

## **EMIS GROUP PLC (the “Company”)**

### **MATTERS RESERVED FOR THE BOARD**

This document sets down those powers reserved for the full board of directors of the Company (the “**Board**”) and not delegated to the Company’s executive directors. The list contains some matters which the Board cannot, as a matter of law, delegate. The Board may, however, appoint committees as it thinks fit to exercise certain of its powers. Specific areas of delegation are set out in the Terms of Reference for the Remuneration Committee, the Nomination Committee and the Audit Committee of the Company as required by the UK Corporate Governance Code, although the final decision on these matters is required to be taken by the whole Board.

#### **1. STRATEGIC ISSUES**

- 1.1 To provide overall leadership of the Group and establish and align the Group’s purpose, strategy, values and culture.
- 1.2 To set the Group’s values and standards.
- 1.3 To approve the Group’s strategic aims and objectives.
- 1.4 To receive and approve at least annually the long-term objectives and strategic direction of the overall business.
- 1.5 To ensure the maintenance of sound systems of internal control and risk management, including approval of an appropriate statement for inclusion in the Annual Report.
- 1.6 To set the Group’s risk appetite.
- 1.7 To approve the commencement of any major new business activity which is materially different from that being undertaken by an existing part of the Group’s business.
- 1.8 To approve any expansion or diversification into any new country where business is not currently undertaken.
- 1.9 To approve:
  - 1.9.1 the formation, acquisition, divestment, liquidation or the cessation of operations of a company (including a joint venture company) or other assets or liabilities; and
  - 1.9.2 any investment or capital projects or any other transactions,

in each case where such transaction constitutes either a Class 1 or Class 2 transaction or a reverse takeover for the purposes of the Listing Rules issued by the Financial Conduct Authority.

- 1.10 To review on a regular basis the performance of the business (including operational and management performance) in light of the Group's strategic objectives, business plans and budgets and to ensure that any necessary corrective action is taken.

## 2. **FINANCIAL ITEMS**

- 2.1 To approve the interim and final financial statements and the annual report and accounts including the corporate governance statement and directors' remuneration report.
- 2.2 To approve the dividend policy, declare an interim dividend and recommend a final dividend.
- 2.3 To approve the recommendations of the Audit Committee, including the remuneration of the Company's Auditor and recommendations for the appointment, re-appointment or removal of the Company's Auditor to be put to shareholder approval.
- 2.4 To approve the accounting policies and practices (including any significant changes thereto) to be applied and adopted in the preparation of the Group's financial statements, to receive any proposed qualification to the accounts.
- 2.5 To receive and review the reports of the Audit Committee.
- 2.6 To approve the Group's annual budget including the operating and capital expenditure budgets.
- 2.7 To approve unbudgeted expenditure (both capital and non-capital) with a value greater than £2 million and budgeted expenditure (both capital and non-capital) with a value greater than £10 million.
- 2.8 To approve the disposal of fixed assets (net book value) with value greater than £0.5m.
- 2.9 To approve changes relating to the Group's capital structure including reduction of capital, share issues (except under employee share plans) and share buy backs including the use of treasury shares.
- 2.10 To authorise transfers to reserves and appropriations of profit by the Company.
- 2.11 To authorise calls on or forfeiture of shares.
- 2.12 To approve 'Tier 5' contracts, in accordance with the authorisation process approved by the Board on 29 November 2017 (and as may be revised from time to time).

### **3. TREASURY ITEMS**

- 3.1 To receive proposals setting out the policy for the financing of the Group, including proposed credit limits for the placing of deposits with individual financial institutions and proposals in respect of the Group's foreign exchange and interest rate exposures.
- 3.2 To approve the issue to third parties of debenture or loan stocks, bonds and any other financing arrangements, delegating authority, as appropriate, to finalise details.
- 3.3 To approve guarantees and letters of comfort where the amount of the loan or liability exceeds £2 million for subsidiaries or in respect of third parties.
- 3.4 To approve in principle the granting of security over any Group asset, the entering into of borrowing facilities, debt factoring, sale and leaseback arrangements and contracts for derivatives, in each case with third parties, delegating authority, as appropriate, to finalise details.

### **4. LEGAL, ADMINISTRATION, PENSION AND OTHER BENEFITS**

- 4.1 To authorise the commencement or settlement of any legal (or similar) dispute resolution process in relation to matters having a value or effect on the Group in excess of £500,000.
- 4.2 To authorise/ratify the affixing of the Common Seal of the Company.
- 4.3 To receive and review at least annually reports on pension, health, safety and environment and insurance matters, and any material litigation affecting any member of the Group.
- 4.4 To approve any changes in employer contribution rates to the Group's pension scheme(s).
- 4.5 To receive the overall levels of insurance for the Group including Directors' and Officers' liability insurance and indemnification of directors.

