

PETERSHILL PARTNERS PLC

(THE COMPANY)

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

Approved by the Board on 27 September 2021

This schedule sets out the matters which are reserved for the Board of the Company.

1. LEADERSHIP, STRATEGY, BUDGETS AND MANAGEMENT

- 1.1 Establishing the Company's purpose, values and investment strategy and objectives, assessing and monitoring the Company's culture and promoting the alignment of culture with purpose, values and strategy.
- 1.2 Assessing the basis over which the Company generates and preserves value over the long term, considering and addressing opportunities and risks to the future success of the business, the sustainability of the business model and the Company's governance.
- 1.3 Appointing and removing the Company's operator (the *Operator*).
- 1.4 Approving the Company's acquisition strategy and investment policy, business plan, key performance indicators, budget and forecasts and any material changes to them and, with the advice of the Management Engagement Committee, monitoring their implementation by the Operator.
- 1.5 Recommending any changes in the Company's investment policy to shareholders.
- 1.6 Ensuring that necessary resources are in place for the Company to meet its objectives and measure performance against them.
- 1.7 Reviewing the performance of the Company's portfolio in light of the Company's acquisition strategy and investment policy and strategic objectives.
- 1.8 With advice from the Management Engagement Committee, overseeing the Company's operations, ensuring competent and prudent management by the Operator, sound planning, maintenance of sound internal control systems, adequate accounting and other records and compliance with statutory and regulatory obligations.
- 1.9 Overseeing the Company's review of performance and engagement of the Company's Administrator, Depositary, Auditor and Registrar to ensure continued competitiveness and effectiveness of the same.
- 1.10 Approving any extension of the Company's activities into new business or geographic areas and any decision to cease to operate all or any material part of the Company's business where such extension does not require a change to the acquisition strategy and investment policy.
- 1.11 Approving the Company's tax strategy, developed by the Audit and Risk Committee.

2. STRUCTURE, CAPITAL, BORROWINGS AND DIVIDENDS

- 2.1 Subject to consultation with the Operator, determining changes to the Company's capital structure, including any reduction of capital, share buy-backs (including the use of treasury shares) or issue of shares or other securities.
- 2.2 Approving any proposed alteration to the articles of association of the Company.
- 2.3 Approving any changes to the Company's status as a public company or regulated status, its listing or listings, or the markets on which its securities are traded.
- 2.4 Approving any major restructuring or reorganisation of the Company.
- 2.5 Approving any changes to the Company's management or control structures, including changes to the Operator Agreement between the Company and the Operator and the termination of the Operator Agreement.
- 2.6 Approving the Company's policy on borrowing, gearing and hedging.
- 2.7 Approving the establishment of any borrowing facilities by the Company, or the pledging of assets as collateral (but, for the avoidance of doubt, not the subsequent drawing or repayment of such borrowings). This does not include deferred liabilities incurred as part of any acquisition of interests in alternative asset managers (a *Partner-firm*) or within the limits of the Acquisition Strategy and Investment Policy.
- 2.8 Approving guarantees given by the Company for an amount in excess of USD\$ 2.5 million. This does not include deferred liabilities incurred as part of any acquisition of interests in Partner firms.
- 2.9 In consultation with the Operator, determining the Company's dividend policy.
- 2.10 In consultation with the Operator, determining the payment of any interim dividend, the recommendation to shareholders at annual general meetings of any final dividend, and any other distribution by the Company.
- 2.11 Approving the Company's funding structure and any changes thereto, as recommended by the Operator.

