

# The Standard Club UK Ltd (the 'company')

## Schedule of matters reserved for the company's board.

This schedule sets out matters which is the responsibility of the board. This schedule remains subject to statute, applicable regulation and the provisions of the company's articles of association (the "Articles") and does not prevent the board from delegating authority as it deems appropriate from time to time in accordance with the Articles.

### 1. Business management and strategy

The board is responsible for the overall management of the company and shall:

- 1.1 approve the company's business strategy as set out in the company's strategy review
- 1.2 approve the company's annual operating budget
- 1.3 review the investment rules, benchmark and discretionary ranges of the company
- 1.4 review and approve claims that require the board's approval under the club rules
- 1.5 review the company's performance in the light of the strategy, objectives, business plans and budgets approved by the board and any subsequent revision and ensure that appropriate corrective action is taken
- 1.6 approve the planned extension of the company's activities through the launch of new products
- 1.7 approve the opening of a new branch or representative office of the company
- 1.8 recommend to members the merger of the company with a third party
- 1.9 approve the acquisition of any business
- 1.10 approve the disposal of all or any material part of the company's business
- 1.11 approve the decision to cease to operate all or any material part of the company's business.

### 2. Structure and capital

The board shall approve:

- 2.1 any changes relating to the company's capital structure
- 2.2 the company's Individual Capital Assessment (ICA) report
- 2.3 major changes to the company's corporate structure such as the creation of new holding or subsidiary companies
- 2.4 any changes to the company's legal status

2.5 changes to the company's management and control structure.

### **3. Financial reporting and controls**

The board shall approve:

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3.2 any significant changes in accounting policies or practices.

### **4. Risk and internal controls**

The board ensure that the company maintains a sound system of internal controls and risk management and shall:

- 4.1 set the company's risk appetite and approve the company's risk appetite statement
- 4.2 receive reports on and review the effectiveness of the company's risk and control processes and management systems
- 4.3 undertake periodic reviews of these processes
- 4.4 approve an appropriate statement for inclusion in the annual report
- 4.5 review and approve the Own Risk and Solvency Assessment (ORSA)
- 4.6 approve the use of the internal model for the calculation of required capital
- 4.7 approve any major changes to the internal model
- 4.8 seek to ensure that there is adequate independent review and validation of internal model and relevant processes
- 4.9 review significant risks and changes at each meeting and review all risks annually
- 4.10 approve the compliance monitoring plan

### **5. Policies and terms of reference**

5.1 The board shall approve the company's policies and terms of reference of the company's management functions, including:

- 5.1.1 Risk management policy
- 5.1.2 ORSA policy
- 5.1.3 Liquidity risk policy
- 5.1.4 Credit risk policy

- 5.1.5 Insurance risk policy
  - 5.1.6 Internal model governance policy
  - 5.1.7 Internal model change policy
  - 5.1.8 Compliance terms of reference
  - 5.1.9 Internal audit terms of reference
  - 5.1.10 Conflicts of interest policy
  - 5.1.11 Operational risk policy
  - 5.1.12 Outsourcing policy
  - 5.1.13 Data management policy
  - 5.1.14 Investment policy
  - 5.1.15 Market risk policy
  - 5.1.16 Fit and proper person policy
  - 5.1.17 Group risk policy
- 5.2 The board shall monitor the company's policies, including:
- 5.2.1 Environmental and sustainability policy
  - 5.2.2 Charitable donations policy
  - 5.2.3 Gifts and entertainment policy
  - 5.2.4 Money laundering policy
  - 5.2.5 Whistleblowing policy
  - 5.2.6 Bribery policy.

## **6. Contracts**

The board shall approve:

- 6.1 any contract which the company or any subsidiary proposes to enter into in the ordinary course of business which is material to the company's business strategically
- 6.2 any contract which the company or any subsidiary proposes to enter not in the ordinary course of business including any loan or similar arrangement with a value of US\$0.5m or more
- 6.3 the acquisition or disposal of shares or any interest in shares of any company, any significant investment in any third party or the making of any takeover offer.

## **7. Communication**

The board shall approve resolutions and corresponding documentation to be put forward to members at a general meeting.

## **8. Board membership and other appointments**

The board shall:

- 8.1 approve changes to the structure, size and composition of, and appointments to the board, following recommendations from the Nomination and Governance Committee
- 8.2 approve the continuation in office of directors at the end of their term of office, when they are due to be re-elected by members at the AGM and otherwise as appropriate
- 8.3 ensure adequate succession planning for the board and senior management
- 8.4 approve the selection of the chairman of the board
- 8.5 approve the membership and chairmanship of board committees
- 8.7 approve the appointment or removal of the company secretary
- 8.8 approve the appointment, reappointment or removal of the external auditor to be put to members for approval, following the recommendation of the audit and risk committee.

## **9. Remuneration**

The board shall determine the remuneration of the directors, subject to the Articles for recommendation to the members for approval.

## **10. Delegation of authority**

The board shall:

- 10.1 determine the division of responsibilities between the chairman and the chief executive, which should be in writing
- 10.2 approve the terms of reference of board and class committees
- 10.3 receive reports from board and class committees on their activities.

## **11. Other corporate governance matters**

The board shall:

- 11.1 undertake a periodic review of its own performance and that of its committees
- 11.2 review the club's overall corporate governance arrangements.

## **12. Miscellaneous**

The board shall:

- 12.1 approve the opening of all operational bank accounts and bank mandates. Accounts opened for investment purposes are subject to the investment rules.
- 12.2 approve the making of political donations
- 12.3 approve the prosecution, defence or settlement of litigation material to the company's interests
- 12.4 review and approve any changes to this schedule from time to time.

## **13. Interpretation**

If there is any doubt as to whether a particular matter falls within the scope of this schedule, the managers shall refer it to the chairman. The chairman shall then decide whether the matter referred to him is reserved for the board and his decision shall be final.

These matters are reserved for the board insofar as they are not delegated to board committees. 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 company.

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