

ITV plc (THE "COMPANY")

MATTERS RESERVED FOR THE BOARD

Where one of the four Committees referred to in (1) below does not have delegated authority then matters will be dealt with by the Board, normally at the scheduled meetings which are held on approximately eight occasions during the year, but it is recognised and accepted that on occasion matters may arise of such urgency that they cannot be deferred until the next scheduled meeting, in which event special Board Meetings will be convened with such limited notice as is reasonable in the circumstances.

- 1) It was agreed that the following matters are not within the delegation to the Management Committee, the Audit Committee, the Remuneration Committee or the Nomination Committee, but are reserved for decision by the Board (subject to any future separate delegation, by Resolution of the Board, of such matters to any committee of the Board):
 - A) Any provision by the Company (other than covered under (D) below) of a guarantee of a commitment entered into by another company, whether or not a subsidiary, where the liability under such guarantee (or similar obligation) exceeds £100 million;
 - B) the acquisition by the Company, or any subsidiary, of equity capital of a company (not being a wholly owned subsidiary of the Company) for consideration payable in excess of £10 million, and otherwise the acquisition or disposal by the Company, or any subsidiary, by a single or series of directly related contemporaneous transactions, of assets (including the acquisition or disposal of equity capital or companies) where the value of the consideration exceeds £50 million (provided that (i) where a budget is approved by the Board for the Group which includes provision for capital expenditure by subsidiaries on assets for the purpose of their business, then such budget approval is to be taken as approval of the capital expenditure for the purposes of this provision and (ii) this reservation shall not apply to the acquisition of equity of companies which are already wholly owned subsidiaries of the Company);
 - C) the entering into of any lease of land or buildings where the lesser of:
 - i. the aggregate rent payable during the term of the lease; and
 - ii. the rent payable during the first five years of the term of the lease at the initial rate; exceeds £50 million;
 - D) the incurring by the Company or any subsidiary of indebtedness (otherwise than in connection with an acquisition approved by the Board or where authority for such acquisition has hereafter been delegated to a Committee of the Board) of an initial capital amount exceeding, or where the available facility amount exceeds, £200 million in respect of any of:
 - i. moneys borrowed or raised;
 - ii. any debenture, bond, note, loan stock or other security;
 - iii. leases (whether in respect of land, machinery, equipment or otherwise) entered into primarily as a method of raising finance or financing the acquisition of the property or asset leased; and

- iv. any guarantee, indemnity or similar assurance against financial loss of any person arising out of any of the above items in this subparagraph (d) whether entered into by the Company or a subsidiary;

provided that this reservation shall not apply to the incurring of any indebtedness or entering into of any finance facility which is utilised to refinance any then pre-existing indebtedness whether or not the funds are to be used for purposes other than that for which the existing facility may be used or replacing unutilised committed finance facilities with other committed finance facilities unless the amount of the indebtedness or finance facility exceeds the amount of such indebtedness or finance facility being refinanced by more than £200 million;

- E) the giving of, or amending of any existing, bank mandate to provide for cheques or other instruments for amounts in excess of £20 million to be signed other than by two of: the directors for the time being, the Company Secretary for the time being, the Director of Treasury for the time being, the Finance Director of Group Finance and Strategy for the time being, the Director of Tax for the time being; and
- F) the following matters:

i. Strategy and Management

- a) responsibility for overall management of the Group;
- b) approval of the Group's long term objectives and corporate strategy;
- c) approval in each year of an operating budget (incorporating a capital expenditure budget) for the Group for the ensuing year;
- d) oversight of the group's operations ensuring:
 - competent and prudent management
 - sound planning
 - an adequate system of internal control
 - adequate accounting and other records
 - compliance with statutory and regulatory obligations
- e) review of performance in the light of the group's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken;
- f) extension of the group's activities into new business or geographic areas;
- g) any decision to cease to operate a material part of the Group's business, or to materially extend the Group's activities in new business or geographic areas.

ii. Structure and Capital

- a) issue of securities of the Company or of any subsidiary (other than to another member of the Group or under employee share plans) or any purchase or redemption thereof;
- b) major change to the Group's corporate structure;
- c) changes to the group's management and control structure;
- d) material change to the Company's listing or its status as a plc.

iii. Financial Reporting and Controls

- a) approval of the Company's interim and preliminary announcement of profits, interim management statements and the Annual Report and Accounts;

- b) approval of interim and recommendation of final dividends on the issued share capital and of the Company's dividend policy;
- c) significant change in accounting policies or practices;
- d) approval of the dividend policy;
- e) approval of treasury policies.