3. FINANCIAL AND OTHER REPORTING

- 3.1 Approving the Company's annual report and accounts (including the financial statements and the strategic report, directors' report, directors' remuneration report and corporate governance statement).
- 3.2 Approving the Company's half-yearly financial report (including financial statements, Operator's interim management report and responsibility statement).
- 3.3 Approving any quarterly reports or trading statements by the Company.
- 3.4 With advice from the Audit and Risk Committee, ensuring the Company's annual report and accounts and half-yearly report are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

- 3.5 Ensuring all price-sensitive public records and reports to regulators issued by the Company are fair, balanced and understandable.
- 3.6 Approving any material changes in the Company's accounting policies and practices.
- 3.7 With advice from the Audit and Risk Committee, considering whether it is appropriate to adopt the going concern basis of accounting in preparing annual and half-year financial statements, and the Company's ability to continue to do so, and reporting accordingly.
- 3.8 With advice from the Audit and Risk Committee, assessing the prospects of the Company (and choosing the period over which to do so) and considering whether the Board can reasonably expect the Company to be able to continue in operation and meet its liabilities as they fall due over the period of their assessment and reporting accordingly in the annual report.
- 3.9 Approving the Company's slavery and human trafficking statement under the Modern Slavery Act 2015 and any other statement required by law to be approved by the Board.

4. AUDIT, RISK AND INTERNAL CONTROLS

- 4.1 Ensuring the Company has a framework of prudent and effective controls, which enable risk to be assessed and managed.
- 4.2 Establishing procedures to manage risk, oversee the internal control framework (including procedures for the detection of fraud and the prevention of bribery), and determine the nature and extent of the principal risks the Company is willing to take to achieve its long-term strategic objectives.
- 4.3 Establishing formal and transparent policies and procedures to ensure the independence and effectiveness of the Company's external audit functions and the integrity of the financial and narrative statements.
- 4.4 Carrying out a robust assessment of the Company's emerging and principal risks, overseeing procedures for identifying emerging risks, and procedures for managing and mitigating principal risks.
- 4.5 Monitoring the Company's risk management and internal control systems (covering all material controls including financial, operational and compliance controls) and, at least annually, carry out a review of their effectiveness.
- 4.6 Making any major decision relating to the conduct (or settlement) of any material legal proceedings or arbitration to which the Company is a party.
- 4.7 Adopting (or making a material amendment or variation to) any of the Company's major policies relating to the conduct of business, environmental matters, including the Company's ESG policy, health and safety, data protection, security, insurance, risk management and treasury (including interest rate and foreign exchange and financial derivatives), the Company's share dealing code and communications policy, including procedures for the release of inside information.
- 4.8 Overseeing the Audit and Risk Committee and ensuring that the committee as a whole and its members have the relevant competencies.
- 4.9 With the Audit and Risk Committee's advice, make recommendations to shareholders relating to the appointment, re-appointment or removal of the Company's external auditors.

5. CONTRACTS AND EXPENDITURE

- 5.1 Approving any corporate action (other than investments) by the Company that will have, or is likely to have, a financial cost in excess of USD\$ 2.5 million.
- 5.2 Reviewing any new and follow on investment transaction by the Company in the ordinary course of business that will have, or is likely to have, a value equal to more than 5 per cent. of the Company's market capitalisation.
- 5.3 Approving any new and follow on investment transaction or any disposition by the Company in the ordinary course of business that will have, or is likely to have, a value equal to more than 12 per cent. of the Company's market capitalisation, and approving any announcement made in relation to the same.
- 5.4 Approving any major expenditure by the Company that is outside the Company's approved acquisition strategy and investment policy and the delegated authority of the Operator.
- 5.5 Approving any contract entered into by the Company in the ordinary course of business which is material strategically or by reason of size.
- 5.6 Approving any takeover offer for another company that is subject to the City Code on Takeovers and Mergers.
- 5.7 Approving any acquisition or disposal (whether by means of a single transaction or series of transactions) by the Company that:
 - (a) involves the issue of shares by the Company; or
 - (b) requires shareholder approval.
- 5.8 Approving any related party transactions.
- 5.9 Approving any proposed transaction where a potential conflict of interest exists.

