

## Schedule of Matters Reserved to the Board

The Board of Directors (the **Board**) of The British Land Company plc (**British Land** or the **Company**) delegates day-to-day management of the business of the Company and its subsidiary and associated companies (the **Group**) to executive management. However, due to legal or regulatory requirements, a number of matters remain the responsibility of the Board of Directors as a whole.

While the Board may delegate these matters to a committee for review and recommendation, for certain matters the final decision must be made by the Board. These items are marked \* below.

The following matters are specifically reserved for approval by the Board:

<b>1</b>	<b>Strategy and management</b>	<b>References</b>
1.1	Promotion of the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society.	CGC A
1.2	Responsibility for the overall leadership of the Company and establishing the Company's purpose, values and strategy.	CGC <sup>1</sup> B
1.3	Approvals of the annual operating and capital expenditure budgets and any material changes to them.	
1.4	Oversight of the Group's operations ensuring: <ul style="list-style-type: none"> <li>• competent and prudent management;</li> <li>• sound planning;</li> <li>• compliance with statutory and regulatory obligations.</li> </ul>	
1.5	Receive reports from management on the performance of the Group's strategic aims, 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 or to cease to operate all or any material part of the Group's business.	
1.7	Ensuring that workforce policies and practices are consistent with the Company's values and support long-term sustainable success.	CGC E
1.8	Assessing and monitoring the culture of the organisation and the action taken by management to ensure practices and behaviour throughout the business are aligned with the Company's purpose, values and strategy. Reporting in the Annual Report on activity by the Board in this area.	CGC P2
<b>2</b>	<b>Structure and capital</b>	
2.1	Changes relating to the Group's capital structure including reduction of capital, share issues (except under employee share plans and satisfaction of Non-Executive Directors' fees), share buy backs (including the use of treasury shares) and the issue of more than £100m of any other securities by the Group and any alterations thereto.	
2.2	Material changes to the Group's management and control structure.	
2.3	Any changes to the Company's listing or its status as a plc.	
<b>3</b>	<b>Financial Reporting and controls and internal controls</b>	
3.1	* Approval of the annual report and accounts (including the corporate governance statement and Directors' remuneration report), half-yearly report and any preliminary announcement of the final results.	LR <sup>2</sup> 9.7 & 9.8, DTR <sup>3</sup> 4
3.2	* Satisfying itself on the integrity of financial and narrative statements and that they present a fair, balanced and understandable assessment of the Company's position and prospects.	CGC M, O
3.3	* Approval of the annual dividend proposal and declaration of interim dividend and recommendation of any final dividend.	LR 9.7 DTR 6.1.13
3.4	* Undertaking a robust assessment of the Company's emerging and principal risks.	CGC P28

