

LIST OF MATTERS RESERVED FOR THE BOARD OF THE SIMPLYBIZ GROUP PLC (THE "COMPANY")

1. Strategy and management

- 1.1 Responsibility for the overall management of the group and setting the group's values and standards.
- 1.2 Approval of the group's long-term objectives and commercial strategy.
- 1.3 Approval of the annual operating and capital expenditure budgets and any material changes to them.
- 1.4 Oversight of the group's operations ensuring:
 - 1.4.1 competent and prudent management;
 - 1.4.2 sound planning;
 - 1.4.3 an adequate system of internal control;
 - 1.4.4 adequate accounting and other records; and
 - 1.4.5 compliance with statutory and regulatory obligations.
- 1.5 Review of performance in the light of the group's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.6 Extension of the group's activities into new business or geographic areas.
- 1.7 Approval to make acquisitions and disposals of shares and trade businesses.
- 1.8 Any decision to cease to operate all or any material part of the group's business.

2. Structure and capital

- 2.1 Changes to capital structure.
- 2.2 Major changes to the group's corporate structure.
- 2.3 Changes to the group's management and control structure.
- 2.4 Any changes to the company's admission to AIM or its status as a plc.
- 2.5 Alterations to the company's articles of association.

3. Financial reporting and controls

- 3.1 Approval of the half-yearly report and any preliminary announcement of the final results.
- 3.2 Approval of the annual report and accounts (including the corporate governance statement and remuneration report).
- 3.3 Approval of the dividend policy.
- 3.4 Declaration of any interim dividend and recommendation of the final dividend.
- 3.5 Approval of any significant changes in accounting policies or practices.
- 3.6 Approval of treasury policies (including foreign currency exposure and the use of financial derivatives).
- 3.7 Approval of material unbudgeted capital or operating expenditures (outside pre-determined tolerances).

4. **Internal controls**

- 4.1 Ensuring maintenance of a sound system of risk management and internal control including:
 - 4.1.1 receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives;
 - 4.1.2 approving procedures for the detection of fraud and the prevention of bribery;
 - 4.1.3 undertaking an annual assessment of these processes; and
 - 4.1.4 approving an appropriate statement for inclusion in the annual report.
- 4.2 Determining the nature and extent of the significant risks the Company is willing to take in achieving its strategic objectives.

5. **Contracts**

- 5.1 Capital projects of the group in excess of £270,000.
- 5.2 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 above £1 million and acquisitions or disposals of fixed assets above £270,000.
- 5.3 Contracts of the company (or any subsidiary) not in the ordinary course of business which shall include loans and repayments not in the ordinary course, foreign currency transactions and acquisitions or disposals above £1 million.
- 5.4 Major investments (including the acquisition or disposal of interests of more than 5 percent in the voting shares of any company or the making of any takeover offer).

6. **Communication**

- 6.1 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 6.2 Approval of all circulars, prospectuses and listing particulars (as required).
- 6.3 Approval of press releases concerning matters decided by the Board.

7. **Board membership and other appointments**

- 7.1 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.
- 7.3 Appointments to the Board, following recommendations by the nomination committee.
- 7.4 Selection of the chairman of the Board and the chief executive.
- 7.5 Appointment of the senior independent director to provide a sounding board for the chairman and to serve as an intermediary for the other directors when necessary.
- 7.6 Membership and chairmanship of board committees, following receipt of recommendations by the nomination committee.
- 7.7 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 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 Appointment or removal of the company secretary.

- 7.10 Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the audit committee.
- 7.11 Appointments to boards of subsidiaries.
8. **Remuneration**
- 8.1 Determining the remuneration policy for the directors, company secretary and other senior executives, following receipt of recommendations by the remuneration committee.
- 8.2 Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
- 8.3 The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.
9. **Delegation of authority**
- 9.1 The division of responsibilities between the chairman, the chief executive and other executive directors, which should be set out in writing and agreed by the board.
- 9.2 Establishing board committees and approving their terms of reference, and approving material changes thereto.
- 9.3 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.
- 10.2 Determining the independence of directors (including in light of their character, judgement and relationships).
- 10.3 Considering and authorising any conflicts or potential conflicts of directors and imposing any limitations, qualifications or restrictions following recommendations by the nomination committee.
- 10.4 Considering the balance of interests between shareholders, employees, customers and the community.
- 10.5 Review of the group's overall corporate governance arrangements.
- 10.6 Receiving reports on the views of the company's shareholders.
11. **Policies**
- 11.1 Approval of policies including:
- code of conduct;
 - share dealing code;
 - anti-bribery and corruption policy;
 - health and safety policy;
 - human resources policy;
 - social media policy;
 - whistleblowing policy;
 - environment policy;

- communications policy, (including procedures for the release of price sensitive information);
- corporate social responsibility policy; and
- charitable donations policy.

12. **Other**

- 12.1 The making of political donations.
- 12.2 Approval of the appointment of the group's principal professional advisers.
- 12.3 Prosecution, defence or settlement of litigation (involving above £25,000 or being otherwise material to the interests of the group).
- 12.4 Approval of the overall levels of insurance for the group including directors' and officers' liability insurance.
- 12.5 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.
- 12.6 This schedule of matters reserved for board decisions.

13. **Delegated matters**

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

14. **Reports from subsidiaries**

- 14.1 In addition to the above, the Board will request reports and recommendations from its subsidiaries from time to time on any matter which it considers significant to the group which may include capital expenditure levels for a subsidiary and employment reports/remuneration levels as requested by the Board from time to time.

These terms of reference were discussed by the full board of directors of the Company, and adopted by resolution of the Board, on 29th March 2018.