

Terms of Reference and Schedule of Matters Reserved for the Board of The Restaurant Group plc

1. Constitution and Authority

- 1.1 The Board of Directors of The Restaurant Group plc (the “Company” or the “Group”) is responsible for managing the business of the Group, in accordance with the Articles of Association and any relevant statutory and regulatory provisions.

2. Membership and Composition

- 2.1 The Board will usually consist of the following:
- 2.1.1 a Chair (who must be a Non-Executive Director, and independent on appointment);
 - 2.1.2 the Chief Executive Officer;
 - 2.1.3 the Chief Financial Officer; and
 - 2.1.4 such other Directors as may be appointed from time to time, the majority of whom, excluding the Chair, must be Independent Non-Executive Directors. One of those Directors will act as Senior Independent Director.
- 2.2 Non-members may attend all or part of any Board meeting at the invitation of the Chair.
- 2.3 The Company Secretary will attend Board meetings.
- 2.4 In the absence of the Chair from any meeting of the Board, the members of the Board in attendance shall elect one of themselves to chair the meeting.
- 2.5 The overall composition of the Board will be reviewed periodically by the Nomination Committee, which will recommend appointments to the Board as necessary, taking into account the range of skills, experience and diversity needed on the Board.

3. Quorum, Attendance and Voting

- 3.1 The quorum for Board meetings is any two Directors, including one Non-Executive Director. A duly convened and quorate meeting may exercise all the powers of the Directors.
- 3.2 A Director unable to attend any meeting and who does not have an alternate may authorise in writing another Director to vote on their behalf in addition to that Director’s own vote, although that other Director can only count once towards any quorum.
- 3.4 A Director may attend a meeting by telephone or video so long as they can communicate with the other Directors. The meeting will be deemed held at the place where most Directors are present in person.
- 3.5 Decisions at Directors’ meetings are made by a majority vote, with the Chair having a second or casting vote in the event of a tie.
- 3.6 A resolution in writing signed by each Director entitled to receive notice of a meeting is as effective and valid as a resolution agreed in a meeting.

4. Frequency of Meetings

- 4.1 The Board will usually meet at least seven times a year, according to a planned schedule, with dates determined and agreed at least one year in advance and intended to track key dates in the Company's financial and reporting calendar. Additional ad-hoc meetings may be held as required.
- 4.2 Any Director may request a meeting at any time by giving notice (or requesting the Company Secretary give notice) to each Director of the time, place and venue of the proposed meeting. Such notice need not be given in writing.

5. Secretariat Support

- 5.1 The Company Secretary, or their nominee, shall act as Secretary to the Board.
- 5.2 The Company Secretary is responsible for ensuring that all Board members are aware of the time and place of all meetings and for circulating the agenda and Board papers to all members in advance of each meeting.
- 5.3 Any supporting papers for a meeting of the Board will usually be circulated as part of a combined pack to Directors on the Friday before the week of the meeting.

6. Minutes of Meetings

- 6.1 The Company Secretary will minute the proceedings and resolutions of all meetings of the Board, including recording the names of those present and in attendance.
- 6.2 The Company Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest that arises in relation to any item on the agenda and minute them accordingly.
- 6.3 Draft minutes of Board meetings shall be circulated promptly to the Chair, CEO and CFO for detailed review, ahead of approval by the full Board at the following Board meeting.

7. Interests and Conflicts of Interest

- 7.1 Directors are required to inform the Company Secretary of any significant interests and of any potential conflicts, whether situational or transactional, that may arise from them.
- 7.2 Where a Director has a conflict of interest in respect of any matter under consideration by the Board, that Director may not vote on the matter in question or count to the quorum of any meeting considering it. If necessary, the Director may be asked to leave the meeting while that matter is being discussed and be prevented from having access to relevant Board papers.
- 7.3 The Directors may authorise, to the extent permitted by law, any matter which might otherwise constitute or give rise to a breach of an individual Director's duty to avoid any conflict of interest.

8. Annual General Meeting

- 8.1 The Chair of the Board and other Directors shall attend the Annual General Meeting to respond to any shareholder questions on the Board's activities and matters within the scope of the Board's responsibilities.

