

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

Schedule of Matters

The matters reserved to the Board for its collective decision are as detailed below. This list is not designed to be an exhaustive list of the Board’s responsibilities, but a formal list of matters which should not be decided without reference to it:

1. Approval of the Group’s strategy, culture and values;
2. Approval of capital projects, investments, acquisitions, disposals, new country 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;
3. 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; the election of Chairman of the Board; the appointment and removal of the General Counsel and Company Secretary;
4. 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;
5. Approval of the division of responsibilities between the Chairman and Chief Executive;
6. Establishing Committees of the Board, their constitution, terms of reference, financial authority and reviewing their activities and, where appropriate, ratifying their decisions;
7. 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;
8. Setting and approval of treasury policies, including any material changes to the current banking covenants;
9. Approval of the Company’s overall internal controls, governance and risk management framework, operational compliance and risk appetite;
10. Approval of any significant change in Group accounting policies or practices;
11. Approval of any dividend policy and any interim dividend, and recommendation of a final dividend;
12. Approval of the Company’s Annual Report and Accounts, 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;
13. Appointment of external auditors to fill a casual vacancy;
14. 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;

15. Approval of the capital structure of the Group;
16. Approval of changes to the Company's listing or its status as a plc 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;
17. Approval of Group's share dealing code;
18. Approval of any material changes to the Company's pension scheme rules, any change of Trustee or material changes to funding and management arrangements;
19. Approval of all circulars, listing particulars, proposed resolutions and corresponding documentation sent to shareholders;
20. Review annually the performance of the Board, Board Committees and each Director; and
21. This schedule of Matters Reserved to the Board.

Adopted by the Serco Group plc Board on 2 August 2016