



**MOBICO GROUP PLC**  
**MATTERS RESERVED TO THE BOARD**

**Approved: 28<sup>th</sup> November 2023**

## **MOBICO GROUP PLC**

### **MATTERS RESERVED TO THE BOARD**

This document sets out the matters which must be considered or approved by the Board or delegated by it to one of its Committees.

#### **1. CORPORATE & CAPITAL STRUCTURE**

- 1.1 Approve changes to the Company's capital structure, including:
  - 1.1.1 issues of shares, including by way of rights (but excluding under employee share plans);
  - 1.1.2 reductions of capital and share buy-backs (including buy-backs into treasury); and
  - 1.1.3 share divisions or consolidations.
- 1.2 Make recommendations to shareholders for any alteration to the Company's articles of association.
- 1.3 Approve any change to the Company's name, subject to shareholder approval as required.
- 1.4 Approve any change to the Company's status as a public limited company, subject to shareholder approval as required.
- 1.5 Approve any change to the Company's primary listing on the London Stock Exchange, subject to shareholder approval as required.

#### **2. LEADERSHIP, STRATEGY AND RISK APPETITE**

- 2.1 Responsibility for the overall leadership and direction of the Group, with a view to achieving the long-term sustainable success of the Group, generating value for shareholders and contributing to wider society.
- 2.2 Responsibility for establishing the purpose and values of the Company and of the Group.
- 2.3 Formulate and approve the Group's objectives and strategy, and review the Group's performance against those objectives and strategy.
- 2.4 Determine the Group's risk appetite (as regards the nature and extent of risks it is willing to take) in the pursuit of its objectives and achievement of its strategy.
- 2.5 Ensure that the Group has the necessary financial and human resources in order to deliver its strategy and manage risks.
- 2.6 Promote and monitor the Group's culture to ensure it is aligned with the Board approved purpose and values of the Company and the Group and enables the Company to achieve its strategy.

- 2.7 Approve the extension of the Group's activities into new business or geographic areas.
- 2.8 Approve the cessation of all or any material part of the Group's business.
- 2.9 Review and approve the Group's annual budgets and business plans, and any material changes to the same.
- 2.10 Monitor the performance of the Group businesses against the Board approved budgets and business plans.

### **3. BOARD MEMBERSHIP AND SUCCESSION PLANNING**

- 3.1 Changes to the structure, size and composition of the Board, following recommendations from the Nominations Committee.
- 3.2 Board Director appointments and removals, following recommendations from the Nomination Committee.
- 3.3 Selection and appointment of the Chair of the Board, the Deputy Chair (if applicable) and the Senior Independent Director.
- 3.4 Selection and appointment or removal of the Group Chief Executive Officer, the Group Financial Officer, any other Executive Director and the Company Secretary.
- 3.5 Succession planning for the Board and senior management, following recommendations and/or input from the Nominations Committee.
- 3.6 Determination of division of responsibilities between the Chair of the Board and Chief Executive Officer.

### **4. REMUNERATION & PENSION MATTERS**

- 4.1 Determine and approve the remuneration strategy and framework for, and the individual remuneration of, the Executive Directors, Company Secretary, Senior Managers $\pm$  and Middle Managers $\pm\pm$ .
- 4.2 Determine and approve the remuneration of the Non-Executive Directors (including of the Chair of the Board), subject to the Company's articles of association.
- 4.3 Review and determine the design and appropriateness of all bonus or other performance or retention related incentive plans and all share or other share-based incentive plans in which any Executive Directors and/or Senior Managers $\pm$  are participants and the awards paid or made under them, including by approving new plans and any changes to such plans (subject to shareholder approval where required).

- 4.4 Review and assess the overall reasonableness of any bonus or other performance or retention related incentive plans and any share or other share-based incentive plans in which any Middle Managers $\pm\pm$  are participants and the awards paid or made under them.
- 4.5 Review the Group's workforce policies and practices with a view to ensuring they are consistent with the Company's values and long-term sustainable success.
- 4.6 Approve any termination, compensation, compromise or other payments made to any Executive Directors, Senior Managers $\pm$  or Middle Managers $\pm\pm$  or any other person\* on or in connection with the termination of their employment or engagement.
- 4.7 Approve any new Group pension schemes and any major changes to the Group's pension scheme arrangements\*.

