

RATHBONES

RATHBONES GROUP PLC (the “Company”)

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

1. Purpose

- 1.1 The primary role of the Board is to provide leadership and ensure the Company is appropriately managed to deliver long-term shareholder value and contribute to wider society.
- 1.2 To set the strategy and risk appetite for the Company and its subsidiaries.
- 1.3 To set and provide oversight of the Company’s culture to be in line with the values and strategy of the organisation.
- 1.4 The Board has delegated full authority to the Chief Executive and Group Executive Committee (“GEC”) for the running of the business and responsibility for day to day risk management subject to the list of matters below which are reserved for decision by the full board. The Board carries the ultimate responsibility for the management of the Company’s business.

2. Setting and Monitoring Strategy

- 2.1 Responsibility for the overall direction and oversight of the Company’s management, including setting the values and determining the risks it is willing to take to achieve its strategic objectives.
- 2.2 Approval of the Group’s strategic objectives and supporting business plans to achieve these goals.
- 2.3 Review of performance in the light of the Group’s strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 2.4 Review and approve major organisational changes including:
 - Closure or expansion programmes relating to 5% or more of the business;
 - The commitment to, or termination of, major co-operative or joint venture agreements;
 - Any decision to enter into a new major area of business;
 - Significant changes to client charges.
- 2.5 Oversight of the Group’s operations ensuring:
 - Competent and prudent management with appropriate succession planning;
 - Sound planning and risk management;
 - An effective system of internal control;
 - Ensuring high standards of ethics and client relationships;
 - Compliance with legal, statutory and regulatory obligations;
 - Effective financial and human resources systems.
- 2.6 Ensure the preservation of the goodwill of the Company, its reputation in the market place and relations with the public, shareholders, clients and suppliers.

3. Transactions

- 3.1 Transactions meeting the following criteria will be reviewed by the Group Risk Committee who will make a recommendation to the board:
 - The purchase of an equity stake in another business;
 - The sale of an equity stake in a subsidiary entity;

- Any transaction involving the issue of Rathbone Brothers Plc shares;
- Any acquisition where the target has been subject to regulatory investigation and or enforcement action in the last 5 years;
- Any potential acquisition of a business where over 10% of its revenue is not generated by discretionary investment management;
- Any Class 1 transaction as defined by the Listing Rules, published by the Financial Conduct Authority;
- Any Related party transactions as defined by the Listing Rules, published by the Financial Conduct Authority.

4. Material Expenditure

- 4.1 Approval of major financial commitments in excess of £1 million including:
- All capital expenditure;
 - New revenue expenditure involving contracts exceeding 12 months;
 - Contracts of the company or any subsidiary **not** in the ordinary course of business.

5. Oversight of Risk Management, Regulatory Compliance and Internal Controls

- 5.1 Ensuring sound and effective internal control and risk management systems with an oversight process that operates across the Company including:
- Receiving reports on, and reviewing the effectiveness of, the Company's risk and control processes;
 - Reviewing the risk appetite to support the Company's strategy and objectives;
 - Approval of the Company's risk appetite and any changes by the GEC to the risk management framework, including the 3 lines of defence model;
 - Undertaking an annual assessment of these processes;
 - Approving an appropriate statement for inclusion in the annual report;
 - Approval of procedures for the prevention of bribery and money laundering;
 - Oversight of the Company's management of conduct risk.

6. Structure and Capital

- 6.1 Changes relating to the Company's capital structure including reduction of capital, share issues (except under employee share plans) and share buy backs.
- 6.2 Distributions to shareholders by way of dividend or otherwise.
- 6.3 Changes to the group's management and control structure.
- 6.4 Changes to the Company's listing and significant changes relating to the debt structure or its status as a plc.
- 6.5 Approval, for submission to the Financial Conduct Authority, of the Company's Internal Capital Adequacy Assessment Process (ICAAP) document.
- 6.6 Approval of the Company's Recovery and Resolutions plans.

