

MATTERS RESERVED TO THE ALUMASC GROUP PLC BOARD OF DIRECTORS

In fulfilling its general responsibility for the leadership, direction and supervision of the group, the Board specifically reserves the following matters for consideration and decision by itself. Where matters are delegated, whether to the executive management, Committees of the Board or elsewhere, the Board ultimately retains responsibility for such matters.

1. Strategy and Management

- 1.1. Overall leadership of the company and setting the company's values and standards and ensuring that its obligations to its shareholders and others are understood and met. (*CGC A.1*)
- 1.2. Setting the company's strategic aims and ensuring that the necessary financial and human resources are in place for the company to meet its objectives. (*CGC A.1 & CGC A.4*)
- 1.3. Oversight of the group's operations ensuring:
 - competent and prudent management;
 - sound planning;
 - maintenance of sound management and internal control systems;
 - adequate accounting and other records; and
 - compliance with statutory and regulatory obligations.
- 1.4. 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. (*CGC A.1*)
- 1.5. Extension of the group's activities into new business or geographic areas.
- 1.6. Decisions to cease to operate all or any material part of the group's business.

2. Corporate Structure, Capital structure, acquisition and disposals

- 2.1. Changes relating to the group's capital structure including reduction of capital, share issues (except under employee share plans), share buy backs.
- 2.2. All changes to the group's corporate structure, including, formation, purchase or sale of businesses, companies, joint ventures or partnerships.
- 2.3. Changes to the group's management and control structure.
- 2.4. Any changes to the company's listing or its status as a plc.

3. Financial reporting and controls

- 3.1. Approval of the half-yearly report, interim management statements and any preliminary announcement of the final results. (*CGC C.1, DTR 4, Audit*)

- 3.2. Approval of the annual report and accounts, including the corporate governance statement and directors' remuneration report. (*LR 9.8, DTR 4, CGC C.1, Audit*)
- 3.3. Approval of the dividend policy.
- 3.4. Declaration of the interim dividend and recommendation of the final dividend. (*LR 9.7A, DTR 6.1.13*)
- 3.5. Approval of any significant changes in accounting policies or practices. (*Audit*)
- 3.6. Review and approval of the annual group budgets and any changes made to them.

4. Internal controls

- 4.1. Ensuring maintenance of a sound system of internal control and risk management including:
 - Considering and defining risk appetite for major strategic decisions and/or material contracts in a group context;
 - Receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives;
 - Approving procedures for the detection of fraud and the prevention of bribery;
 - Undertaking an annual assessment of these processes; and
 - Approving an appropriate statement for inclusion in the annual report.(*CGC C.2, C.2.1, Audit*)

5. Contracts, Capital Expenditure and Corporate Treasury

- 5.1. Approval of contracts which are material to the group strategically or by reason of size, entered into anywhere in the group, in the ordinary course of business, for example major construction contracts.
- 5.2. Approval of all contracts of the company or any Operating Company not in the ordinary course of business.
- 5.3. The Board is to be kept informed as to major capital expenditure proposals as they arise, in order to give time for considered comment before commitment of capital expenditure.
- 5.4. Approval of individual capital projects with a value of £250k or more, and all amounts above agreed budgets.
- 5.5. All significant Group borrowing facilities, major changes thereto and changes to hedging and treasury policies or limits to be referred to the Board for approval.
- 5.6. The charging of any asset or issuance of a parent company guarantee.
- 5.7. Major investments including the acquisition or disposal of interests of more than 3 percent in the voting shares of any company or the making of any takeover offer.

6. Communication

- 6.1. Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives. (*LR 13*)

- 6.2. Results and price sensitive announcements to be approved by the Board or where necessary for announcements where time is of the essence by a Disclosure Committee of the board. This includes approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting and approval of all circulars and listing particulars.
- 6.3. Approval of all circulars, prospectuses and listing particulars. Approval of routine documents such as (but not limited to) periodic circulars about PDMR share dealings, share scheme awards are delegated to the disclosure committee. *(LR 13, PR 5.5)*
- 6.4. Approval of press releases concerning matters decided by the board.