<sup>1</sup> UK Corporate Governance Code 2018

<sup>2</sup> Financial Conduct Authority (FCA) Listing Rules

<sup>3</sup> FCA Disclosure and Transparency Rules

3.5	Determining the nature and extent of the principal risks the Group is willing to take to achieve its strategic objectives.	CGC O
3.6	<p>Ensuring maintenance of a sound system of risk management and internal control including:</p> <ul style="list-style-type: none"> <li>• Establishing formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions;</li> <li>• Approving the Company and Group's risk appetite statements;</li> <li>• Approving procedures for the detection of fraud and the prevention of bribery;</li> <li>• Undertaking an annual assessment of these processes; and</li> <li>• Approving an appropriate statement for inclusion in the annual report.</li> </ul>	CGC O BA2010 <sup>4</sup>
3.7	* Appointment, reappointment or removal of the external auditor, to be put to shareholders in general meeting following the recommendation of the Audit Committee.	CA2006 <sup>5</sup> s489 & 491, CGC P25
<b>4 Contracts and other matters relating to the Company's business</b>		
4.1	Any matter concerning the takeover of or merger with any other listed entity.	DTR 5
4.2	Acquisitions, disposals, property developments or refurbishments and other transactions or capital expenditure in excess of £100m (to include the Group's share in relation to any joint venture).	
4.3	Any significant transaction over £20m which is not in the Group's normal course of business.	
4.4	Investment in other entities, whether based in the United Kingdom or elsewhere, including, for the avoidance of doubt, limited and unlimited companies, partnerships, limited partnerships and unit trusts for a consideration in excess of £100m.	
4.5	Approval of financial commitments, including the issue of debt in excess of £100m (to include the Group's share in relation to British Land's share of joint venture financial commitments).	
4.6	Approval of guarantees and indemnities in excess of £100m.	
4.7	Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism in excess of £20m or otherwise material to the interests of the Group.	
<b>5 Communication</b>		
5.1	* Approval of all circulars to shareholders (including resolutions to be considered at a general meeting), prospectuses and listing particulars.	LR 13 PR <sup>6</sup> 5.5
5.2	Approval of all public announcements required by law or regulatory authority concerning matters decided by the Board.	
<b>6 Board Structure and remuneration</b>		
6.1	* Changes to the structure and composition of the Board, selection of the Chairman of the Board, the Chief Executive and the membership and chairmanship of Board committees following recommendations from the Nomination Committee.	CGC J & K
6.2	* Appointment of the Senior Independent Director.	CGC P12
6.3	* Continuation in office of any Director 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 or the suspension or termination of service of an Executive Director as an employee of the Company, subject to the law and their service contract.	
6.4	* Appointment or removal of the Company Secretary.	CA2006 s270- 280
6.5	Determining the remuneration of the Non-Executive Directors, subject to the Articles of Association and shareholder approval as appropriate.	CGC P34
6.6	* The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.	LR 9.4.1

<sup>4</sup> Bribery Act 2010

<sup>5</sup> Companies Act 2006

<sup>6</sup> FCA Prospectus Rules

## 7 Delegation of Authority

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| 7.1 | * Approval of material amendments to the schedule of authorities delegated to Executive Directors and Group management.   |                      |
| 7.2 | * The responsibilities of the Chairman, Chief Executive and Senior Independent Director which should be set out in writing and made publicly available.               | CGC P14              |
| 7.3 | * Establishing Board Committees, approving their terms of reference and any material changes thereto and receiving reports from Board Committees on their activities. | CGC P17, P24,<br>P32 |

## 8 Governance matters

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| 8.1  | * Undertaking a formal and rigorous annual review of its own performance, that of its committees, individual Directors and the division of responsibilities.  | CGC P21               |
| 8.2  | * Undertaking an annual evaluation of its composition, diversity and how effectively members work together to achieve objectives and individually, whether directors continue to contribute effectively.  | CGC L                 |
| 8.3  | * Determining the independence of Non-Executive Directors.  | CGC P10               |
| 8.4  | * Effective engagement with, and encourage participation from, shareholders, the workforce and other stakeholders including (but not limited to): <ul style="list-style-type: none"> <li>• Review of engagement mechanisms to ensure effectiveness;</li> <li>• Receiving reports from the Corporate Social Responsibility Committee with regard to workforce engagement and other matters; and</li> <li>• Ensuring there is a means for the workforce to raise concerns in confidence, routinely reviewing reports arising from its operation and ensuring there is proportionate follow up.</li> </ul> | CGC P3, P5, P6        |
| 8.5  | Review the Group's overall corporate governance arrangements and the approval of policies including (but not limited to): <ul style="list-style-type: none"> <li>• Share dealing code</li> <li>• Disclosure policy (including procedures for the release of price-sensitive information)</li> <li>• Board diversity policy</li> <li>• Modern slavery statement</li> <li>• Tax strategy</li> </ul>   |                       |
| 8.6  | Take action to identify and manage conflicts of interests declared by the Directors as permitted by the Company's Articles of Association.  | CA2006 s177<br>CGC P7 |
| 8.7  | Authorising transactions between the Group and any Director or parties related to a Director, and any such other parties as the Board may resolve to be related parties from time to time.  | LR 11                 |
| 8.8  | Approval of the overall levels of insurance for the Group including Directors' & Officers' liability insurance and indemnification of Directors.  |                       |
| 8.9  | Major changes to the pension arrangements for the Group's employees.  |                       |
| 8.10 | Making any political donation.  |                       |

Matters which the Board considers suitable for delegation are contained in the terms of reference of the relevant committee.

Approved by the Board of Directors on 20 March 2019.