iv. Internal controls

- a) maintenance of sound system of internal control and risk management including:
 - receiving and reviewing reports and reviewing effectiveness of the group's risk and control processes to support its strategy and objectives;
 - undertaking an annual assessment of these processes;
 - approving an appropriate statement for inclusion in the annual report .

v. Contracts

- a) in addition to items A to E above, the making of any takeover offer for another company which is subject to the City Code on Takeovers and Mergers and the response to any approach regarding a takeover offer for the Company or any subsidiary.

vi. Communication

- a) approval of any press release, prospectus, listing particulars or circular to be issued to shareholders pursuant to the Company's Articles of Association, or statutory requirements or to the provisions of the Listing Rules, Disclosure and Transparency Rules and Prospectus Rules published by the Financial Services Authority (provided that a delegation to a committee authorising it to effect an acquisition or disposal shall be deemed to include authority to approve related circulars unless Statute or the Financial Services Authority specifically require approval by other Directors; and that routine documents (such as Dividend Re-investment Plan circulars) do not need to be approved by the Board).

vii. Board Membership and other appointments

- a) appointment of Directors and appointment of Chairman, Chief Executive , Chief Operating Officer and Senior Independent Director;
- b) membership and chairmanship of Board committees;
- c) appointment and removal of the Company Secretary;
- d) change in the Company's auditors, other than arising from a change in the partnership structure or organisation of then current auditors;
- e) changes to the structure, size and composition of the board, following recommendations from the nomination committee;
- f) ensuring adequate succession planning for the board and senior management;
- g) continuation in office of directors 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;
- h) 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.

viii. Remuneration

- a) remuneration policy for executive directors, company secretary and other senior executives;
- b) remuneration of Non-executive Directors;
- c) introduction of any new, or major change to existing, Employees' Share Scheme or any new Pension Scheme which is proposed to cover more than 1% of the aggregate UK Group staff.

ix. Delegation of Authority

- a) approval of the Terms of Reference of any committee of the Board;
- b) the division of responsibilities of the Chairman and Chief Executive or Chief Operating Officer which should be in writing;
- c) receiving reports from Board Committees on their activities.

x. Corporate governance matters

- a) undertaking an annual evaluation of the Board's own performance and that of its committees and directors;
- b) determination of independence of directors;
- c) consideration of the balance of interests of stakeholders in the Group;
- d) review of the Group's overall corporate governance arrangements;
- e) receiving reports on the views of the Company's shareholders.

2) It was agreed that without prejudice to the reservation in (1) above:

- A) the Company should exercise control over its subsidiaries by instructing that they not enter into any transaction which if entered into by the Company would have required prior Board approval, in accordance with (1) above, without first obtaining approval of the Board;
- B) This applies to the approval/signature of documents under which the Company incurs a liability to a third party outside the ITV plc Group (but excludes cheques or other financial instruments signed in accordance with a mandate given to any bank or other financial institution):
 - 1. Where the liability exceeds the authority level which is delegated to the Management Committee then such document/agreement must be approved by the Board of the Company prior to the commitment being entered into;
 - 2. Where the liability is below the level in 1 above (ie does not require approval by the Board) then such document/agreement may be approved by the Management Committee of the Board prior to the commitment being entered into; and
 - a) Where such liability is between £10 million and £50 million then the document must either be approved by the Management Committee or be signed by any two Directors or one Director and one of the Secretary, Deputy Secretary;
 - b) Where such liability is between £1 million and £10 million then the document must either be approved by the Management Committee or be signed by any two of the people from list i) or one from list i) and one from list ii):
 - i)

- the Directors of the Company;
- Chief Executive Officer of Broadcasting, Global Content and Online;
- ITV Director of Television.

ii)

- the Secretary, Deputy Secretary, Assistant Secretary, Legal Director, Director of Tax, Director of Treasury, Deputy Finance Director and Group Financial Controller;
- Finance Directors and Chief Operating Officers of Broadcasting, Global Content and Online.

3. The Management Committee may decide that approval of documents under which the Company incurs a liability to a third party outside the ITV plc Group of less than £10 million may be delegated to management within the above lists;

C) The basis upon which the Group operates its treasury and risk management functions should reflect the needs of the Group as a whole to respectively:

- a) control its underlying cash and borrowing requirements and hedge exposures;
and
- b) minimise the aggregate cost of risk by insurance where appropriate.

Adopted by the Board in February 2004
Amended by the Board in September 2004
Amended by the Board in May 2005
Amended by the Board in April 2008