



**MOTORPOINT GROUP PLC**  
**("Motorpoint", the "Group" or the "Company")**  
**MATTERS RESERVED FOR THE BOARD OF DIRECTORS**  
**Approved by the Board on 26 July 2023**

**PART 1**

**1. STRATEGY AND MANAGEMENT**

- 1.1 Holding responsibility for the entrepreneurial leadership of the Company promoting its long-term sustainable success.
- 1.2 Setting the Company's purpose, values, strategy and standards whilst assessing and monitoring culture alignment.
- 1.3 Approving the Group's strategic aims and objectives and ensuring the necessary resources are in place to meet and measuring performance against them.
- 1.4 Taking responsibility for the Company's environmental, social and governance strategy, including diversity, equity and inclusion.
- 1.5 Approving the annual operating and capital expenditure budgets and any material changes to them.
- 1.6 Overseeing 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.
- 1.7 Reviewing performance in the light of the Group's strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.8 Extending the Group's activities into new business or geographic areas.
- 1.9 Approving any decision to cease to operate all or any material part of the Group's business.

**2. STRUCTURE AND CAPITAL**

- 2.1 Approving any changes relating to the Group's capital structure including reduction of capital, share issues (except under employee share plans), share buy backs including the use of treasury shares.
- 2.2 Approving any major changes to the Group's corporate structure, including, but not limited to, acquisitions and disposals of shares which are material relative to the size of the Group in question (taking into account initial and deferred consideration).  
Approving any changes to the Group's management and control structure.
- 2.3 Approving any changes to the Company's listing or its status as a public limited company.
- 2.4 Approving any changes to the Company's accounting reference date, registered name or business name.
- 2.5 Recommending any alterations to the Company's articles of association.

**3. FINANCIAL REPORTING AND CONTROLS**

- 3.1 Approving the half-yearly report and any preliminary announcement of the final results.
- 3.2 Approving the annual report and accounts, including the corporate governance statement and director's remuneration report.
- 3.3 Approving the dividend policy.
- 3.4 Approving the declaration of the interim dividend and recommending the final dividend.
- 3.5 Approving any significant changes in accounting policies or practices.
- 3.6 Approving treasury policies.
- 3.7 Approving material unbudgeted capital or operating expenditures (outside pre-determined tolerances).

**4. INTERNAL CONTROLS AND RISK MANAGEMENT**

- 4.1 Ensuring maintenance of a sound system of internal control and risk management including:
  - approving the Group's risk appetite standards;
  - 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.

4.2 Providing a robust assessment of the Company's principal and emerging risks.

## 5. **CONTRACTS**

5.1 Approving major capital projects valued at £500,000 or more.

5.2 Approving any contracts which are material strategically or by reason of size, entered into by the Company or any subsidiary in the ordinary course of business, for example bank borrowings and / or stocking facilities above £10 million, acquisitions of fixed assets above £1 million or disposals of fixed assets with net book amount or proceeds above £1 million.

5.3 Approving any contracts of the Company or any subsidiary not in the ordinary course of business, for example loans and repayments above £1 million; foreign currency transactions above £1 million or where a foreign currency contract is for a duration in excess of six months; and major acquisitions or disposals above £1 million.

5.4 Approving any contracts of the Company or any subsidiary with related parties or that are on non-arm's length terms.

5.5 Approving any contracts of the Company or any subsidiary, including leases, with an aggregate value of £500,000 or more.

5.6 Approving any major investments, including the acquisition or disposal of interests of more than three per cent 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 mutual understanding of objectives.

6.2 Approving resolutions and corresponding documentation to be put forward to shareholders at a general meeting.

6.3 Approving all circulars, prospectuses and listing particulars.

6.4 Approving press releases concerning matters decided by the board.

## 7. **BOARD MEMBERSHIP AND OTHER APPOINTMENTS**

7.1 Approving changes to the structure, size and composition of the board, following recommendations from the nomination committee.

7.2 Ensuring adequate succession planning for the board and senior management to maintain an appropriate balance of skills and experience within the Company and on the board.

