

NEXT FIFTEEN COMMUNICATIONS GROUP PLC MATTERS REQUIRING BOARD APPROVAL

1. Strategy and management

- 1.1. Responsibility for the overall direction of the Next Fifteen Communications Group of companies ("the Group").
- 1.2. Approval of the Group's long-term objectives, strategy and annual budget and review of performance against objectives, strategy and budget.
- 1.3. Oversight of the Group's operations and management.
- 1.4. Extension of the Group's activities into new business or geographic areas.
- 1.5. Any decision to cease to operate all or any material part of the Group's business.

2. Structure and capital

- 2.1. Changes to the Group's capital or corporate structure including the establishment of new subsidiaries.
- 2.2. Changes to the Group's senior management team.
- 2.3. Changes to the Group's listing or its status as a plc.

3. Financial reporting and controls

- 3.1. Approval of preliminary results announcement and interim and final results.
- 3.2. Approval of the annual report including the corporate governance statement and remuneration report.
- 3.3. Approval of the dividend policy, the declaration of the interim dividend and recommendation of the final dividend.
- 3.4. Approval of any significant changes in accounting policies or practices.
- 3.5. Approval of significant estimates and key judgments taken which will have a material impact on the financial statements.
- 3.6. Approval of treasury policies including foreign currency exposure policies and products.

4. Risk management and internal controls

- 4.1. Ensuring the Company has a sound system of risk management and internal control in place including undertaking an annual risk management process.
- 4.2. Approval of the overall objective of the internal audit function and the appointment of the Head of Internal Audit.
- 4.3. Approval of the internal audit plan each financial year, including budget and resource requirement.
- 4.4. Approval of the annual assessment of the effectiveness of the internal audit function.

5. Contracts

- 5.1. Major capital projects or material contracts of any company in the Group, for example;
 - 5.1.1. all bank borrowing;
 - 5.1.2. acquisition or disposal of fixed assets above £250,000.
 - 5.1.3. all property leases with a contingent liability of more than £250,000.
- 5.2. Any agreement to acquire the business and assets or shares of any company or the making of a takeover offer.
- 5.3. Any agreement to merge businesses within the Group and or any agreement to merge a business within the Group with a business outside of the Group.
- 5.4. Any agreement to dispose of the business and assets or any shares in any company.

6. Communication

- 6.1. Approval of resolutions and related documentation to be put forward to shareholders at a general meeting.
- 6.2. Approval of regulatory announcements concerning matters decided by the board.

7. Board membership and other appointments

- 7.1. Board appointments and removals, selection of the Chairman, Senior Independent Director and Chief Executive Officer, membership and chairmanship of board committees, appointment and removal of the Company Secretary, all following recommendation from the nomination committee.
- 7.2. Succession planning.
- 7.3. Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the audit committee.
- 7.4. Appointment to the boards of subsidiaries.

8. Remuneration

- 8.1. Following recommendations made by the remuneration committee, the Board will:
 - 8.1.1. determine the remuneration policy for the Chairman, the Chief Executive Officer and the executive directors;
 - 8.1.2. determine the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate and
- 8.2. approve the introduction of new share schemes or long-term incentive schemes or major changes to existing schemes.

9. Delegation of authority

- 9.1. The division of responsibilities between the Chairman and the Chief executive Officer.
- 9.2. Approval of terms of reference of the board committees.

10. Corporate governance matters

- 10.1. Conduct an adequate annual evaluation of its own performance and consider the requirement for an external evaluation.
- 10.2. Determining the independence of directors.
- 10.3. Considering the balance of interests between shareholders, employees, customers and the community.

11. Other matters

- 11.1. This schedule of matters reserved for board decisions
- 11.2. Prosecution, defence or settlement of litigation involving amounts above £250,000 or being material to the interests of the Group.
- 11.3. Approval of new employee hires of any company in the Group with a total remuneration package over £250,000.
- 11.4. Approval of bonuses for Chief Executive positions within any subsidiary.
- 11.5. Approval of promotions to Chief Executive positions within any subsidiary.