



**Board Charter
Aberdeen Group plc**

**Part 2
Roles and Responsibilities of Members of the Board**



INTRODUCTION

This Part 2 of the Aberdeen Group plc Board Charter sets out the roles and responsibilities of individual members of the Board.

Section 2 lists the defined terms used in this Part 2 of the Aberdeen Group plc Board Charter.

1. ROLES AND RESPONSIBILITIES OF MEMBERS OF THE BOARD

The descriptions of the roles and responsibilities of the members of the Board as contained in this Part 2 of the Aberdeen Group plc Board Charter are supplemental to any appointment letters issued by the Company.

Certain roles, as described in this Part 2 of the Aberdeen Group plc Board Charter, are subject to the SMCR, which requires relevant individuals to comply with, among other things, certain regulatory conduct rules. This Part 2 of the Aberdeen Group plc Board Charter does not set out the responsibilities that apply to individuals subject to the SMCR and individuals subject to the SMCR should refer to their Statement of Responsibilities and the Aberdeen HR Regulations team for further information about their obligations.

All Directors must avoid situations in which they have, or could have, an interest that conflicts with the interests of the Company. Directors must proactively identify and disclose such conflicts of interest.

All Directors have the right to have any unresolved concerns about the running of the Company or a proposed action recorded in the minutes.

1.1 The Chair

The role of the Chair is to lead the Board and ensure that it functions effectively. The Chair is the Board's principal spokesperson and acts also as Chair of General Meetings. The Chair is a Non-Executive Director and the specific responsibilities of the Chair are to:

- 1.1.1 set the agenda, style and tone of Board discussions to promote a culture of openness, effective decision-making and constructive debate in Board meetings including appropriate consideration of strategic issues and risks affecting the Group;
- 1.1.2 in conjunction with the Chief Executive Officer, where appropriate, represent the Group to external stakeholders, including shareholders, customers, suppliers, regulatory and governmental authorities, the press/media and the wider community;
- 1.1.3 promote a high standard of corporate governance within the Group;
- 1.1.4 promote the desired culture of the Group;
- 1.1.5 ensure that the members of the Board receive accurate, timely and clear information on the Group and its activities;
- 1.1.6 ensure effective communication with shareholders and ensure that the Board as a whole develops an understanding of their views, issues and concerns including in relation to

remuneration, governance and strategy;

- 1.1.7 manage the Board to ensure that appropriate time is allowed for consideration of all relevant issues;
- 1.1.8 ensure that there is in place a properly constructed induction programme for new Directors that is facilitated by the Company Secretary;
- 1.1.9 take the lead in identifying and agreeing the training and development needs of individual Directors, with the Company Secretary having a key role in facilitating the provision of initiatives to meet needs that have been identified;
- 1.1.10 address the succession and development needs of the Board as a whole with a view to enhancing its overall effectiveness as a team and maintaining its collective skills and knowledge;
- 1.1.11 meet periodically with Non-Executive Directors without the Executive Directors present;
- 1.1.12 ensure that the Board Committees are appropriately structured with clear terms of reference;
- 1.1.13 ensure the performance of individual Executive and Non-Executive Directors and of the Board as a whole and the Board Committees is evaluated at least once a year and act on the results of the performance evaluation;
- 1.1.14 encourage active engagement by all the members of the Board, promoting constructive relations between Executive and Non-Executive Directors; and
- 1.1.15 work closely with the Chief Executive Officer, providing support and advice on matters relevant to strategy and operations while respecting the executive responsibility of the Chief Executive Officer to manage the Group.

The Chair is authorised to seek, at the Company's expense, appropriate professional advice inside and outside the Company when they consider this necessary to discharge their responsibilities. Also, they have access at all times to the Company Secretary and the Group General Counsel, the external auditors and to other independent advisors.

1.2 The Chief Executive Officer and the Executive Directors

1.2.1 Chief Executive Officer

The role of the Chief Executive Officer is to manage and direct the Group's business on a day-to-day basis - but subject to: (i) the Matters Reserved to the Board; (ii) any delegations of decision-making to be made by the Board to another Director or a Board Committee; (iii) any matter requiring approval of the board of directors of a Group Company (including as set out in the board charter of the relevant Framework Entity); and (iv) any matter falling within the power and authority of the shareholders of the Company.

The Chief Executive Officer is an Executive Director and their specific responsibilities are to:

- 1.2.1.1 lead the Executive Directors and senior management in the day to day running of the Group's business;
- 1.2.1.2 develop, and present to the Board for its approval, the strategy and objectives of the Group, and ensure the Group Companies' strategies and objectives are consistent with them;
- 1.2.1.3 promote and champion the desired culture of the Group and ensure that staff understand that their role in meeting the desired behaviours and values is critical to achievement of the Group's purpose and delivery of its strategy;
- 1.2.1.4 develop appropriate capital, corporate, operational and management structures to ensure the Group's objectives can be met and to identify and manage key risks;
- 1.2.1.5 monitor the operational performance and strategic direction of the Group, benchmarking it against Board approved plans and against relevant peers;
- 1.2.1.6 manage the Group's internal control framework, including approving management and control policies;
- 1.2.1.7 approve investments/disinvestments and major contracts (within authorised limits);
- 1.2.1.8 ensure that the opportunities and risks inherent in technological developments are fully factored into strategic planning;
- 1.2.1.9 approve the Group's talent development and succession plans for senior management, evaluate the performance of senior management, build an effective workforce and approve appointments and termination of staff reporting to senior management;
- 1.2.1.10 ensure that the Group's compensation policies, including retirement and other benefits, are appropriate to attract, retain and incentivise key talent;
- 1.2.1.11 report regularly to the Board with appropriate, timely and quality information so that the Board can discharge its responsibilities effectively; and
- 1.2.1.12 in conjunction with the Chair, where appropriate, represent the Group to external stakeholders, including shareholders, customers, suppliers, regulatory and governmental authorities, the press/media and the wider community.