7. Remuneration

- 7.1 Principles and practices to be adopted in the payment of salaries, staff bonuses, pensions and other emoluments and benefits to employees.
- 7.2 Approval, on the recommendation of the Remuneration Committee, of the Company's framework for determining the remuneration policy.
- 7.3 Approval of the compensation for the Non-Executive Directors.
- 7.4 Approval to the change in remuneration of executive directors and their direct reports having regard to recommendations of the Remuneration Committee.

- 7.5 Approval of new share incentive plans or material changes to existing plans prior to submission to shareholders for approval (if required).
- 7.6 Approval of any material changes to the Company's pension arrangements.
- 7.7 Approval of the annual objectives for each individual executive director, on the recommendation of the Remuneration Committee.

8. Governance

- 8.1 Appointment and removal of Directors.
- 8.2 Appointment of the Chairman, Chief Executive and Senior Independent Director.
- 8.3 Approval of the division of responsibilities between the Chairman and Chief Executive.
- 8.4 Changes to the size and composition of the board and arrangements for the promotion, transfer and succession of directors having regard to recommendations of the nomination committee.
- 8.5 Appointment and removal of the Group Risk Officer and Company Secretary.
- 8.6 The appointment of board committees, where decisions are required between board meetings.
- 8.7 The constitution of standing board committees including approval of their terms of reference and membership.
- 8.8 Arrangements for the holding of the annual general meeting and other meetings of the company.
- 8.9 Review of actual and potential conflicts of interests of directors following recommendation from the Nomination Committee.
- 8.10 Annual review of the performance of the board.
- 8.11 Reviewing and determining the independence of directors.
- 8.12 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.

9. Finance

- 9.1 Approval of the annual revenue and capital expenditure budgets.
- 9.2 Approval, after review of the Audit Committee, of the preliminary announcement of the year end results, the annual report and accounts, the half year interim statement and quarterly interim management statements.
- 9.3 Approval of non-routine market announcements and presentations to analysts, where practical.
- 9.4 Approval of the publication of the annual Pillar 3 disclosures report.
- 9.5 Approval of the dividend policy.
- 9.6 Approval of any significant changes in accounting policies or practices.

10. Culture

- 10.1 To set and provide oversight of the Company's culture and assess it on a periodical basis.
- 10.2 Provide oversight of workforce policies and practises to ensure they are consistent with the Company's values and its long term sustainability. Also, to review periodically workforce reports submitted to the board.

11. Regulation

- 11.1 Approval of returns to regulatory bodies where board approval is a regulatory requirement.

12. Communication

- 12.1 Approval of all circulars, prospectuses and listing particulars to shareholders.
- 12.2 Approval of resolutions and documentation to be put forward to shareholders at a general meeting.
- 12.3 Approval of regulatory press releases concerning matters decided by the Board.

13. Other

- 13.1 Approval of the instigation or defence of, or appeal against the outcome of any legal, arbitration, regulatory or other proceedings that are material or not in the ordinary course of business.
- 13.2 Approval of major decisions taken in respect of those legal proceedings.
- 13.3 The making of political donations.
- 13.4 Appointment and removal of key advisers and service providers to the Company including the auditors, registrars, stockbrokers, corporate advisers and principal legal advisers.
- 13.5 Authorisation of directors' conflicts of interest.
- 13.6 Approval of this schedule of matters reserved for Board decisions.
- 13.7 Matters which the Board considers suitable for delegation are contained in the terms of reference of its committees.
- 13.8 To monitor the Company's whistleblowing mechanism and review all whistleblowing reports.

14. Matters requiring urgent action

- 14.1 In exceptional circumstances where urgent action is required, the Chief Executive is authorised, after consultation with the Chairman and Senior Independent Director (or in their absence other non-executive directors), to take all necessary and appropriate action. A formal report will then be submitted to the board.

This document was approved by the Rathbones Group Plc board on 4 December 2018.