



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

### **Part A: Introduction**

The UK Corporate Governance Code (the “**Code**”) states that “There should be a formal schedule of matters specifically reserved for the board’s decision” and that the annual report should contain a “high level statement of which types of decisions are to be taken by the board and which are to be delegated to management.”

The Code also states that “The board’s role is to provide entrepreneurial leadership of the company within a framework of prudent and effective controls which enables risk to be assessed and managed. The board should set the company’s strategic aims, ensure that the necessary financial and human resources are in place for the company to meet its objectives and review management performance. The board should set the company’s values and standards and ensure that its obligations to its shareholders and others are understood and met.”

This document sets out the schedule of matters that, subject to any applicable provisions of law or of the Company’s articles of association that provide for certain matters to be determined or approved by the Company’s shareholders, are 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.

***Last reviewed by the Board on 25 November 2016***



## **Part B: Schedule of Matters Reserved for the Board**

### **Definitions and References**

“**Audit**” means the audit committee of the Company

“**CA06**” means the Companies Act 2006

“**Code**” means the UK Corporate Governance Code (April 2016)

“**Company**” means Countryside plc

“**DTR**” means the FCA’s Disclosure and Transparency Rules

“**GBE**” means the FRC Guidance on Board Effectiveness

“**Group**” means the Company and all of its subsidiaries

“**LR**” means the FCA’s Listing Rules

“**Nomination**” means the nomination committee of the Company

“**PR**” means the FCA’s Prospectus Rules

“**Remuneration**” means the remuneration committee of the Company

References to Audit, Nomination or Remuneration refer to the board committee which will consider the item and make recommendations to the board for its final decision.

<b>1</b>	<b>Strategy and management</b>	
1.1	Responsibility for the overall leadership of the Company and setting the Company’s values and standards.	Code A.1
1.2	Approval of the Group’s strategic aims and objectives.	Code A.1
1.3	Approvals of the annual operating and capital expenditure budgets and any material changes to them.	
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>• maintenance of sound risk management and internal control systems</li><li>• adequate accounting and other records and</li><li>• compliance with statutory and regulatory obligations.</li></ul>	Code C.2
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.	Code B.6
1.6	Extension of the Group’s activities into new business or geographic areas.	



**COUNTRYSIDE**  
Places People Love

1.7	Any decision to cease to operate all or any material part of the Group's business.	
<b>2</b>	<b>Structure and capital</b>	
2.1	Changes relating to the Group's capital structure including reduction of capital, share issues (except under employee share plans), share buybacks 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 in question (taking into account initial and deferred consideration).	
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</b>	<b>Financial reporting and controls</b>	
3.1	Approval of the half-yearly report, interim management statements (if published) and any preliminary announcements of the final results.	Code C.1 Audit DTR 4.1-4.4
3.2	Approval of the annual report and accounts, including the corporate governance statement and directors' remuneration report.	CA 06 s.414, s.415 DTR 4 LR 9.8 Code C.1 Audit
3.3	Approval of the dividend policy.	
3.4	Declaration of the interim dividend and recommendation of the final dividend.	LR 9.7.A.2 DTR 6.1.13
3.5	Approval of any significant changes in accounting policies or practices.	Code C.1 and C.3 Audit
3.6	Approval of treasury policies including foreign currency exposure and the use of financial derivatives.	
3.7	Approval of material unbudgeted capital or operating expenditures (outside pre-determined tolerances).	
<b>4</b>	<b>Internal controls</b>	
4.1	Ensuring maintenance of a sound system of internal control and risk management including:	