7. Board membership and other appointments

- 7.1. Changes to the structure, size and composition of the Board, following recommendations from the nomination committee. *(Nomination)*
- 7.2. Ensuring adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills and experience within the company and on the board. *(CGC B.2, B.7)*
- 7.3. Appointments to the Board, following recommendations by the nomination committee. *(Nomination)*
- 7.4. Selection of the Chairman of the Board and of the Chief Executive. *(Nomination)*
- 7.5. 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. *(CGC A.4.1, Nomination)*
- 7.6. Membership and Chairmanship of the Board committees following recommendations from the nomination committee. *(Nomination)*
- 7.7. 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)*
- 7.8. 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 the law and their service contract. *(Nomination)*
- 7.9. Appointment or removal of the Company Secretary. *(CGC B.5.2)*
- 7.10. Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the audit committee. *(CGC C.3.6, Audit)*
- 7.11. Approval is required for the appointment of someone other than the Chief Executive to be Chairman of an operating business.

8. Remuneration

- 8.1. Determining the remuneration policy for the directors, company secretary and other senior management. *(Remuneration)*

- 8.2. Determining targets for long-term bonuses or incentives for Group Directors requires Board approval. (*Remuneration*)
- 8.3. The Board determines the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate. (*CGC D.2.3*)
- 8.4. The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval. (*Remuneration*)

9. Delegation of authority

- 9.1. Subject to those matters reserved to the Board, the Chairman shall be responsible for leadership of the Board, ensuring its effectiveness and setting its agenda. The Executive Directors, under the leadership of the Chief Executive, shall be responsible for the day to day management of the group's business. (*CGC A.2.1*)
- 9.2. Approval changes to the delegated levels of authority set within this document.
- 9.3. Establishing board committees and approving their terms of reference, and approving material changes thereto. Board committees should report significant matters arising to the full Board. (*CGC D.2.1, B.2.1, C.3.1*)

10. Corporate Governance Matters

- 10.1. Undertaking a formal and rigorous review annually of its own performance, that of its committees and individual directors, and the division of responsibilities. (*CGC B.6*)
- 10.2. Determining the independence of non-executive directors in light of their character, judgements and relationships. (*CGC B.1.1*)
- 10.3. Considering the balance of interests between shareholders, employees, customers and the community.
- 10.4. Review the group's overall corporate governance arrangements.
- 10.5. Receiving reports on the views of the company's shareholders to ensure that they are communicated to the board as a whole. (*CGC E.1.1*)
- 10.6. Authorising conflicts of interest where permitted by the Company's articles of association.

11. Policies

- 11.1. Approval of policies, including (but not restricted to):
 - Code of Conduct;
 - Share dealing code;
 - Bribery prevention policy;
 - Whistleblowing policy;
 - Health and safety policy;
 - Human resources policy;(*CGC A.1*)

12. Other

- 12.1. Board approval is required for charitable donations above £5,000 per annum in total and all political donations.
- 12.2. Approval of the appointment of Group's key professional advisors, including Investment Bankers, Relationship Banks, Stockbrokers, investor relations consultants, tax advisors and legal advisors for significant corporate projects and/or transactions.
- 12.3. Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism above £0.1 million (cost or recovery) or being otherwise material to the interests of the group.
- 12.4. The Board will be kept informed of and approve changes to the overall levels of insurance for the group including Directors & Officers' liability insurance and indemnification of Directors.
- 12.5. The Board will be kept informed of and, where appropriate, approve major changes to the rules of the group's pension schemes, changes of trustees or significant changes in the fund management arrangements and/or investment strategy.
- 12.6. Any decision likely to have a material impact on the company or group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
- 12.7. This schedule of Matters Reserved for Board Consideration and Decisions.

Key:

References to "Board Committees" shall mean the Audit, Nomination and Remuneration committees.

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

"CGC" refers to the UK Corporate Governance Code, "DTR" refers to the UK FRC Disclosure and Transparency Rules, "PR" refers to the UK FRC Prospectus Rules and "LR" refers to the UK FRC Listing Rules.