6. SHAREHOLDERS AND OTHER STAKEHOLDERS

- 6.1 Ensuring an effective engagement strategy with, and encouraging participation from, shareholders and other key stakeholders and keeping engagement mechanisms under review so they remain effective.
- 6.2 Convening general meetings of the Company, including approving notices of general meetings and related documents.

7. BOARD MEMBERSHIP AND OTHER APPOINTMENTS

- 7.1 Overseeing the Nomination Committee, which leads the process for Board appointments and reappointments, and makes recommendations to the Board in relation to them, ensures plans are in place for orderly succession to the Board and oversees the development of a diverse pipeline for succession.
- 7.2 With the advice of the Nomination Committee:
 - (a) making any changes to the structure, size and composition of the Board and making appointments to the Board;

- (b) facilitating adequate succession planning for the Board;
- (c) considering and determining the independence of non-executive directors;
- (d) considering and determining whether or not to approve directors' external appointments;
- (e) identifying and managing actual or potential conflicts of interest;
- (f) appointing the chair;
- (g) appointing the senior independent director;
- (h) considering and determining whether a director should continue in office at the end of his/her term of office and whether a director should be proposed for election or re-election by shareholders at the annual general meeting; and
- (i) considering and determining whether a director should continue in office at any time.

7.3 Appointing and removing the Administrator, Company Secretary, Depositary, Registrar or any other key service provider.

8. BOARD COMMITTEES AND OTHER DELEGATION

8.1 Establishing Board committees (as reasonably necessary) and approving their terms of reference and, at least once a year, review and approve the terms of reference for each of the Board's committees.

8.2 Appointing the members and the chair of any Board committee, and approving any changes to the composition of committees.

8.3 Facilitating the formal and rigorous evaluation of the performance of the Board, its committees, the chair and individual directors.

8.4 Receiving reports and recommendations from committees.

8.5 Approving the statement of the responsibilities of the chair and the senior independent director and determining the policy on the tenure of the chair.

8.6 Granting powers of attorney.

9. REMUNERATION

9.1 Overseeing the Remuneration Committee, which is responsible for developing the policy for director remuneration for recommendation to the Company's shareholders for approval and setting remuneration for the chair.

9.2 With the advice of the Remuneration Committee, establishing a formal and transparent procedure for developing policy on remuneration of directors and the chair.

9.3 Determining the remuneration of non-executive directors in accordance with the articles of association.

10. COMMUNICATIONS

- 10.1 On advice from the Administrator and the Company's corporate brokers or legal advisers (where necessary), decide whether to make an unplanned announcement about trading, an event or development.
- 10.2 Approving any prospectuses, circulars to holders of the Company's shares or other securities and recommendations in respect of any matters or notices which may be submitted to holders of the Company's shares or securities in accordance with statutory requirements or requirements of the Financial Conduct Authority or the London Stock Exchange plc or the Company's articles of association.
- 10.3 Approving press releases concerning matters decided by the Board.

11. OTHER MATTERS

- 11.1 Appointing or removing the Company's principal financial and professional advisers (but, for the avoidance of doubt, without limiting the ability of the Operator to comply with the terms of the Operator Agreement).
- 11.2 Approving the Company's policy on the making of political donations and charitable donations.
- 11.3 Approving the Company's insurance levels, including directors' and officers' liability insurance.
- 11.4 Approving any indemnity by the Company of a director or officer of the Company.
- 11.5 Approving membership of the Association of Investment Companies or any other trade association or like organisations.
- 11.6 Approving the introduction, or any material changes to the rules, or changes in the trustees, of any pension plan or scheme.
- 11.7 Approving any other matters that are reserved for decision by the Board in accordance with applicable law or regulation, or pursuant to accepted best practice, or under the articles of association of the Company.
- 11.8 Considering and making any decision likely to have a material impact on the Company, including in relation to a financial, operational, strategic or reputational matters.
- 11.9 Reviewing annually this schedule of matters reserved for the Board.