

DELEGATED AUTHORITY POLICY

This Delegated Authority Policy sets out matters specifically reserved for determination by the Board and those matters delegated to management.

The functions exercised by the Board and those delegated to management are subject to ongoing review to ensure that the division of functions remains appropriate.

Matters Reserved for the Board

The matters specifically reserved for the Board under this Policy include decisions about company strategy and policies, as well as matters involving amounts over specified limits (which varies depending upon the nature of the transaction). The Board, or the Remuneration Committee, also has authority for succession planning and remuneration for the Chief Executive Officer (or equivalent) and his direct reports.

The Board reserves to itself all matters with the potential to have a material impact on the reputation of the Company.

Matters Delegated to Management

All matters not specifically reserved for the Board and necessary for the day to day management of the Company, and the implementation of corporate objectives, are delegated to management. Executive management can sub delegate where appropriate.

For example, delegations to management include procedures for the authorisation and signing of Company contracts and authorisations to relevant executives in relation to expenditure.

Comprehensive guidelines have been developed and approved by the Board on management delegated authority. As these guidelines relate to the internal operations of the Company; specific details have not been set out in this Policy.

Reporting by Management to the Board

As part of the framework established by this Policy, management is required to report regularly to the Board concerning the authority exercised and matters which come, or may come within, the scope of matters reserved for the Board.

The reports by management cover a range of matters, including sub delegations, litigation activity, financial performance and risk management.