

**INTERNATIONAL PERSONAL FINANCE plc**  
**(Company No. 60189733)**

**MATTERS RESERVED FOR DECISION BY THE BOARD**

- Pursuant to Article 93 of the Company's articles of association (the "Articles"), subject to the provisions of the Articles, the Board of Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.
- Definitions used are as follows:
  - the "Company" refers to International Personal Finance plc; and
  - the "Group" refers to International Personal Finance plc and its subsidiaries and associates from time to time.
- The Board controls the business but delegates day to day responsibility to the Chief Executive Officer ("CEO"). There are, however, a number of matters which are required to be, or, in the best interests of the Group should be, decided by the Board of Directors. These are known as the matters reserved to the Board.
- Any matters which are not set out in this Schedule, nor in the terms of reference of a relevant Committee of the Board, are deemed to have been delegated to the CEO. The CEO may delegate powers relating to these matters to such persons or committees, by such means and on such terms and conditions as he or she thinks fit.

The following matters are reserved to the Board and include, but are not limited to, the items set out below. Pursuant to Article 106 of the Company's Articles, the Board has power to delegate any of them to a committee of the Board.

**1. Strategy**

- a) Responsibility for promoting the long-term sustainable success of the Group, generating value for shareholders and contributing to wider society.
- b) Responsibility for establishing the Group's purpose, values and culture.
- c) Assessing and monitoring the culture, setting the tone at the top and ensuring the culture is aligned with the Group's purpose, values and strategy.
- d) Approval of strategic plans and strategic objectives for the Group and determining the nature and extent of the significant risks it is willing to take to achieve its strategic objectives, as proposed by the CEO.
- e) Responding to any takeover or merger approach.

**2. Management and Oversight of the Group**

- a) Oversight of the Group's operational and financial performance in the light of the Group's strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- b) Receiving an annual report from the Chief Human Resources Officer on the Group's People Strategy.
- c) Receiving an annual report from the Chief Information Officer on the Group's Technology Strategy.
- d) Receiving an annual Health and Safety report from the Health & Safety Manager.

- e) Approval of the extension of the Group's activities into new countries and/or any material change in the business carried on by a company within the Group, including new activities where annual revenues or assets are expected to exceed £3,000,000 and including any decision to cease to operate any material part of the Group's business.
- f) Approval of the commencement of the winding up of any subsidiary company which is insolvent.
- g) Review of any matter which may have a material effect on the Group including but not limited to the Group's financial or strategic position, reputation or share price.
- h) Oversight of major public policy, regulatory and compliance issues including matters which would have a significant impact on the Group's reputation.

### **3. Structure and Capital**

- a) Approval of changes relating to the Company's capital structure including reduction of capital, share issues (except under employee share plans), share buybacks, major debt financing and the use of treasury shares.
- b) Approval of reduction of capital, share issues (except under employee share plans) and share buy backs.
- c) Approval of the target capital structure for the Group as measured by the equity to receivables ratio or other relevant measure, and any changes to target capital structure.
- d) Approval of the issue of any bonds, notes or other debt securities by the Company or the Group.
- e) Approval of any major restructuring or reorganisation of the Group.
- f) Any changes to the Company's listing or its status as a plc.
- g) Approval of any proposed alteration to the Articles of Association of the Company, **subject to shareholder approval**.
- h) Review and approval of the Group Capital Management Policy.

### **4. Finance**

- a) Approval of the Group Annual Budget (including capital expenditure) and any changes which result in an increase in aggregate expenditure.
- b) Approval of the annual report and accounts, the declaration of results for the year and half-year and the written Stock Exchange announcements of those results.
- c) Approval of the quarterly trading updates and, in circumstances where it is possible to seek Board approval without causing delay in the publication of inside information contrary to the requirements of the Market Abuse Regulation, any other Stock Exchange announcement the content of which amounts to a profits warning. For these purposes, in relation to a profits warning, the Chair or, in his/her absence, the Senior Independent Director, shall be authorised to give approval on the Board's behalf.
- d) Approval of, and changes to, the Dividend Policy.
- e) Declaration of any interim or special dividend and recommendation of the final dividend **for shareholder approval**.
- f) Approval of any significant changes in accounting policies and changes to the calculation methodology in respect of revenue and impairment.

- g) Approval of the Group's Tax and Treasury Strategies, including the Annual Debt Funding Plan.
- h) Approval of the Group Treasury policy and any amendments – covering overall risk management approach; Funding policy including funding plans in the annual budget; Interest Rate Risk Management policy including hedging parameters and approved instruments; Currency Risk Management Policy on cash-flow, net asset, and income statement, including hedging parameters and approved instruments; and Counterparty Risk Management Policy including exposure parameters.
- i) Approval of tax planning proposals which involve the establishment of new Group companies/branches, or the transfer of existing companies or businesses around the Group, and in respect of which tax efficiencies are expected to arise.

