

**CANDOVER INVESTMENTS PLC
(THE “COMPANY”)**

SCHEDULE OF MATTERS RESERVED TO THE BOARD

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

1.	Strategy and management
1.1	Responsibility for the overall management of the Candover group.
1.2	Approval of the Candover group’s long-term objectives and strategy.
1.3	Approval of the annual operating and capital expenditure budgets of Candover Investments plc and any material changes to them.
1.4	Oversight of the group’s operations ensuring: <ul style="list-style-type: none"> ▪ Competent and prudent management ▪ Sound planning ▪ An adequate system of internal control ▪ Adequate accounting and other records ▪ Compliance with statutory and regulatory obligations
1.5	Review of performance in the light of the Candover group’s strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
1.6	Extension of the Candover group’s activities into new business or geographic areas.
1.7	Any decision to cease to operate all or any material part of the group’s business.
2.	Structure and capital
2.2	Major changes to the Candover group’s corporate structure or share capital.
2.3	Changes to the Candover group’s management and control structure.
2.4	Any changes to the Company’s listing or its status as a plc.
3.	Financial reporting and controls
3.1	Approval of the half-yearly report, interim management statements and any preliminary announcement of the final results. [final decision may be delegated to a committee post Board consideration]
3.2	Approval of the annual report and accounts including the Chairman’s statement, corporate governance statement, Directors’ report, statement of Directors’ Responsibilities and Directors’ remuneration report. [final decision may be delegated to a committee post Board consideration]
3.3	Approval of the dividend policy.

3.4	Declaration of the interim dividend and recommendation of the final dividend. [final decision may be delegated to a committee post Board consideration]
3.5	Approval of any significant changes in accounting policies or practices.
3.6	Approval of treasury policies (including management of foreign currency exposure, interest rate exposure and the use of financial derivatives).
3.7	Final approval of the six-monthly valuations of investments held by Candover Investments plc, taking into account any valuation already placed upon investee companies by Arle Capital Partners Limited (“ACPL”) in its role as General Partner or Investment Manager of the various Limited Partnerships constituting the Candover third party funds.

4.	Risk and Controls
4.1	Ensuring maintenance of a sound system of internal control and risk management including: <ul style="list-style-type: none"> ▪ Receiving reports on, and reviewing the effectiveness of, the Candover group’s risk and control processes to support its strategy and objectives. ▪ Undertaking an annual assessment of both the risk profile of the Company and the processes in place to manage such risks. ▪ Approving appropriate statements for inclusion in the annual report.
4.2	Approval of any matter of a compliance nature which, in the view of the chairman of the Audit, Risk and Valuation Committee, is a matter requiring such approval or authorisation by the Board.

5.	Contracts and investments
5.1	Any decision to co-invest alongside new funds raised by any third party, including ACPL, and the appropriate level of any co-investment.
5.2	The approval and authorisation of all new and follow-on investments, other than investments made alongside one of the Managed Funds pursuant to a Co-Investment Agreement with ACPL (in respect of which the investment decision will be made by ACPL); and any investment proposal to be put to the Board of the Company, including proposals to make commitments to any funds, shall first be subject to approval by the Chairman and Chief Executive Officer. Note: investments or divestments of less than £1 million shall be considered solely by the Chairman and Chief Executive Officer (subject to an annual aggregate limit of £5 million). Any such investments shall be reported to the next full Board meeting of the Company.
5.3	The approval of any capital or revenue expenditure (other than for new and follow-on investments) which exceeds £250,000. Examples of such payments are property costs, purchase of computer equipment and due diligence costs, other than those relating to third party fund investments.

