

**SCHEDULE OF MATTERS RESERVED TO THE BOARD OF
CIRCASSIA GROUP PLC
(the Company)**

Strategy

1. Responsibility for the overall management of the Company and its subsidiaries (the **Group**).
2. Adoption of the strategic aims of the Group and approval of its long-term objectives.
3. Approval of the annual operating and capital expenditure budgets and any material changes to them.
4. 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.
5. 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.
6. Extension of the Group's activities into new business or geographic areas.
7. Any decision to cease to operate all or any material part of the Group's business.

Capital and Structure

8. Changes to the Group's capital structure (including reduction of capital, share issues (except under employee share plans), share buy backs including use of treasury shares.
9. Major changes to the Group's corporate structure.
10. Changes to the Company's listing or its status as a public limited company (plc).
11. Recommendations for the alteration of the articles of association of the Company.

12. Recommendations for the alteration of the registered office and the name of the Company.

Board, Committee and other Appointments

13. Changes to the structure, size and composition of the Board following recommendations from the nominations committee.
14. Appointments to the Board following recommendations by the nominations committee.
15. Selection of the chairman of the Board and the Chief Executive.
16. Appointment of one of the independent Non-Executive Directors to be the senior independent director.
17. Succession planning for appointments to the Board and to senior management.
18. Appointment and removal of the Company Secretary.
19. Establishing Remuneration, Nomination and Audit and Risk Committees and determining the membership and chairmanship of such committees.
20. 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.
21. 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.
22. Decisions as to the appointment, re-appointment and removal of external auditors before such proposals are put to the shareholders for approval in general meeting, following the recommendation of the audit committee.

Remuneration

23. Determining the remuneration policy for the directors and Company Secretary and following recommendation of the Remuneration Committee.
24. Determining the remuneration of the Non-Executive Directors following recommendation of the Remuneration Committee, subject to the articles of association and shareholder approval.
25. The introduction of or amendment (or recommendations for the amendment) to the share option and employee share schemes of the Company following recommendation of the Remuneration Committee.
26. A material amendment of any pension scheme(s) of the Company, or changes of trustees or, when this is subject to the approval of the Company, changes in the fund management arrangements.

Financial and Annual Reporting

27. Approval of statements containing financial information, including the half-yearly report, interim management statements and any preliminary announcement of the final results.
28. Preparation and approval of the directors' report in accordance with sections 415 to 419 of the Companies Act 2006, the AIM Rules and the Disclosure and Transparency Rules (**DTRs**).
29. Preparation and approval of the directors' remuneration report in accordance with sections 420 to 422 of the Companies Act 2006 and the AIM Rules.
30. Approval of annual and interim accounts of the Group.
31. Approval of the annual budget, capital expenditure, estimates and forecasts, including profit, dividend or other forecasts made public.
32. Approval of material unbudgeted capital or operating expenditure (outside pre-determined tolerances).
33. Approval of the dividend policy.
34. The declaration of interim dividends, the recommendation of final dividends and the making of any other distributions.
35. Approval of any significant changes in accounting policies or practices.
36. Recommendations for the alteration of the Company's accounting reference date.

Communication to Shareholders

37. Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
38. Approval of all circulars and prospectuses and listing particulars and related press releases.

Contracts

39. Transactions of the Company or its subsidiaries that are material strategically or by reason of size. For these purposes, **material** means transactions which fall in the following categories. In the case of items (a) to (d) the terms are as defined in the AIM Rules.
 - (a) reverse takeovers;
 - (b) class 1 transaction;
 - (c) class 2 transaction;
 - (d) related party transactions;

- (e) the issue of shares or any class of listed security excluding share options;
 - (f) any transaction involving an activity of a type not previously carried on by the Company; and
 - (g) a takeover bid subject to the Takeover Code.
40. Unbudgeted investments and capital projects exceeding £1.0m.
 41. Approval of unbudgeted major capital projects exceeding £1.0m and oversight over the execution and delivery.
 42. The entering into of any indemnities or guarantees where the maximum amounts payable could in aggregate exceed £2.0m other than indemnities and guarantees given in respect of the Company's products or any banking facilities (including any indemnities, guarantees or facilities in substitution for or renewal of existing arrangements).
 43. The creation of any mortgage, charge (fixed or floating), pledge, hypothecation or other encumbrance of a similar nature over all or any part of the undertaking, property and assets (both present and future) and uncalled capital of the Company.
 44. Issue of any debt instruments for amounts in excess of £0.5m including bond issues, debenture issues and loan stock instruments.

Corporate Governance

45. Overall review of corporate governance arrangements, including compliance with the QCA Code and other relevant guidelines.
46. Undertaking formal and rigorous annual review of the Board, its committees and directors and the division of responsibilities.
47. Determining whether each Non-Executive Director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could affect, the director's judgement.
48. Considering the balance of interests between shareholders, employees, customers and the community and ensuring a satisfactory dialogue with shareholders.
49. Receiving reports on the views of the Company's shareholders.
50. Identifying conflicts of interest and authorising these where permitted by the Company's articles of association.

Internal Control

51. Determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives and setting and maintaining appropriate

policies on risk management and internal control so as to ensure the effectiveness of the Group's systems of risk management and internal control. "Internal control" shall comprise all material controls, including financial, operational and compliance controls and risk management systems.

- 51.1 Approving the Group's risk appetite statements.
52. Approving procedures for the detection of fraud and the prevention of bribery
53. Receiving reports on, and reviewing, at least annually, the effectiveness of the Group's system of Internal Control to support its strategy and objectives.
54. Approving the statement, for inclusion in the annual report, in relation to internal control and management of risk.

Delegation of authority

55. Establishing Board committees and approval and amendment of the terms of reference of the committees of the Board.
56. Determining the division of responsibilities between the chairman of the Board and the Chief Executive, which should be set out in writing.
57. Receiving reports from Board committees on their activities.

Policies

58. Adopting and maintaining policies including:
 - treasury policies (including foreign exchange exposure);
 - a share dealing code;
 - a bribery prevention policy;
 - a whistleblowing policy;
 - a code of conduct;
 - a policy on corporate social responsibility; and
 - a policy regarding political or charitable contributions.

Other

59. The making of political donations.
60. Approval of the appointment of the Group's principal professional advisers.
61. Arranging and approving insurance cover, including directors' and officers' liability insurance and indemnification of directors.

62. Any litigation or arbitration proceedings involving above £0.5 million or otherwise being material to the interests of the Company/Group.
63. Approval of recommendation to shareholders of entering a liability limitation agreement between the Company and its auditors.
64. This schedule of matters reserved for Board decisions.
65. Any decision likely to have a material impact on the Group from any perspective.
66. Any other matter requiring the convening of a general meeting of shareholders or any class of shareholders, including, but not limited to, financial, operational, strategic or reputational.

Once a decision in principle has been taken by the Board on any matter referred to in this Schedule, the Board shall identify any documents relating to such matter which will require multiple Board signatures, and shall agree the procedure to be followed when any decisions are required between Board meetings. Subject to these issues, implementation of the matter can be delegated to a committee of the Board.