal control and risk management including:
- The Group's risk and control processes to support its strategy and objectives;
  - Policies and procedures, and approving an appropriate statement relating thereto for inclusion in the annual report.
- 5. Contracts**
- 5.1 Approval of major capital projects and oversight over execution and delivery thereof.
- 5.2 Approval of contracts which are material strategically or by reason of size, entered into by the Company or a subsidiary.
- 5.3 Approval of contracts of the company or any subsidiary not in the ordinary course of business.
- 5.4 All bank facilities to be approved by the Board before commitment.
- 5.5 Approval of major investments, including the acquisition or disposal of interests of more than five (5) percent in the voting shares of any company or the making of any takeover offer.
- 6. Communication**
- 6.1 Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
- 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.
- 6.4 Approval of public announcements, including stock exchange announcements, concerning matters decided by the board.
- 7. Board Membership and Other Appointments**
- 7.1 Changes to the structure, size and composition of the board.
- 7.2 Ensuring adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills and experience within the company and on the Board.
- 7.3 Appointments to the Board.
- 7.4 Selection of the chairman of the Board and the chief executive.
- 7.5 Appointment of the senior independent director to provide a sounding board for the chairman and to serve as intermediary for the other directors when necessary.

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- 7.6 Membership and chairmanship of Board committees.
- 7.7 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.
- 7.8 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.
- 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 in general meeting, following the recommendation of the audit committee.
- 7.11 Appointments of Managing Directors of subsidiaries and any other board members at subsidiaries.

## **8. Remuneration**

- 8.1 Determining the remuneration policy for the directors, company secretary and other senior executives.
- 8.2 Determining the remuneration and terms of service 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.

## **9. Corporate Governance Matters**

- 9.1 The division of responsibilities between the chairman, the chief executive and other executive directors.
- 9.2 Approval of the delegated levels of authority, including the Chief Executive's authority limits (which must be in writing) as set out in the Group Delegations Policy.
- 9.3 Establishing Board committees and deciding their terms of reference, including determining their delegated powers and responsibilities
- 9.4 Undertaking periodic reviews of its own performance, that of its committees and individual directors.
- 9.5 Determining the independence of non-executive directors in light of their character, judgment and relationships.
- 9.6 Considering the balance of interests between shareholders, employees, customers and the community.
- 9.7 Review of the group's overall corporate governance arrangements.
- 9.8 Receiving reports on the views of the company's shareholders to ensure that they are communicated to the Board as a whole.
- 9.9 Authorising conflicts of interest where permitted by the Company's articles of association.
- 9.10 Approval of the scope and overall levels of insurance for the group including directors' & officers' liability insurance and indemnification of directors.

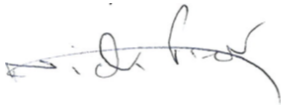
## **10. Policies**

- 10.1 Approval of policies, including:
- Statement of ethical business conduct;

- Share dealing code;
- Anti-Bribery policy;
- Whistleblowing policy;
- Health and safety policy;
- Modern Slavery statement; and
- Human resources policy.

## **11. Wider Board Responsibilities**

- 11.1 The making of political donations.
- 11.2 Approval of the appointment or removal of any of the group's principal professional advisers such as the Nominated Adviser and Auditors.
- 11.3 Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism involving above £100,000 or being otherwise material to the interests of the group.
- 11.4 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.
- 11.5 This schedule of matters reserved for Board decisions.
- 11.6 The making of any charitable donation in excess of £10,000.



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Nick Prest  
Chairman  
Cohort Plc