7.3 Approving appointments to the board, following recommendations from the nomination committee.

7.4 Selection of the chair of the board and the chief executive.

7.5 Approving appointment of the senior independent director to provide a sounding board for the chair and to serve as intermediary for the other directors when necessary.

7.6 Approving membership and chairship of board committees, following recommendations from the nomination committee.

7.7 Ensuring 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.

7.8 Ensuring 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.

7.9 Approving appointment or removal of the company secretary.

7.10 Approving appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the audit committee.

7.11 Approving appointments to boards of subsidiaries.

## 8. **REMUNERATION**

8.1 Determining the remuneration policy for the directors, company secretary and other senior executives.

8.2 Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.

8.3 Approving the introduction of any new share incentive plans or major changes to existing plans, to be put to shareholders for approval.

## 9. **DELEGATION OF AUTHORITY**

9.1 Approving the division of responsibilities between the chair, the chief executive and the executive directors.

9.2 Approving of the delegated levels of authority, including the chief executive's authority limits.



9.3 Establishing board committees and approving their terms of reference and approving material changes thereto.

9.4 Receiving reports from board committees on their activities.

## 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.

10.2 Determining the independence of non-executive directors in light of their character, judgement and relationships.

10.3 Understanding the views of the Company's key stakeholders, considering the balance of interests between them and ensuring effective engagement with the Company's stakeholders, including shareholders, employees, customers, suppliers and the community.

10.4 Reviewing 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.

10.6 Identifying and managing conflicts of interests, ensuring that influence of third parties does not compromise or override independent judgement. Authorising conflicts of interest where permitted by the Company's articles of association.

## 11. POLICIES & REPORTING

11.1 Where applicable, approving policies as follows:

- Anti-Bribery and Corruption policy;
- Anti-Money Laundering policy
- Code of Conduct;
- Communications policy including procedures for the release of price sensitive information;
- Corporate social responsibility policy;
- Charitable donations policy;
- Diversity and Inclusion policy;
- Environmental and sustainability policy;
- Gender Pay Gap reporting;
- Health and safety policy;
- Anti-Slavery and Human Trafficking policy and Statement
- Share dealing code;
- Tax Evasion & CCO policy;
- Tax Strategy; and
- Whistleblowing policy.

## 12. OTHER

12.1 Ensuring the disclosure of directors' interests in proposed or existing transactions or arrangements with the Company.

12.2 Approving the award of any political donations.

12.3 Approving the appointment of the Group's principal professional advisers.

12.4 Approving the prosecution, defence or settlement of litigation or an alternative dispute resolution mechanism involving above £100,000 or being otherwise material to the interests of the Group.

12.5 Approving the overall levels of insurance for the Group including directors' & officers' liability insurance and indemnification of directors.

12.6 Approving major changes to the rules of the Group's pension scheme, or changes of trustees or when this is subject to the approval of the Company changes in the fund management arrangements.

12.7 Approving any decision likely to have a material impact on the Company or the Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.

12.8 Approving amendments to this schedule of matters reserved for board decisions.

Matters which the board considers suitable for delegation are contained in the terms of reference of its committees.

In addition, the board will receive reports and recommendations from time to time on any matter which it considers significant to the Group.

## PART 2

### 1. URGENT BUSINESS

1.1 Where a decision is required on any matter which is otherwise specifically reserved to the full board under Part 1 of this schedule of matters reserved for the board before the next board meeting, the matter shall be referred to the chair or, if the chair is not available, the senior non-executive director other than the chair. The chair shall, where practicable, consult the chief executive and the senior non-executive director other than the chair and shall decide



whether the urgency of the matter genuinely justifies a decision before the next regular meeting of the board and if so, shall, if the urgency of the matter permits and the importance of the matter appears to him to justify doing so, either convene a special meeting of the board, or circulate a written resolution of the board for signature by all directors together with the information necessary to enable all directors to form a considered judgment on the matter and on whether an urgent decision is justified.

2. **MATTERS NOT RESERVED TO THE BOARD**

- 2.1 Where a matter is not reserved to the full board, and is not actually considered by the board or a committee of the board, it may be decided upon by the chair or the chief executive, or by other directors or management within the authority limits and rules laid down by the chief executive or the board.

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