

Corporate Governance

The Board recognises the value and importance of high standards of corporate governance and intends to observe the requirements of the QCA Code.

The Board will continue to be responsible for the overall management of the Group including the formulation and approval of the Group's long-term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of the Group's strategy, policies and plans in line with its purpose. Whilst the Board may delegate specific responsibilities, there will be a formal schedule of matters specifically reserved for decision by the Board.

The Board will formally meet at least six times per annum to review performance. On Admission, the Board will comprise seven directors, three of whom are executive and four of whom are non-executive. The Board considers three of the non-executive directors to be independent and, as such, the Company complies with the requirements of the QCA Code with regard to there being at least two non-executive directors whom the Board consider to be independent.

The Board has established an audit & risk committee, remuneration committee and nomination committee with effect from Admission, with formally delegated duties and responsibilities, as described below.

Audit & Risk Committee

The audit & risk committee will have responsibility for reviewing and challenging the process for identification of risks and opportunities, risk mitigant structures and monitoring the integrity of the Group's financial statements, including monitoring the preparation of the annual and half yearly accounts, reports and any other formal announcement relating to its financial performance or prospects. The audit & risk committee will have responsibility for reviewing significant financial reporting issues, reviewing the effectiveness of the Group's internal control and risk management systems, compliance and fraud systems, monitoring the effectiveness of the internal audit function (if established) and overseeing the relationship with the external auditors (including advising on their appointment, agreeing the scope of the audit and reviewing the audit findings). The audit & risk committee will advise the Board independently of executive directors and external auditors when it considers the Group's corporate reporting. The audit & risk committee also has unrestricted access to the Group's external auditors.

The audit & risk committee will have at least three members and include members who, have between them, relevant financial experience and an overall understanding of management practices including risk management activities, both generally and in the Group's relevant industry.

The audit & risk committee comprises three independent non-executive directors, Tanya Raynes, Peter Tierney and Fraser Gray, and will be chaired by Fraser Gray. The audit & risk committee will meet at least three times a year at appropriate times in the reporting and audit cycle, and otherwise as required.

Remuneration Committee

The remuneration committee will have delegated responsibility for determining and agreeing with the Board the policy for the remuneration of the Chair, the executive directors and other designated senior executives, including the Company Secretary. Within the terms of the

remuneration policy in accordance with the Principles and Provisions of the QCA Code framework, the committee will determine the total individual remuneration schemes that motivate management and promote the long-term growth of shareholder value with packages of such persons including, where appropriate, bonuses, incentive payments and share options or other share awards. The remuneration of non-executive directors will be a matter for the shareholders within the limits set in the Articles of Association. No Director will be involved in any decision as to his or her own remuneration.

The remuneration committee comprises three independent non-executive directors, Tanya Raynes, Peter Tierney and Fraser Gray, and will be chaired by Peter Tierney. The remuneration committee will meet at least twice a year and otherwise as required.

Nomination committee.

The nomination committee will have responsibility for reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and giving consideration to succession planning. It will be responsible for identifying and nominating, for the approval of the Board, candidates for vacancies when they arise. The nomination committee will also have responsibility for monitoring the leadership needs of the organisation, both executive and non-executive directors to ensure the continued ability of the organisation to compete effectively in the market. It will keep up-to-date and informed about strategic issues and commercial changes affecting the Company.

The nomination committee comprises three independent non-executive directors, Tanya Raynes, