

ALLIED MINDS PLC
("Company")

30 January 2015

SCHEDULE OF MATTERS RESERVED FOR THE BOARD¹

1. Definitions

In this schedule:

"CA 2006" refers to the Companies Act 2006;

"DTR" refers to the disclosure and transparency rules of the Financial Conduct Authority;

"LR" refers to the listing rules of the Financial Conduct Authority;

"PR" refers to the prospectus rules of the Financial Conduct Authority;

"UK CGC" refers to the UK Corporate Governance Code, dated September 2014 and published by the Financial Reporting Council; and

references to "Audit", "Nomination" or "Remuneration" are to the relevant board committee which will consider the item and make recommendations to the board for its final decision.

2. Strategy and management

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| 2.1 | Responsibility for the overall leadership of the group and setting its values and standards. | UK CGC A.1 |
| 2.2 | Approval of the group's strategic aims and objectives. | UK CGC A.1 |
| 2.3 | Approval of the annual operating and capital expenditure budgets of the group, and any material changes to them. | |
| 2.4 | Oversight of the group's operations ensuring: | UK CGC C.2 |
| 2.4.1 | competent and prudent management; | |
| 2.4.2 | sound planning; | |
| 2.4.3 | maintenance of sound risk management and internal control systems; | |
| 2.4.4 | adequate accounting and other records; and | |
| 2.4.5 | compliance with statutory and regulatory obligations. | |

¹ Items marked * are not considered suitable for delegation to a committee of the board, for example because of requirements of the Companies Act 2006 or because, under the recommendations of the UK Corporate Governance Code, they are the responsibility of the audit, nomination or remuneration committee, with the final decision required by the board as a whole.

2.5 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. UK CGC A.1

2.6 Extension of the group's activities into new business or geographic areas.

2.7 Any decision to cease to operate all or any material part of the group's business.

3. Structure and capital

3.1 Changes relating to the group's capital structure, including any reduction of capital, share issues (except under employees' share plans) and share buy backs (including the use of treasury shares).

3.2 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 (taking into account initial and deferred consideration) - shareholder approval may also be required in certain circumstances (see memorandum on continuing obligations prepared by DLA Piper LLP dated 22 May 2014).

3.3 Changes to the group's management and control structure.

3.4 Any changes to the Company's listing or its status as a public company.

4. Financial reporting and controls

4.1 *Approval of the half-yearly report, quarterly reports (if any) and any preliminary announcements of final results. UK CGC C.1
Audit
DTR 4

4.2 *Approval of the annual report and accounts, including the corporate governance statement and remuneration report. CA 2006 s414, 419, 419A and s422
DTR4 and 7.2,
LR9.8
UK CGC C.1
Audit

4.3 *Approval of the dividend policy.

4.4 *Declaration of the interim dividend and recommendation of the final dividend¹. LR 9.7 A.2,
DTR 6.1.13

4.5 *Approval of any significant changes in accounting policies or practices. Audit

UK CGC C.1 and
C3

4.6 Approval of treasury policies, including foreign currency exposure and the use of financial derivatives.

5. Internal controls	UK CGC C.2, C.2.1 and C.2.3 Audit
Ensuring maintenance of a sound system of internal control and risk management including:	
5.1	approving the group's risk appetite and principal risks statements;
5.2	receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives;
5.3	approving procedures for the detection of fraud and the prevention of bribery;
5.4	undertaking an annual assessment of these processes; and
5.5	approving an appropriate statement for inclusion in the annual report.
6. Contracts	
6.1	Approval of major capital projects and oversight over execution and delivery.
6.2	Contracts which are material strategically or by reason of size, entered into by the Company or any subsidiary in the ordinary course of business, for example material bank borrowings and material acquisitions or disposals of fixed assets (including intangible assets such as intellectual property).
6.3	Contracts of the Company or any subsidiary not in the ordinary course of business, for example material loans and repayments, material foreign currency transactions, and major acquisitions or disposals.
6.4	Major investments including the acquisition or disposal of interests of more than three per cent in the voting shares of any company or the making of any takeover offer. DTR 5
7. Communication	
7.1	Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives. UK CGC E1
7.2	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting. LR 13.3.1
7.3	*Approval of all circulars and prospectuses (approval of routine documents such as periodic circulars about scrip dividend procedures or exercise of conversion rights could be delegated to a committee). LR 13.3.1, PR 5.5
7.4	*Approval of press releases concerning matters decided by the board.

