



Matters Reserved for the Board

All matters that have a material impact upon the company or any of its subsidiaries will be referred to the Board. However, below is a schedule of matters reserved specifically for the decision of the Board or a duly authorised committee thereof. The Board has the authority to obtain outside legal or other independent advice at the expense of the Company. In this document Frontier Smart Technologies Group Limited may be referred to as “the Company” or “the Group”.

Financial matters

1. Approval of full year (preliminary) and half year results announcements.
2. Approval of dividend policy and payment.
3. Adoption of significant change in accounting policies or practices.
4. Approval of all circulars and prospectus to shareholders.
5. Changes relating to the capital structure of the Company.
6. Approval of increases in share capital of any Group Company
7. The approval of all guarantees given by the Company.
8. The approval of any new or increase in borrowing facilities exceeding \$500,000 (or equivalent), or cancellation of such facilities.
9. Change in Company status.

Corporate matters

10. Convening general meetings of the Company.
11. Recommending to shareholders the approval of alterations to the Memorandum and Articles of Association of the Company.
12. Making any take-over offer for another company or other companies within the City Code on Takeovers and Mergers and considering a response to any such approaches to the Company.

Annual Report and Accounts

13. To issue the Annual Report and Accounts of the Company having approved the following:
 - i. Strategic Report.
 - ii. Directors Report.
 - iii. Remuneration, Audit and Nomination Committee Reports.
 - iv. Accounts and notes to the accounts.

Appointments and structure

14. Appointment and removal of the Chairman of Frontier Smart Technologies Limited.
15. Appointment, removal and re-election of the Directors of Frontier Smart Technologies Group Limited.
16. Appointment and removal of the Secretary of the Company.

17. Reviewing succession planning for the Frontier Smart Technologies Group Limited Board and senior management of the Group - including being made aware of the appointment or resignation / departure of key staff in order to understand potential impact and advise on mitigation measures.
18. Carry out a formal and rigorous review of its own performance and that of its committees and individual directors on an annual basis.

Budgets, contracts and business development

19. Approval of strategic plans of the Group.
20. Approval of the annual budget of the Group and subsequent revision requested by the Company's Board.
21. Approval of significant changes in treasury and foreign currency policy of the Group.
22. Approval of investment proposals where the one-off cost or committed ongoing costs may be considered material to the Group's activities.
23. Approval of material contracts with a revenue impact of \$1,000,000 in terms of gross fees or whose terms could give rise to an abnormal loss or terms are outside those normally offered by the Group
24. Significant changes to the Group's activities to include, acquisitions or divestments or entry into a new foreign jurisdiction or exit from an existing one.

Litigation

25. The Company's Board must be advised of all litigation either proposed by or commenced against the Group, including recommendations for settlement.

Internal controls

26. To receive reports directly from the Chief Executive Officer / Chief Financial Officer on the Group's internal control systems and to consider amongst others:
 - i. changes in the nature and extent of significant risks to the business
 - ii. the key risks and how these are evaluated and managed
27. To review annually the effectiveness of the Group's internal control systems and consider:
 - i. for identified weaknesses, the actions being taken and the timeliness of rectification
 - ii. the effectiveness and output of the management's review process
 - iii. incidence of major control weaknesses, their cause and potential impact on the business.

Board committees

28. Approving terms of reference for Board Committees and agreeing division of responsibility between Chairman and Chief Executive Officer.

Other

29. Recommendation to shareholders to appoint or remove the Company's auditors including approval of their fees.
30. Appointment or removal of the Company's principal advisors.
31. Approval of the policy for charitable and political donations.
32. Approval of major changes in employee share and incentive schemes.
33. Major changes in the applications of Group Pension Schemes.
34. Approval of the Group's Health and Safety Policy.
35. Monitoring of the Directors and Officers Liability Insurance.
36. Agreeing fee levels for Non-Executive Directors