**$\pm$  Senior Managers are the most senior managers below Board level, being the members of the Group Executive Committee.**

**$\pm\pm$  Middle Managers comprise the direct reports to members of the Company's Group Executive Committee.**

**\*in excess of the current threshold level as set out in the latest Board approved Group DAF.**

## **5. INTERNAL CONTROL & RISK MANAGEMENT**

- 5.1 Review and approve the Group's management and control structure, and any major changes to it.
- 5.2 Oversee the Group's operations, and put in place processes, to ensure:
- 5.2.1 competent and prudent management;
  - 5.2.2 thorough and careful planning;
  - 5.2.3 a sound system of internal control and risk management;
  - 5.2.4 adequate accounting and other records; and
  - 5.2.5 compliance with legal and regulatory obligations.
- 5.3 Ensure the aforesaid sound system of internal control and risk management by:
- 5.3.1 receiving reports on, and undertaking an annual assessment of the effectiveness of, the Group's internal controls and risk management systems (including, without limit, on the Group's procedures for the detection of fraud, the prevention of bribery and the safeguarding of the Group's assets);
  - 5.3.2 undertaking an annual robust assessment of the emerging and principal risks facing the Company (including those that would threaten the business model, future performance, solvency or liquidity) and how these are being managed and mitigated; and

- 5.3.3 taking into account the Group's position and principal risks, undertaking of an annual assessment of the Group's prospects, and its ability to continue in operation and meet its liabilities as they fall due over the appropriate assessment period, particularly in respect of the Company's going concern and longer-term viability.
- 5.4 Establish and review policies and procedures to ensure the independence and effectiveness of the internal and external audit functions.
- 5.5 Make recommendations to shareholders on the appointment, reappointment or removal of the external auditor, following the recommendation of the Audit Committee.
- 5.6 Approve the remuneration of the external auditor, subject to shareholder approval as required.
- 5.7 Review and approve the Company's major corporate and Group-wide policies, including:
  - 5.7.1 the Group's health and safety policy;
  - 5.7.2 the Group's sustainability policies (including policies relating to the environment and human and social capital);
  - 5.7.3 the Group's charitable and political donations policy (and the making of any political donations thereunder);
  - 5.7.4 the Group's anti-bribery and corruption policy;
  - 5.7.5 the Group's modern slavery policy (together with any modern slavery statements published thereunder);
  - 5.7.6 the Group's whistle-blowing policy (and the procedures for the workforce to raise concerns in confidence and (if legally permissible) anonymously);
  - 5.7.7 the Group's diversity and inclusion policy; and
  - 5.7.8 the Company's share dealing code.
- 5.8 Review the effectiveness of the Group's whistle-blowing arrangements and reports resulting from the operation of the Group's whistle-blowing policies and procedures and ensure there is appropriate investigation and follow-up action taken in response to such reports.
- 5.9 Approve the overall levels of insurance for the Group and oversee the Group's insurance renewal programme and any major changes thereto.

## **6. FINANCIAL MATTERS**

- 6.1 Review and approve the Company's Annual Report and Accounts, including the Strategic Report, the Corporate Governance Report, the Directors' Report and the Directors' Remuneration Report and satisfy itself on the integrity of financial and narrative statements.

- 6.2 Review and approve the Company's half year and full year financial statements, the half year announcement, any preliminary announcement of results and any interim management statements.
- 6.3 Review and approve the Company's dividend policy and any interim dividend and make recommendations to shareholders on any final dividend.
- 6.4 Approve any significant change in key accounting policies or practices and any change to the Company's accounting reference date.
- 6.5 Review and approve Group financing, banking and treasury policies, including those relating to foreign currency exposure and the use of financial derivatives\*.
- 6.6 Approve new credit facilities to be entered into by any member of the Group, whether syndicated or bilateral, including in the nature of loans or trade instruments\*.
- 6.7 Approve guarantees, indemnities or similar assurances to be given by any member of the Group in respect of any other person's (including another member of the Group's) obligations or liabilities\*.
- 6.8 Approve any debt security programme and authorise the issue of any debt securities, including bonds, debentures, loan notes or other debt instruments thereunder\*.
- 6.9 Approve any non-ordinary course derivative transactions (excluding foreign exchange and fuel derivative which are considered ordinary course).

## **7. CORPORATE ACTIONS, EXPENDITURE, CONTRACTS & DISPUTES**

- 7.1 Approve any company or business acquisition or disposal by any member of the Group\*.
- 7.2 Approve capital expenditure by any member of the Group\*.
- 7.3 Approve bids by any member of the Group for new customer contracts and the renegotiation of existing customer contracts\* and of any bids which are the outside the Group's normal course of business.
- 7.4 Approve goods and/or services contracts entered into by any member of the Group\*.
- 7.5 Approve the prosecution, defence or settlement of litigation, arbitration or mediation (other than insured claims) in which any member of the Group is involved\*.
- 7.6 Approve insurance claims reserves where the cost is for the Group's account\*.

7.7 Approve the fees relating to the provision of professional services or advice by external parties\*.

**\*in excess of the current threshold level(s) as set out in the latest Board approved Group DAF.**

## **8. CORPORATE GOVERNANCE MATTERS**

8.1 Review and approve the Company's overall corporate governance structure and arrangements, having due regard to the Company's strategy, operations and risks and taking into account the 2018 UK Corporate Governance Code (or the code of governance adopted by the Company from time to time) and emerging/best practice.

8.2 Undertake a formal and rigorous review annually of the Board's own performance and that of its Committees and individual Directors (with external facilitation as appropriate).

8.3 Determine the independence or otherwise of Non-Executive Directors.

8.4 Identify, authorise and manage, as appropriate and in consultation with the Nominations Committee, Directors' conflicts of interest.

## **9. SHAREHOLDER, WORKFORCE & STAKEHOLDER ENGAGEMENT**

9.1 Engagement with the Company's shareholders, including consultation with and provision of information to shareholders on appropriate matters, including where there has been a vote of 20% or more against a resolution recommended by the Board to shareholders at any annual or other general meeting.

9.2 Engagement with the Group's workforce, including determining and assessing the effectiveness of the engagement methods and ensuring workforce policies and practices are consistent with the Company's values and support its strategy.

9.3 Understand the views of the Group's key stakeholders, including determining and assessing the effectiveness of the methods for doing so.

9.4 Consider, as part of its decision-making process, the balance of interests between, and the impact of its decisions on, the Company's shareholders, the Group's workforce, the Group's other stakeholders (including national or local transport authorities, customers, suppliers, recognised trade unions and members of the Group's pension schemes) and the community.

9.5 Consider, as part of its decision-making process, the impact of its decisions on the reputation of the Company and otherwise upholding and protecting the reputation of the Company and the Group

- 9.6 Approve all circulars, prospectus, listing particulars and other major documents issued by or on behalf of the Company to actual or potential shareholders (routine or minor documents may be approved by any Executive Director, the Company Secretary or the Director of Public Policy & External Affairs).
- 9.7 Approve all notices, resolutions and other material documentation to put to shareholders at any annual or other general meeting (routine or minor documentation may be approved by any Executive Director or the Company Secretary).

## **10. DELEGATION OF AUTHORITY**

- 10.1 Membership, chairmanship and terms of reference (including amendments to the same) for all Committees of the Board, following relevant input and recommendations from the Nominations Committee.
- 10.2 Receive reports from Board Committees on their activities and how they have discharged their duties and responsibilities, and consider recommendations made by the Committees.
- 10.3 Review and approve the Group Delegated Authorities Framework (the “Group DAF”), pursuant to which the Board may delegate its authority to one or more of the Executive Directors, senior managers or other persons occupying certain positions within the Group in respect of those expenditure, contractual, leasing, treasury, legal, tax, personnel, pensions and other matters set out therein (save that, for the avoidance of doubt, the Board may not delegate its authority for those matters reserved to the Board set out therein).

## **11. OTHER MATTERS**

- 11.1 Take any decision likely to have a material impact or effect on the Company or Group from any perspective, including but not limited to, strategic, operational, financial or reputational.
- 11.2 Consider any other matters put to the Board by any Director or the Company Secretary.
- 11.3 Approve minutes of meetings and other records of decisions of the Board.