

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

1. Strategy and Management, including matters normally recurring annually

Responsibility for the overall management and review of the performance of the group including approval of:

- the group's annual Strategic Plan.
- The group's long term objectives and commercial strategy.
- the group's annual Operating Budget which shall include R&D and capital investment plans and, where necessary, financing plans for the year.
- the levels of authority for executive directors and senior executives and line managers.
- the annual review of the effectiveness of the group's system of internal control including financial, operational and compliance controls and risk management.
- the Company's interim and final financial statements including the Chairman's statement and related announcements.
- the Company's Annual Report and Accounts.
- the interim dividend and recommendation of the final dividend.
- The appointment, reappointment and removal of the external auditors, to be put to shareholders for approval, following the recommendation of the Audit Committee.
- the resolutions to be placed before shareholders at an annual or general meeting, including any approval to be sought for the report of the remuneration, audit and nomination committees.
- The appointment of the group's principal professional advisers.

2. Corporate policies

Approval of:

- the group's strategic policies.
- any significant change in accounting policies or practices.
- the group's treasury policies.
- the group's dividend policy
- the group's risk management policy, with particular regard to non-insured risk.

- the group's charities and political donations policies.
- the group's corporate social responsibility policy
- the group's environmental policy.
- the group's health and safety policy.
- the group's Insider Trading Code and rules governing the release of inside information.
- the group's ethics policy.
- the group's whistle blowing policy.
- the group's Hospitality and Gift policy.
- the group's Conflicts of Interest policy

3. Corporate and administrative matters

Approval of:

- the size, structure and composition of the Board, following recommendations from the Nomination Committee.
- the succession planning for the Board and senior management.
- the appointment, removal or suspension of all directors (except where delegated to a Committee of the Board), including their terms of engagement or compensation, if any, on termination.
- the selection of the Chairman of the Board and the Chief Executive.
- the membership and chairmanship of Board Committees.
- the appointment of the Senior Independent Director
- the appointment and removal of the company secretary.
- terms of reference of the Board, Committees or directors and any changes to those terms of reference.
- any material change in the rules of a Company/subsidiary pension scheme, where a group Company contributes as an employer or maintains a financial liability. Any changes in the Company's/subsidiary trustee representatives of any such schemes or other trusts.
- the Company's listing status and any changes to that status.
- any changes in or use of the Company's share capital, excluding allotments of shares approved by the Board's Allotment Committee.

- all Stock Exchange circulars, listing particulars and other similar Stock Exchange documentation save for routine compliance announcements.
- charge or giving of security over the group's assets or the acceptance of any restrictive covenants.
- major organisational changes at company level.
- the establishment of a permanent presence in any new country (i.e. a legal entity, including a company or branch but not a project or sales office).
- the establishment of an additional legal presence in an existing country where the level of liability or risk of the group may be significantly increased.
- the general remuneration policy, including but not limited to non-commission incentive based compensation and options, and the approval of overall limits for the granting of share options.
- the launch of, and major changes to, the Company's share option schemes and equity partnership plans.

4. Financial matters

Approval of:

- acquisitions of undertakings, businesses or trade investments for a consideration of more than £2.0m.
- the disposal of a business or withdrawal from an activity or sale of an asset involving liquidation cost, potential liability or sales proceeds in excess of £2.0m.
- any joint venture with a third party requiring an investment of, or assuming a potential liability or risk, in excess of £2.0m.
- capital projects with an expenditure greater than £5.0m (if leased the total lease commitment being greater than £5.0m).
- group or subsidiary funded R&D projects with estimated costs greater than £5.0m.
- any goodwill write-off (on and off balance sheet) relating to subsidiary company activities.
- the acquisition of freehold property.
- the disposal of freehold property with value exceeding £2m
- property leases with rentals costing in excess of £5.0m to the first break point.
- entering into of contracts not in the ordinary course of business with a total financial commitment in excess of £500k.

- sales contracts with a value in excess of £100.0m over the expected life of the contract.
- sales contracts with a proposed limit of liability exceeding £100.0m.
- any matter, including the initiation/defence of major litigation, where legal costs are expected to exceed £500k or the matter has a value greater than £5.0m (excludes routine contract matters).
- any settlement of commercial disputes or litigation proceedings involving payments by the Group (damages, costs etc.) in excess of £2.0m.
- any additional investment in the share capital of any subsidiary or associate which will result in an increase in net debt in excess of £5.0m.
- any loan to a third party in excess of £250k.
- any commitments to fund commercial contracts with capital or WIP requirements in excess of £10m (including DBFO or outsource contracts).
- any establishment, or extension of, or material change of the Company's (including its subsidiaries) principal banking facilities in excess of £10.0m.
- any open ended funding commitments for any purpose.
- the issuing of bank bonds and guarantees with a value in excess of £5.0m
- recruitment, salary reviews and changes to the conditions of employment and terms on contract termination of all plc directors, staff reporting directly to the group chief executive, all other staff whose base salary exceeds (or will exceed as a result of a proposed review) £225k per annum (or equivalent if the employment is outside of the UK. Approval is by Remuneration Committee.

5. Dealing with urgent matters between scheduled board meetings

Where urgent matters require to be dealt with between scheduled Board meetings, any one of the Chairman, Group Chief Executive or Chief Financial & Operations Officer shall circulate to each member of the Board, a detailed summary of the matter to be considered (including, if appropriate, draft or written resolution(s) to be considered) at the meeting, whether physical or by video or telephone, at which a quorum of the Board shall be present. Where possible communication to Board members should be made through the Company Secretary, who shall be responsible for ensuring all efforts are made to ensure that the views of individual Board members, who are not in attendance, are represented at the Board meeting.

In all classes, such a procedure shall balance the need for urgency with the overriding principle that each director shall be given as much information as possible and have an opportunity to discuss the matter with other members of the Board prior to the commitment of the Company. Only in exceptional circumstances should less than 72 hours notice be given.