9. Principles

- 9.1 The Directors are responsible for, among other things, the preparation of the annual financial statements of the Company and for the approving them. They are also responsible for ensuring proper accounting records are maintained, for safeguarding the Company's assets, for the application of appropriate accounting policies and for the maintenance of effective systems of internal control.
- 9.2 In carrying out their responsibilities, members of the Board must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so, have regard, among other matters, to:
- (a) the likely consequences of any decision in the long term;
 - (b) the interests of the Company's employees;
 - (c) the need to foster the Company's business relationships with suppliers, customers and others;
 - (d) the impact of the Company's operations on the community and the environment;
 - (e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
 - (f) the need to act fairly as between members of the Company.

10. Committees, Sub-Committees and other Delegation

- 10.1 Subject to the Articles, the Directors may delegate any powers or authorities to committees consisting of two or more Directors. Committee meetings and proceedings are governed by the Articles in the same way as board meetings, subject to any special provisions agreed for those committees by the Directors.
- 10.2 The Board has currently established the following committees, which have the responsibilities set out in their respective terms of reference and as otherwise determined by the Board:
- 10.2.1 Audit Committee;
 - 10.2.2 Remuneration Committee; and
 - 10.2.3 Nomination Committee.
- 10.3 The Board may also establish such ad-hoc sub-committees as are required to make specific decisions or confirm certain transactions or activities, for example the approval of financial reporting announcements.
- 10.4 The Board may, subject to the Articles and to any statutory or regulatory restrictions, delegate to individual Directors or Officers the right to take certain administrative steps (for example the drafting, approval or signature of documents) to put into effect any decision of the Board.

11. Terms of Reference

- 11.1 The Board will review these Terms of Reference and the Schedule of Matters Reserved annually. Any substantive changes must be approved by the Board.

- 11.2 Minor administrative amendments to these Terms of Reference and Schedule of Matters Reserved may be made by the Chair of the Board and the Company Secretary as necessary.

Appendix: Schedule of Matters Reserved for the Board

The following matters are reserved for determination and/or approval by the Board, except for where the Board has formally resolved to delegate that authority.

1.	Strategy, Culture and Management
1.1	Responsibility for the long-term, sustainable success of the Company and Group, to generate value for shareholders and benefits for other stakeholders and wider society
1.2	Responsibility for defining the purpose and culture of the Company and Group and ultimate oversight of ESG matters
1.3	Responsibility for the overall management of the Company and Group
1.4	Approval of the long-term objectives and strategy, including the Company's appetite for risk
1.5	Approval of the three-year business plan
1.6	Approval of the annual budget for the Group and the individual business divisions
1.7	Major changes in the scope, scale or nature of the Group's business
1.8	Extension of the Group's activities into new business or geographic areas
1.9	Any decision to cease operation of all or any material part of the Group's business
1.10	Any significant changes to the Group's current divisional structure or overall organisation of the different business units
1.11	Review of performance in the light of the Group's strategy, business plan and budgets
2.	Structure and Capital
2.1	Changes to the Company's capital structure including increases and decreases in number of shares (except for issues under employee share schemes, where delegated to a sub-committee or named Officer of the Company) and major debt financing
2.2	Significant changes to the Group's corporate structure, including the liquidation or incorporation of subsidiaries and any reorganisation of internal ownership or capital structures
2.3	Any changes to the Company's listing or status as a plc
3.	Financial Reporting and Controls
3.1	Approval of full and half-year results, including preliminary announcements, and all other material financial announcements that are published (with final approval delegated to sub-committee where appropriate)

