

BLANCCO TECHNOLOGY GROUP PLC

Schedule of Matters Reserved for the Board

This document sets out those powers reserved for the full Board of the Company (the **Board**) which are not delegated to the Company's executive directors or to committees. Specific areas of delegation are set out in the terms of reference for the Audit, Nomination and Remuneration Committees. Some matters will be the subject of recommendations by these committees but where the final decision on the matter is required to be taken by the whole Board.

1. STRATEGY AND MANAGEMENT

- 1.1 Responsibility for the overall leadership of the Group and setting the Company's vision, mission, values and standards.
- 1.2 Approval of the Group's aims and objectives, its strategy and business model.
- 1.3 Approval of the annual 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 controls and risk management;
 - adequate accounting and other records; and
 - compliance with statutory and regulatory obligations.
- 1.5 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.
- 1.6 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 Making or responding to any take-over bid subject to the City Code on Takeover and Mergers.
- 1.9 Reviewing the environmental and health and safety performance of the Group.

2. STRUCTURE AND CAPITAL

- 2.1 Changes to the Group's corporate structure including but not limited to the incorporation, acquisition, divestment or liquidation of a company (including a joint venture company) or other entity which is material relative to the size of the Group.
- 2.2 Changes to the Group's management and control structure.
- 2.3 Any changes to the Company's listing or its status as a public limited company.
- 2.4 Changes relating to the Group's capital structure including the reduction of capital, share issues (except under employee share plans), share buy backs and the use of treasury shares.

3. FINANCIAL REPORTING AND CONTROLS

- 3.1 Approval of the half-yearly report and any preliminary announcement of the final results.
- 3.2 Approval of any trading update to the market.
- 3.3 Approval of the annual report and accounts including the strategic report, corporate governance statement and remuneration report.
- 3.4 Approval of the dividend policy.
- 3.5 Declaration of the interim dividend and recommendation of the final dividend.
- 3.6 Approval of any significant changes in accounting policies or practices (following recommendation by the Audit Committee).
- 3.7 Approval of treasury policies including foreign currency exposure and the use of financial derivatives.

- 3.8 Approval of non-audit fees in excess of the Audit Committee's delegated authority (£20k).
- 3.9 Approval of material unbudgeted capital or operating expenditure (outside pre-determined tolerances).

4. INTERNAL CONTROLS

- 4.1 Ensuring maintenance of a sound system of internal control and risk management by the Group (following consideration by the Audit Committee) including:
- approving the Group's risk appetite statement
 - oversight of the embedding of effective risk management throughout the organisation, considering both opportunities and threats
 - receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives
 - undertaking an annual assessment of these processes
 - approving an appropriate statement on them for inclusion in the annual report.
- 4.2 Approving procedures for the detection of fraud and the prevention of bribery.

5. CONTRACTS

- 5.1 Major capital projects (including oversight of execution and delivery)
- 5.2 Guarantees and indemnities over £100k.
- 5.3 Contracts which are material strategically or by reason of size, entered into by the Company/Group in the ordinary course of business, for example bank borrowings above £1 million and acquisitions or disposals of fixed assets (including intangibles such as intellectual property) above £1 million, customer contracts above £3 million and discounts above £1.5 million.
- 5.4 Contracts of the Company or any subsidiary not in the ordinary course of business, for example loans and repayments above £1 million; foreign currency transactions above £1 million, major acquisitions or disposals above £1 million.
- 5.5 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.

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 regulatory announcements and media releases concerning matters decided by the Board.
- 6.4 Ensuring that a satisfactory dialogue takes place with shareholders and other stakeholders.

7. BOARD MEMBERSHIP AND OTHER APPOINTMENTS

- 7.1 Changes to the structure, size and composition of the Board (following the recommendation of the Nomination Committee).
- 7.2 Ensuring adequate succession planning for the Board and senior management (following the recommendation of the Nomination Committee).
- 7.3 Ensuring that the Board as a whole has the necessary up to date experience, skills and capabilities.
- 7.4 Appointments to and removals from the Board (following the recommendation of the Nomination Committee).
- 7.5 Selection of the Board Chair and the Chief Executive.
- 7.6 Appointment of the Senior Independent Director.

- 7.7 The members and Chairs of Board committees (following the recommendation of the Nomination Committee).
- 7.8 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 Annual General Meeting and otherwise as appropriate.
- 7.9 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 Group, subject to the law and their service contract.
- 7.10 Determining the independence of Non-executive Directors (following the recommendation of the Nomination Committee).
- 7.11 Appointment or removal of the Company Secretary
- 7.12 Appointment, reappointment or removal of the external auditor (to be put to shareholders for approval following the recommendation of the Audit Committee).
- 7.13 Appointments to the boards of major subsidiaries.
- 7.14 Approval of any application by Executive Directors for permission to accept outside appointments.
- 7.15 Appointment of key senior management with family ties to shareholders and/or advisers.

8. REMUNERATION

- 8.1 Determining the remuneration policy for the Directors, Company Secretary and other senior executives (following the recommendation of the Remuneration Committee).
- 8.2 Determining the remuneration of the Non-executive Directors.
- 8.3 The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for consultation (following the recommendation of the Remuneration Committee).

9. DELEGATION OF AUTHORITY

- 9.1 Determining the division of responsibilities between the Chair, the Chief Executive and other Executive Directors, which should be set out in writing.
- 9.2 Approving the levels of delegated authority including the Chief Executive's authority limits, which must be in writing.
- 9.3 Agreeing role descriptions for the Senior Independent Director, Non-executive directors and the Company Secretary.
- 9.4 Approval of terms of reference of Board committees.
- 9.5 Receiving reports from Board committees on their activities.

10. CORPORATE GOVERNANCE MATTERS

- 10.1 Evaluating the Board's performance, based on clear and relevant objectives, seeking continuous improvement.
- 10.2 Promoting a corporate culture which is based on ethical values and behaviours.
- 10.3 Taking into account wider stakeholder and social responsibilities and their implications for the Group's long-term success.
- 10.4 Review of the Group's overall corporate governance arrangements, maintaining governance structures and processes which are fit for purpose and support good decision making by the Board.
- 10.5 Receiving reports on the views of the Company's shareholders and other stakeholders.
- 10.6 Approving any authorisation relating to an actual or potential conflict of interest by any director.
- 10.7 Approving transactions with Directors and other related parties.

11. POLICIES

11.1 Approval of policies, including:

- Code of Conduct
- Share dealing policy
- Inside information policy
- Health and safety policy
- Environmental and sustainability policy
- Communications policy (including procedures for the release of inside and/or price sensitive information)
- Corporate social responsibility policy
- Charitable donations policy
- Bribery prevention policy
- Whistleblowing policy and
- Related party transactions policy.

12. OTHER

12.1 The making of political donations.

12.2 Approval of the appointment of the Group's principal professional advisors.

12.3 Prosecution, defence or settlement of litigation or an alternative dispute resolution mechanism involving amounts above £1 million or being otherwise material to the interests of the Group.

12.4 Approval of the overall levels of insurance for the Group including Directors' & Officers' liability insurance and indemnification of Directors.

12.5 Major changes to the rules of the Group's pension scheme, or changes to trustees or, when this is subject to the approval of the Company, changes in the fund management arrangements.

12.6 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.

12.7 This schedule of matters reserved for Board decisions.

Approved by the Board on 26 June 2019