



**Serco Group plc (the “Company”)
Matters Reserved for the Board**

The following matters are specifically reserved for the Board’s decision:

1. Strategy & Management

- 1.1. Approval and oversight of execution and delivery of the Group’s strategy, culture and values;
- 1.2. 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
- 1.3. Review of performance against strategy, objectives, business plans and budgets
- 1.4. Cessation of material operations

2. Structure & Capital

- 2.1 Approval of the capital structure of the Group and, in particular, the issue or allotment of shares in the Company (otherwise than pursuant to Company approved employee share schemes), reductions of capital and share buy backs;
- 2.2 Changes to corporate structure
- 2.3 Changes to management structure
- 2.4 Approval of changes to the Company’s listing or its status as a plc;

3. Financial Reporting & Controls

- 3.1 Approval of the Company’s Annual Report and Accounts, Corporate Governance Report, Directors’ Remuneration Policy and Report, half-yearly report and financial statement, pre-close trading updates, interim results and any preliminary announcement of the final results;
- 3.2 Approval of any dividend policy and any interim dividend, and recommendation of a final dividend;
- 3.3 Approval of any significant change in Group accounting policies or practices;
- 3.4 Setting and approval of treasury policies, including any material changes to the current banking covenants;

4. Internal Controls

- 4.1 Approval and oversight of the Company’s overall internal controls, governance and risk management framework, operational compliance and risk appetite;

5. Contracts

- 5.1 Approval of capital projects, investments, acquisitions, disposals, new country entry and initiation, new business entry and initiation, defence or settlement of material litigation, regulatory, arbitration or other formal legal proceedings involving the Company or any subsidiary undertaking which are material to the Group;
- 5.2 Contract bids and expenditure where the contract value exceeds a specified value per annum or is of an unusual scope, nature or liability exposure. The specified value will be reviewed and revised from time to time;

6. Communications

- 6.1 Ensuring satisfactory dialogue with shareholders
- 6.2 Approval of all circulars, listing particulars, proposed resolutions and corresponding documentation sent to shareholders;

7. Board membership and other appointments

- 7.1 Following recommendation from the Nomination Committee, determine the size, structure and composition of the Board and its Committees, ensuring effective succession planning for the Board and Senior Management;
- 7.2 Appointment, re-appointment and removal of any Director and the recommendation to shareholders of their election or re-election under the Articles of Association and the UK Corporate Governance Code;
- 7.3 the selection of Chairman of the Board and the Chief Executive
- 7.4 Appointment of the Senior Independent Director
- 7.5 Reappointment of directors at the end of their term of appointment
- 7.6 Continuation in office of directors, including suspension or termination of service
- 7.7 the appointment and removal of the Company Secretary;
- 7.8 Recommendation to shareholders for the appointment, re-appointment or removal of external auditors and determine the remuneration of the auditors on the recommendation of the Audit Committee;

8. Remuneration

- 8.1 Determining the remuneration policy for the executive directors, company secretary and other senior executives
- 8.2 Determining the remuneration of the non-executive directors
- 8.3 Introduction of share plans

9. Delegation of Authority

9.1 Approval of the division of responsibilities between the Chairman and Chief Executive;

9.2 Establishing Committees of the Board, their constitution, terms of reference and financial authority, receiving reports on their activities and, where appropriate, ratifying their decisions;

10. Corporate Governance

10.1 Review annually the performance of the Board, Board Committees and each Director

10.2 Determining the independence of non-executive directors

10.3 Consideration of stakeholder interests

10.4 Reviewing corporate governance arrangements

10.5 Receiving reports on shareholders' views

10.6 Authorising conflicts of interest

11. Policies

11.1 Approval of Group's share dealing code;

11.2 Approval of the following Group policy statements:

- Aviation Safety
- Business Conduct & Ethics
- Business Continuity & Crisis Management
- Business Development
- Finance
- Governance
- Health Safety & Environment
- Information Integrity
- Information Technology
- Operations
- People
- Privacy
- Procurement & Supply Chain
- Quality
- Risk Management
- Security

12. Other

12.1 Approval of any material changes to the Company's pension scheme rules, any change of Trustee or material changes to funding and management arrangements;

12.2 This schedule of Matters Reserved to the Board.

Adopted by the Serco Group plc Board on 25 June 2019