3.2	Approval of the Annual Report and Accounts and all constituent sections (with final approval delegated to sub-committee where appropriate)
3.3	Approval of the Company's dividend policy, and declaration of any interim dividend and recommendation of any final dividend
3.4	Approval of any significant changes in accounting policies or practices following recommendations from the Audit Committee
3.5	Approval of treasury policies including the use of financial instruments for the purposes of managing the Group's risk
3.6	Approval of any change to the Company's accounting reference date
4.	Contracts, Borrowing and Acquisitions/Disposals
4.1	All new site openings, and any other CapEx investment exceeding £1m in value
4.2	Approval of Group corporate banking arrangements and any refinancing of Group facilities
4.3	Major investments including the acquisition or disposal of interests of more than 5% in the voting shares of any company or the making of any takeover offer
5.	Internal Controls and Risk
5.1	Maintenance of a sound system of internal controls, including those relating to financial functions, operations and compliance, including by, through delegation to the Audit Committee where appropriate: <ul style="list-style-type: none"> • Approving procedures for the detection of fraud and the prevention of bribery • Approving procedures for the protection of whistleblowers
5.2	Maintenance of a sound system of risk management, including risks relating to climate, through delegation to the Audit Committee where necessary, including by: <ul style="list-style-type: none"> • satisfying itself as to the key areas of risk facing the Group, based on recommendations from the Audit Committee • reviewing the effectiveness of the Group's risk management processes and policies • approving an appropriate statement for inclusion in the annual report
6.	Corporate Governance
6.1	The review and evaluation of its own performance and that of its committees and individual Directors, with assistance where required from an independent, third-party evaluator
6.2	Determining and confirming the independence of the Non-Executive Directors
6.3	Review and approval of the Company's corporate governance arrangements and its compliance with the UK Corporate Governance Code and other regulatory requirements
6.4	The authorisation of conflicts of interest as permitted under the Company's Articles

7.	Delegation of Authority
7.1	The establishment of Board Committees and Sub-Committees and the approval of their terms of reference
7.2	Approval of the division of responsibilities between the CEO and the Chair, which should be clearly set out in writing
7.3	Approval of the delegated levels of authority, including the CEO's authority limits, which should clearly be set out in writing
8.	Statutory Statements and Policies
8.1	Approval of the Group's Tax strategy, on the recommendation of the Audit Committee
8.2	Approval of the Group's Modern Slavery Statement
8.3	Approval of the following Group and Company policies: <ul style="list-style-type: none"> • Share Dealing Code • Anti-Bribery Policy • Whistleblowing Policy • Fraud Prevention Policy • Health and safety Policy • Environment Policy • Treasury Policy • Board Diversity Policy
9.	Board Membership and Other Appointments
9.1	On the recommendation of the Nomination Committee, approval of any changes to the structure, size and composition of the Board, having regard to the balance of skills, experience, independence, knowledge diversity and time commitment
9.2	In conjunction with the Nomination Committee, ensuring adequate succession planning for the Board and senior management, including the development of a diverse pipeline for succession, so as to maintain an appropriate balance of skills, experience and diversity within the Group and on the Board
9.3	Appointments to and removals from the Board, following recommendation by the Nomination Committee
9.4	Appointment and removal of the Chair of the Board, the Chief Executive and the Senior Independent Director from their respective posts, on the recommendation of the Nomination Committee where appropriate
9.5	Appointment and removal of the Company Secretary
9.6	On the recommendation of the Nomination Committee, approving the reappointment of any Non-Executive Director at the end of their specified term of office
9.7	On the recommendation of the Nomination Committee, review and approval of the continuation in office of Directors when they are due to be re-elected by shareholders at the AGM and otherwise as appropriate

9.8	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
9.9	On the recommendation of the Nomination Committee, approving appointments and changes to the membership and chairship of Board Committees
10.	Remuneration
10.1	Through the Remuneration Committee, determining the remuneration policy and setting the remuneration of the Executive Directors and overseeing that of senior management and other colleagues
10.2	Determining the remuneration of the Non-Executive Directors, subject to the Articles of Association
10.3	Following recommendation from the Remuneration Committee, approving the introduction of new share incentive plans or major changes to existing plans
10.4	Through the Remuneration Committee, approval of grants of share options and other long-term incentives
11.	Communications and Engagement
11.1	Approval of any market announcements by RNS or formal press releases relating to half-year and year-end results or to other material financial developments or to decisions made by the Board (with delegation to a Sub-Committee for final approval where appropriate)
11.2	Approval of all circulars, prospectuses and listing particulars (other than routine documents)
11.3	Approval of resolutions and corresponding documentation to be put forward to shareholders at general meetings
12.	Other
12.1	The appointment or removal of the Company's brokers
12.2	The appointment or removal of the Company's auditors, on the recommendation of the Audit Committee, and subject to approval by shareholders
12.3	The giving of any indemnity by the Company to any Director or Officer
12.4	The granting of any guarantee to any third party
12.5	The making of any political donations
12.6	To be advised of any prosecution, or the commencement, defence or settlement of material litigation
12.7	Approval of any decision likely to have a material impact on the Company or Group including but not limited to operational, strategic or reputational matters
12.8	Any changes to this Schedule