5.4	<p>Authorisation of any borrowings by the Candover group. As at 31 December 2011 the Articles provide that the Candover group may borrow an amount equal to one and a half times the aggregate of:</p> <p>(i) the amount paid up on the issued share capital of the Company; and</p> <p>(ii) the total of the consolidated capital and revenue reserves of the Group as shown in the latest audited consolidated balance sheet but after various adjustments as defined in Article 97(B) (a) to (g).</p>
5.5	<p>Contracts not referred to above, which are material strategically or by reason of size, entered into by the Company in the ordinary course of business, including:</p> <ul style="list-style-type: none"> ▪ partnership agreements, co-investment agreements and associated documentation committing the Company to invest in or co-invest alongside third party funds; ▪ partnership arrangements in any group business venture; ▪ bank or other borrowings; and ▪ acquisitions or disposals of fixed assets above £1million.
5.6	<p>Contracts of the Company not referred to above and not in the ordinary course of business, including loans and repayments and foreign currency transactions.</p>

6.	Communication
6.1	Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
6.2	Approval of circulars to shareholders, prospectuses and listing particulars.
6.3	Approval of press releases concerning matters decided by the Board of Directors of the Company.

7.	Board membership and other appointments
7.1	Changes to the structure, size and composition of the Board, following recommendations from the Nominations Committee.
7.2	Ensuring adequate succession planning for the Board and senior management.
7.3	Appointments to the Board, following recommendations by the Nominations Committee.
7.4	Selection of the Chairman of the Board and the Chief Executive Officer (if any).
7.5	Appointment of the Senior Independent Director.
7.6	Membership and chairmanship of Board committees.
7.7	Continuation in office of any Director at the end of his/her 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, Risk and Valuation Committee.
8.	Remuneration
8.1	The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.
8.2	The approval of major changes to the Company's pension scheme.
9.	Third Party Service Providers
9.1	Reasonably satisfy itself that the Service Provider contracts are fair and that the terms remain competitive and are in the interests of shareholders.
9.2	Reasonably satisfy itself that systems put in place by Service Providers in respect of the Company are adequate to meet relevant legal and regulatory requirements.
9.3	Reasonably satisfy itself that matters of compliance are under proper review. The Board shall have direct access to the Compliance Officers of Service Providers, and shall receive annual reports from them confirming that they have conducted the Company's affairs in compliance with the regulations applying to it.
9.4	Review the performance of the Investment Manager, the level of management fees payable and consider any material issues arising from their role.
10.	Delegation of authority
10.1	If relevant, the division of responsibilities between the Chairman and the Chief Executive Officer, which should be in writing.
10.2	Approval of terms of reference of Board committees.
10.3	Receiving reports from Board committees on their activities.
11.	Corporate Governance matters
11.1	Undertaking a formal rigorous review annually of its own performance, that of its committees and individual Directors.
11.2	Determining the independence of Directors.
11.3	Considering the balance of interests between shareholders, employees, customers and the community.
11.4	Review of the PLC's overall corporate governance arrangements.
11.5	Receiving reports on the views of the Company's shareholders.

12.	Policies
12.1	Approval of Candover group policies, including (unless the Board of Directors of the Company agrees otherwise) any: <ul style="list-style-type: none"> ▪ Investment policy ▪ Personal Account Dealing policy ▪ Health and Safety policy ▪ Environmental policy ▪ Communication policy ▪ Corporate Social Responsibility policy ▪ Charitable Donations policy ▪ Whistleblowing policy ▪ Code of Conduct ▪ Anti-Bribery policy ▪ Risk policy
13.	Other
13.1	The making of political donations.
13.2	Approval of the appointment of the Company's principal professional advisers.
13.3	Prosecution, defence or settlement of any litigation involving the Company and of any litigation involving any other group company above £5 million or being otherwise material to the interests of the Candover group.
13.4	Approval of the overall levels of directors' & officers' liability insurance for the Candover group.
13.5	Any other matter that may arise for which a decision of the Board is required by the Companies Acts 1985 or 2006 or any other legislation in force from time to time.
13.6	This schedule of matters reserved for Board decision.

In addition to the matters set out above, the Board is entitled:

- to request specific information to be provided to it by any executive or employee of the Company or any of its subsidiary companies;
- to receive reports and recommendations from time to time on any matters which it considers significant to the group; and
- to call for further advice from professional advisors.