1.2.2 Executive Directors

Executive Directors have day-to-day management responsibilities in addition to their responsibilities as members of the Board. These day-to-day management responsibilities are not addressed in this Part 2 of the Aberdeen Group plc Board Charter. Their responsibilities as members of the Board are separate from their management responsibilities. The role and responsibilities of Executive Directors as members of the Board are to:

- 1.2.2.1 provide strategic leadership of the Group within a framework of prudent risk management and effective controls which enable risks to be assessed and managed;

- 1.2.2.2 ensure that the necessary financial, technology and human resources are in place for the Group to meet its objectives, and review performance;
- 1.2.2.3 bring their judgement and experience to bear on the issues of strategy, performance, resources, key appointments and standards of conduct;
- 1.2.2.4 promote and champion the desired culture of the Group;
- 1.2.2.5 allocate sufficient time to Board preparation and engagement to ensure that they discharge their responsibilities effectively;
- 1.2.2.6 attend all meetings of the Board and its Committees where relevant, and any General Meetings; and
- 1.2.2.7 commit time to building professional relationships with the Non-Executive Directors contributing to a collegiate but challenging Board culture.

1.3 The Senior Independent Director and the Non-Executive Directors

1.3.1 Senior Independent Director (SID)

The SID is an independent Non-Executive Director who is available as a trusted intermediary available to shareholders, regulators and other Directors. The role is critical to situations where contact through the normal channels of Chair, Chief Executive Officer or other Executive Directors has failed to resolve concerns, or for which such contact is inappropriate. The SID has the power to call meetings of the Non-Executive Directors should they consider it necessary and are entitled to lead discussions without the Chair if required.

The SID provides a sounding board for the Chair and shall, at least annually, lead a review of the performance of the Chair, including a meeting of Directors at which the Chair is not present. At the appropriate time, the SID, on behalf of the Board, leads the process to select a new Chair (unless the SID wishes to apply for such role, in which case the process will be led by another Non-Executive Director).

The SID should engage with shareholders and regulatory authorities, if so requested by them.

1.3.2 Non-Executive Directors

The role of the Non-Executive Directors is to participate fully in the functioning of the Board, advising, supporting and constructively challenging the Executive Directors and senior management, as appropriate. The role and responsibilities of Non-Executive Directors are to:

- 1.3.2.1 Provide both support and challenge to the executive team as they execute Board approved Group strategic and operational plans;
- 1.3.2.2 ensure financial performance is delivered within a framework of prudent risk management and effective controls which enable risks to be assessed and managed;
- 1.3.2.3 monitor the forward planning of financial, technology and human resources needed

for the Group to meet its objectives, and review management performance thereon;

- 1.3.2.4 ensure the Group's values and standards are reflected in its delivery of its strategic objectives;
- 1.3.2.5 ensure that the expectations of, and the Company's commitments to, its shareholders and others are understood and in the case of commitments, met so far as possible;
- 1.3.2.6 promote and champion the desired culture of the Group;
- 1.3.2.7 bring their judgement and experience to bear on the issues of strategy, performance, resources, key appointments and standards of conduct;
- 1.3.2.8 scrutinise the performance of the Executive Directors and senior management in meeting agreed goals and objectives, and monitor the reporting of performance;
- 1.3.2.9 analyse the principal business risks and consider them against the approved risk appetite of the Group;
- 1.3.2.10 satisfy themselves on the integrity of financial and other externally reported information and that the financial controls and systems of risk management are robust and that timely actions are underway to remove deficiencies where they arise;
- 1.3.2.11 determine remuneration policies appropriate to delivering competitive levels of remuneration for Executive Directors and senior management set against sufficiently challenging but reasonable performance measures;
- 1.3.2.12 ensure succession planning, including talent development, is appropriate to the long-term needs of the Group and be prepared to initiate change in the Group's leadership and senior management, if required;
- 1.3.2.13 allocate sufficient time to the Group to ensure they discharge their responsibilities effectively;
- 1.3.2.14 attend all meetings of the Board, any Board Committees (as relevant) and any General Meetings; and
- 1.3.2.15 supported by the Chair, commit to ongoing development of their knowledge of, and engagement with, the Group.

Non-Executive Directors are authorised to seek, at the Company's expense, appropriate professional advice inside and outside the Company when they consider this necessary to discharge their responsibilities. Also, they have access at all times to the Company Secretary, the Group General Counsel, the external auditors and to other independent advice.

2. GLOSSARY OF TERMS

“Board”	The board of Directors of the Company
“Board Committee”	A committee of the Board
“Chair”	The chair of the Board
“Chief Executive Officer”	The chief executive officer of the Company
“Company”	Aberdeen Group plc
“Company Secretary”	The company secretary of the Company
“Director”	A director of the Company
“Executive Director”	An executive Director of the Company
“Framework Entity”	A Framework Entity as listed in the Corporate Governance Policy
“General Meeting”	A general meeting of the shareholders of the Company
“Group”	The Company and its subsidiaries
“Group General Counsel”	The general counsel of the Group
“Group Company”	Any company within the Group
“Matters Reserved to the Board”	The schedule of matters reserved for the Board
“Non-Executive Director”	A non-executive Director of the Company
“Senior Independent Director”	The senior independent director of the Company
“SMCR”	The UK senior managers and certification regime