

## **GoCo Group plc**

### **Matters Reserved for the Board**

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.

#### **1. Strategy and management**

- 1.1 Approval of the group's long-term objectives and commercial strategy.
- 1.2 Responsibility for the overall management of the group which is under the leadership of the Chief Executive, acting under these delegated authorities.
- 1.3 Oversight of the Group's operations ensuring:
  - (A) competent and prudent management;
  - (B) sound planning;
  - (C) maintenance of sound management and internal control systems;
  - (D) adequate accounting and other records; and
  - (E) compliance with statutory and regulatory obligations.
- 1.4 Approval of the annual operating and capital expenditure budgets and any material changes to them.
- 1.5 Review of the performance of the group, in the light of the established strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.6 Responsibility for the consideration and approval or rejection of the expression of any interest in the Group or a material part thereof.
- 1.7 Material extension of the Group's activities into new business or geographic areas.
- 1.8 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 or acquisition.
- 1.9 Any decision to cease to operate all or any material part of the Group's business.

#### **2. Structure and capital**

- 2.1 Changes to Group's capital structure including reduction of capital, share issues (except under employee share plans), share buy back and the use of treasury shares.

- 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.
- 2.5 Incorporation of a new entity or branch or change in trading status of an existing company.

### **3. Financial reporting and controls**

- 3.1 Approval of the half-yearly report, interim management statements and any preliminary announcement of the final results.
- 3.2 Approval of the annual report and accounts, including the corporate governance statement and remuneration report.
- 3.3 Approval of the dividend policy.
- 3.4 Declaration of the interim dividend and recommendation of the final dividend, including any special dividend.
- 3.5 Approval of any significant changes in accounting policies or practices.
- 3.6 Approval of finance and treasury policies, including: budgeting & forecasting, revenue recognition, goodwill, capital expenditure, taxation, foreign currency exposure and the use of financial derivatives.
- 3.7 Approval of any bank facilities or external loans.

### **4. Internal control and Risk Management**

- 4.1 Ensuring that there is an effective system of risk management and internal control to support the strategy and objectives including:
  - (A) approving the group's risk appetite statements;
  - (B) receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives;
  - (C) approving procedures for the detection of fraud and the prevention of bribery;
  - (D) undertaking an annual assessment of these processes; and
  - (E) approving an appropriate statement for inclusion in the annual report.
- 4.2 Determining the nature and extent of the significant risks the Group is willing to take in achieving its strategic objectives.

## **5. Contracts**

- 5.1 Major capital contracts or expenditure including entering into material contracts with suppliers or advisers above £10 million per annum.
- 5.2 Acquisitions or disposals of fixed assets above £5 million.
- 5.3 Contracts of the Company or any subsidiary not in the ordinary course of business, for example loans and repayments not already in place at the date of adoption of this list.

## **6. Communication**

- 6.1 Approval of resolutions and corresponding 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 routine documents such as periodic circulars about scrip dividend procedures or exercise of conversion rights may be delegated to a committee.
- 6.4 Approval of press releases concerning matters decided by the Board.

## **7. Board membership and other appointments**

- 7.1 Changes to the structure, size and composition of the Board, following recommendations from the nomination committee.
- 7.2 Ensuring adequate succession planning for the Board and senior management.
- 7.3 Appointments to the Board, following recommendations by the nomination committee.
- 7.4 Selection of the Chairman of the Board and the Chief Executive Officer.
- 7.5 Appointment of the Senior Independent Director.
- 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 Chief Finance Officer.
- 7.10 Appointment or removal of the Company Secretary.
- 7.11 Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the audit committee.

- 7.12 Appointments to boards of subsidiaries.
- 7.13 Ensuring adequate succession planning for the Board and senior management.

## **8. Remuneration**

- 8.1 Determining the remuneration policy for the Chairman, Executive Directors, Company Secretary and other senior executives.
- 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.

## **9. Delegation of authority**

- 9.1 The division of responsibilities between the Chairman, the Chief Executive and other Executive Directors, which should be in writing.
- 9.2 Approval of terms of reference of Board committees.
- 9.3 Receiving reports and recommendations from Board committees on their activities.

## **10. Corporate governance matters**

- 10.1 Undertaking a formal and rigorous review annually of its own performance, that of its committees and individual Directors.
- 10.2 Determining the independence of Directors.
- 10.3 Considering and authorising any conflicts or potential conflicts of Directors and imposing any limitations, qualifications
- 10.4 Considering the balance of interests between shareholders, employees, customers and the community.
- 10.5 Review of the Group's overall corporate governance arrangements.
- 10.6 Receiving reports on the views of the Company's shareholders.

## **11. Policies**

- 11.1 Approval of policies including:
  - (A) Anti-Bribery and Corruption Policy
  - (B) Anti-Slavery and Human Trafficking Policy
  - (C) Code of Conduct Policy

- (D) Health and Safety Policy
- (E) Share Dealing Code and Procedures Manual
- (F) Whistleblowing Policy

**12. Miscellaneous**

- 12.1 The making of political donations.
- 12.2 Approval of the appointment of the Group's principal professional advisers.
- 12.3 Prosecution, defence or settlement of litigation involving a potential liability, including costs, of more than £1 million or being otherwise material to the interests of the Group, other than in the ordinary course of business.
- 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 when this is subject to the approval of the Company, changes in the fund management arrangements.
- 12.6 Responsibility for the avoidance of wrongful/fraudulent trading.
- 12.7 This schedule of matters reserved for Board decisions.

Adopted by the Board on 28 September 2016.

Reviewed and revised on 29 July 2020.