8. Board membership and other appointments

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| 8.1 | *Changes to the structure, size and composition of the board, following recommendations from the Nomination committee. | Nomination
UK CGC B.1 |
| 8.2 | *Ensuring adequate succession planning for the board and senior management so as to maintain an appropriate balance of skills and experience within the group and on the board. | UK CGC B.2, B.7 |
| 8.3 | *Appointments to the board, following recommendations by the Nomination committee. | CA 2006 s154
Nomination
UK CGC B.2.1 |
| 8.4 | *Selection of the chairman of the board and the chief executive. | Nomination |
| 8.5 | *Appointment of the senior independent director to provide a sounding board for the chairman and to serve as intermediary for the other directors when necessary. | UK CGC A.4.1
Nomination |
| 8.6 | *Membership and chairmanship of board committees following recommendations from the Nomination committee. | Nomination |
| 8.7 | *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 |
| 8.8 | *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 any relevant legal requirements and his/her service contract). | Nomination |
| 8.9 | *Appointment or removal of the Company secretary. | CA 2006 ss271-274
UK CGC B.5.2 |
| 8.10 | *Appointment, re-appointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the Audit committee. | CA 2006 s489 and s491
UK CGC C.3.2
Audit |
| 8.11 | Appointments to boards of subsidiaries. | |

9. Remuneration

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| 9.1 | *Determining the remuneration policy for the directors, Company secretary and other senior executives. | Remuneration
UK CGC D.2 |
| 9.2 | Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval, as appropriate. | UK CGC D.2.3 |

9.3	*The introduction of new share incentive plans, or major changes to existing plans, to be put to shareholders for approval.	Remuneration LR 9.4.1
10.	Delegation of authority	
10.1	*The division of responsibilities between the chairman of the board, the chief executive and other executive directors, which should be clearly established, set out in writing and agreed by the board.	UK CGC A.2.1
10.2	Approval of the delegated levels of authority, including the chief executive's authority limits (which must be in writing).	
10.3	*Establishing board committees and approving their terms of reference, and approving material changes thereto.	UK CGC B.2.1, C.3.1, D.2.1
10.4	*Receiving reports from board committees on their activities.	
11.	Corporate governance matters	
11.1	*Undertaking a formal and rigorous review annually of the board's performance, that of its committees and individual directors and the division of responsibilities.	UK CGC B.6
11.2	*Determining the independence of non-executive directors in the light of their character, judgment and relationships.	UK CGC B.1.1
11.3	*Considering the balance of interests between shareholders, employees, customers and the community.	
11.4	*Considering and, if appropriate, authorising directors' conflicts of interest (other than conflicts arising in relation to a transaction or arrangement with the Company).	CA 2006 s175
11.5	Review of the group's overall corporate governance arrangements.	
11.6	*Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the board as a whole.	UK CGC E.1.1
12.	Policies	UK CGC A.1
	Approval of policies, including, if applicable:	
12.1	Code of Conduct;	
12.2	Share dealing code;	
12.3	Bribery prevention policy;	
12.4	Whistleblowing policy;	
12.5	Health and safety policy;	

- 12.6 Environment and sustainability policy;
- 12.7 Human resources policy;
- 12.8 Communications policy, including procedures for the release of price-sensitive information;
- 12.9 Corporate social responsibility policy; and
- 12.10 Charitable donations policy.

13. Other

- 13.1 Disclosure of directors' interests in proposed or existing transactions or arrangements with the Company. CA 2006 s177/182
- 13.2 The making of political donations. Note that prior shareholder approval is also required.
- 13.3 Approval of the appointment of the group's principal professional advisers.
- 13.4 Prosecution, commencement, defence or settlement of litigation or an alternative dispute resolution mechanism being material to the interests of the group.
- 13.5 Approval of the overall levels of insurance for the group, including directors' and officers' liability insurance and indemnification of directors. UK CGC A.1.3
- 13.6 Major changes to the rules of the group's pension scheme, changes of trustees or, when subject to the approval of the Company, changes in the fund management arrangements.
- 13.7 Any decision likely to have a material impact on the group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
- 13.8 This schedule of matters reserved for board decisions.

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.