### **5. COMMUNICATIONS WITH SHAREHOLDERS**

- 5.1 To approve:
  - 5.1.1 the form and issue of the annual report, the preliminary statement and the interim report and any other similar reports or statements of the Group including any published on a quarterly basis;
  - 5.1.2 the form and issue of circulars to shareholders of the Company and the form and issue of other prospectuses/issue documents;

- 5.1.3 Company announcements (e.g. to the Financial Services Authority or the London Stock Exchange) concerning matters decided by the Board; and
- 5.1.4 the calling of shareholder meetings and the resolutions to be put forward at general meetings.

## **6. REMUNERATION MATTERS**

- 6.1 To determine the remuneration policy for the directors, senior management and the company secretary.
- 6.2 To approve the application of the Company's share option schemes as recommended by the Remuneration Committee.
- 6.3 To submit for shareholder approval any proposed share option scheme and alterations thereto as required by the scheme's rules and to approve certain other matters of detail arising under such schemes.

## **7. BOARD AND SENIOR MANAGEMENT APPOINTMENTS AND ARRANGEMENTS**

- 7.1 To approve:
  - 7.1.1 changes to the structure, size and composition of the Board, following recommendation of the Nomination Committee;
  - 7.1.2 appointments to the Board following recommendation of the Nomination Committee;
  - 7.1.3 arrangements relating to the appointment and resignation of directors to or from the Board (both executive and non-executive) and of the Company Secretary and the senior management of the Group and all terms and conditions thereof (including, for the avoidance of doubt, their removal from office or termination of employment). In the case of executive directors and the senior management, the terms and conditions shall be recommended by the Remuneration Committee. In the case of non-executive directors, the terms and conditions, including fees from time to time, shall be for approval by the Board in accordance with the Articles of Association;
  - 7.1.4 membership and chairmanship of Board committees following recommendation of the Nomination Committee;
  - 7.1.5 the responsibilities of the senior management of the Group and arrangements regarding appropriate training, development and succession for the directors and the senior management;

- 7.1.6 the appointment of directors to specified offices of the Board including the chairman and senior independent director and to approve the selection of the Chief Executive;
  - 7.1.7 continuing the appointment of non-executive directors beyond normal retirement age;
  - 7.1.8 the continuation in office of directors at the end of their term of office or at any time;
  - 7.1.9 applications by executive directors for permission to accept outside appointments;
  - 7.1.10 the composition and terms of reference of the Remuneration Committee, the Nomination Committee and the Audit Committee and any other committees established by the Board and to receive the reports of such Committees;
  - 7.1.11 the terms of reference, procedures and limits of authority granted to the Group Chief Executive and the senior management;
  - 7.1.12 the division of responsibilities between the Chairman and Chief Executive which should be in writing;
  - 7.1.13 transactions with directors and other related parties; and
  - 7.1.14 any other matter as directed from time to time by the Board.
- 7.2 To ensure adequate succession planning for the Board and senior management.

**MISCELLANEOUS**

- 8.1 To approve the formulation of: policies regarding corporate social responsibility and any charitable or political donations; code of ethics and bribery prevention (including whistleblowing) policies; health and safety policy; environmental and sustainability policies; share dealing code and risk management policy.
- 8.2 To establish Board committees and approve their terms of reference, and approve material changes thereto.
- 8.3 To approve the appointment of professional advisers to the Board in addition to the Company's Auditor.
- 8.4 To approve this schedule of matters reserved for Board decisions.
- 8.5 To undertake a formal and rigorous review annually of its own performance, that of its committees and individual directors.
- 8.6 To determine the independence of the directors.

- 8.7 To review and authorise (where deemed appropriate) conflicts of interest relating to the directors.
- 8.8 To receive reports on the views of the Company's shareholders and other material stakeholders.

9. **MONETARY LIMITS**

Those monetary limits specified in Paragraphs 3.3 and 4.1 are subject to variation by the Board on a specific or general basis (as the case may be).

10. **COMMITTEES**

In addition to the specific areas of delegation mentioned above, the Board has delegated certain of its powers to the Remuneration Committee, the Nomination Committee and the Audit Committee in accordance with the UK Corporate Governance Code (2018)

References in this document to the "**Group**" mean the Company, its subsidiaries and its subsidiary undertakings.

Adopted by the Board 6 October 2020