## **5. Risk management, internal control and audit**

- a) Oversight of the Group's risk management and internal control systems.
- b) Approval of any statement as to the Group's risk appetite, including that set out in the annual report and accounts, on the recommendation of the Audit and Risk Committee.
- c) Assessment of the Company's emerging and principal risks, mitigation activities in respect of the same and the process to identify future emerging risks.
- d) Review, on an at least annual basis, the effectiveness of the Group's risk management and internal control processes to support its strategy.
- e) Approval of the appointment, reappointment, or removal of the external auditor of the Company, **for shareholder approval**, following the recommendation of the Audit & Risk Committee.

## **6. Communications**

- a) Approval of resolutions and corresponding documentation to be put to shareholders at a general meeting.
- b) Approval of circulars, prospectuses and listing particulars.
- c) Ensuring a satisfactory dialogue with shareholders and that the Board understands the views of its shareholders.

## **7. Transactions**

- a) Approval of acquisitions and disposals of businesses, undertakings or shares (of or by the Company or its subsidiaries) where the gross assets or the consideration exceeds £3,000,000 (excluding such acquisitions or disposals between companies within the Group) and including linked acquisitions or disposals where the aggregate gross assets or consideration exceeds £3,000,000.
- b) Approval of any contract for the sale or supply of goods, products or services to or by the Company or its subsidiaries (including the sale of any customer receivables) where the total consideration or, in relation to renewable contracts, the anticipated consideration for the expected term of the contract, exceeds £7,000,000 or where the aggregate consideration for one or more linked contracts exceeds £7,000,000 over the lifetime of the project.

- c) Approval of capital expenditure (including linked projects and IT capital expenditure) with aggregate anticipated expenditure in excess of £3,000,000 (whether or not included in the budget) over the lifetime of the project.
- d) Approval of prosecution, commencement, defence or settlement of litigation or an alternative dispute resolution mechanism involving above £3,000,000 or where there is reasonable expectation of significant reputational or financial impact.
- e) Approval of any borrowing/facility agreements that fall outside the usual course of business.

## **8. Remuneration**

- a) On the recommendation of the Remuneration Committee:
  - a. Determining the Company's Remuneration Policy to be put to **shareholders for approval**.
  - b. Approval of the introduction of new employee share schemes and major changes to existing employee share schemes **for shareholder approval**.
- b) Determination of the remuneration of Non-Executive Directors of the Company (excluding the Chair) on the recommendation of the Chair and the Executive Directors.
- c) Approval of new Group pension arrangements and major changes to the contribution and benefit structures of existing Group pension arrangements.
- d) Approval of loans (of up to £10,000 or as otherwise permitted by law) to Board directors and any contracts with directors of subsidiary companies.

## **9. Corporate Governance**

- a) Approval of any changes to the structure, size and composition of the Board following a recommendation from the Nominations and Governance Committee.
- b) Approving the appointment of the: (i) Chair of the Board (ii) Senior Independent Director (iii) the CEO (iv) Directors (v) Executives (vi) the Company Secretary; (vii) the Head of Group Internal Audit following a recommendation from the Nominations and Governance Committee (and the Audit and Risk Committee in the case of the Head of Group Internal Audit).
- c) Approving the dismissal of any individual undertaking any of the roles set out in Paragraph 9(b).
- d) Determining the independence of directors.
- e) Approval of the establishment of any Board Committees and their terms of reference following approval by the respective Committees.
- f) Approval of membership and chairing of Board Committees, ensuring an appropriate balance of skills and experience within Board Committees, as recommended by the Nominations and Governance Committee.
- g) Ensuring adequate succession planning for the Board and Executives so as to maintain an appropriate balance of skills and experience within the Group.
- h) Authorisation of Board directors' conflicts of interest, in accordance with the Company's Articles.
- i) Approval of the annual evaluation of the Board, its Committees and directors, including ensuring an external evaluation is held at least once every three years.

Review the results of the annual effectiveness reviews and confirm whether the performance of the Board, its Committees and its directors continues to be effective.

- j) Approval of changes to this schedule of matters reserved for the Board after review by Nominations and Governance Committee.
- k) Review of the Group's overall corporate governance arrangements including whether the Company's Memorandum and Articles of Association are fit for purpose.
- l) Approval of any donations to registered parties (namely parties registered under Part 2 of the Political Parties, Elections and Referendums Act 2000).
- m) Approval of any material charitable donations by the Group.
- n) Approval of the Share Dealing Policy.
- o) Approval of the Signing Policy and Delegated Authorities.

#### **10. Environmental, Social and Governance (ESG) Matters**

- a) Oversight in relation to the Group's ESG strategy.
- b) Ensuring methods are in place to enable adequate engagement between the Board and the Group's workforce.
- c) Considering the balance of interests between shareholders, colleagues, and other stakeholders, including customers, suppliers, the community, regulators and governments.
- d) Review and approve the content of the Group's sustainability reporting, including but not limited to the annual Sustainability disclosures, following approval by the Board Audit & Risk Committee.
- e) Oversee progress against the Group's goals and targets for addressing climate related risks and opportunities.
- f) Review and approval of the Group's Modern Slavery Act Statement.
- g) Review and approval of the Human Rights Policy.
- h) Review and approval of the Sustainability Policy.