# COUNTRYSIDE

Places People Love

	<ul style="list-style-type: none"> <li>• approving the Company's/Group's risk appetite statements (if any)</li> <li>• receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives</li> <li>• approving procedures for the detection of fraud and the prevention of bribery</li> <li>• undertaking an annual assessment of these processes and</li> <li>• approving an appropriate statement for inclusion in the annual report.</li> </ul>	Code C.2, C.2.1 Audit UK Bribery Act 2010
<b>5</b>	<b>Contracts</b>	
5.1	Approval of: <ul style="list-style-type: none"> <li>• major capital projects and oversight over execution and delivery; and</li> <li>• contracts which are material strategically or by reason of size, entered into by the Company or any member of the Group in the ordinary course of business, and acquisitions or disposals of fixed assets (including intangible assets such as intellectual property), in each case as prescribed in the Group Delegated Authorities</li> </ul>	
5.2	Contracts of the Company or any member of the Group not in the ordinary course of business.	
5.3	Major investments including the acquisition or disposal of interests of more than 3 per cent in the voting shares of any company or the making of any takeover offer.	DTR 5
<b>6</b>	<b>Communication</b>	
6.1	Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives	Code E.1
6.2	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.	LR 13
6.3	Approval of all circulars, prospectuses and listing particulars unless the document to be approved is ordinary course and has no unusual features and does not require approval by the FCA.	LR 13 PR 5.5
6.4	Approval of press releases concerning matters decided by the board.	
<b>7</b>	<b>Board membership and other appointments</b>	
7.1	Changes to the structure, size and composition of the board, following recommendations from the nomination committee.	Code B.1 Nomination



**COUNTRYSIDE**  
Places People Love

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.	Code B.2
7.3	Appointments to the board, following recommendations by the nomination committee.	Code B.2.1 Nomination
7.4	Selection of the chairman of the board and the chief executive.	GBE 1.4-1.8, 1.12-1.17, 4.1-4.7 Nomination
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 where necessary.	Code A.4.1 GBE 1.9-1.11 Nomination
7.6	Membership and chairmanship of board committees following recommendations from the nomination committee.	Nomination
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.	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.	CA 06 Part 12 ss.270-280 Code B.5.2 GBE 2.1-2.4.
7.10	Appointment, re-appointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the audit committee.	CA 06 s.489 and 491 Code C.3.2 Audit
<b>8</b>	<b>Remuneration</b>	
8.1	Determining the remuneration policy for the directors, Company secretary and other senior executives.	Code D.2 Remuneration
8.2	Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.	Code D.2.3
8.3	The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.	
<b>9</b>	<b>Delegation of authority</b>	
9.1	The division of responsibilities between the chairman, the chief executive and other executive directors, which should be clearly established, set out in writing and agreed by the board.	Code A.2.1



**COUNTRYSIDE**  
Places People Love

9.2	Approval of the delegated levels of authority, including the chief executive's authority limits (which must be in writing)	
9.3	Establishing board committees and approving their terms of reference, and approving material changes thereto.	Code B.2.1, C.3.1 and D.2.1
9.4	Receiving reports from board committees on their activities to ensure that delegations of authority granted by it are properly discharged.	
<b>10</b>	<b>Corporate governance matters</b>	
10.1	Undertaking a formal and rigorous annual review of its own performance, that of its committees and individual directors, and the division of responsibilities.	Code B.6
10.2	Determining the independence of non-executive directors in light of their character, judgment and relationships.	Code B.1.1
10.3	Considering the balance of interests between shareholders, employees, customers and the community.	CA 06 s.172
10.4	Review of the Group's overall corporate governance arrangements.	
10.5	Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the board as a whole.	Code E.1.1
10.6	Authorising conflicts of interest where permitted by the Company's articles of association.	CA 06 s.177
<b>11</b>	<b>Policies</b>	
11.1	Approval of, and making changes to, the following policies: <ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Share dealing code</li> <li>• Anti-Bribery and Corruption policy</li> <li>• Whistleblowing Procedure</li> <li>• Health and safety policy</li> <li>• Environmental Policy</li> <li>• Sustainable Development Policy</li> <li>• Disclosure Procedures Manual (including procedures for the release of price-sensitive information) and</li> <li>• Charitable and Community Support policy</li> <li>• Directors' Shareholding Policy</li> <li>• Board Diversity Policy</li> <li>• Modern Slavery and Human Trafficking Policy</li> </ul>	Code A.1
<b>12</b>	<b>Other</b>	
12.1	The making of political donations.	



**COUNTRYSIDE**  
Places People Love

12.2	Approval of the appointment of the Group's principal professional advisers.	
12.3	Prosecution, commencement, defence or settlement of litigation or an alternative dispute resolution mechanism, above the amounts set out in the Group Delegated Authorities, 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.	Code A.1.3
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	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.	