

TELFORD HOMES PLC

MATTERS RESERVED FOR THE BOARD

- 1 Management Structure and Appointment**
 - 1.1 Senior management responsibilities
 - 1.2 Board and other senior management appointments or removals
 - 1.3 Board and senior management succession, training, development and appraisal
 - 1.4 Appointment or removal of company secretary
 - 1.5 Appointment or removal of internal auditor
 - 1.6 Remuneration, contracts, grants of options and incentive arrangements for senior management
 - 1.7 Delegation of the board's powers
 - 1.8 Agreeing membership and terms of reference of board committees and task forces
 - 1.9 Establishment of managerial authority limit for smaller transactions
 - 1.10 Matters referred to the board by board committees
- 2 Strategic/Policy Considerations**
 - 2.1 Business strategy
 - 2.2 Diversification/retrenchment policy
 - 2.3 Specific risk management policies including insurance, hedging, borrowing limits, corporate security
 - 2.4 Agreement of codes of ethics and business controls
 - 2.5 Receipt and review of regular reports on internal controls
 - 2.6 Annual assessment of significant risks, risk appetite and effectiveness of internal controls
 - 2.7 Calling of shareholders' meetings
 - 2.8 Avoidance of wrongful or fraudulent trading
- 3 Transactions**
 - 3.1 Acquisitions and disposals of subsidiaries or other assets or liabilities over, say, 5 per cent of net assets/profits
 - 3.2 Investment and capital projects over a similar level
 - 3.3 Substantial commitments including:
 - (a) pension funding
 - (b) contracts in excess of one year's duration
 - (c) giving security over significant group assets (including mortgages and charges over the group's property)
 - 3.4 Contracts not in the ordinary course of business
 - 3.5 Actions or transactions where there may be doubt over propriety

- 3.6 Approval of certain announcements, prospectuses, circulars and similar documents
- 3.7 Disclosure of directors' interests
- 3.8 Transactions with directors or other related parties
- 4 **Finance**
- 4.1 Raising new capital and confirmation of major financing facilities
- 4.2 Treasury policies including foreign currency and interest rate exposure
- 4.3 Discussion of any proposed qualification to the accounts
- 4.4 Final approval of annual and interim reports and accounts and accounting policies
- 4.5 Appointment/proposal of auditors
- 4.6 Charitable and political donations
- 4.7 Approval and recommendation of dividends
- 4.8 Approval before each year starts of operating budgets for the year and periodic review during the year
- 5 **General**
- 5.1 Governance of company pension schemes and appointment of company nominees as trustees
- 5.2 Allotment, calls or forfeiture of shares

Approved by the Board 31 March 2018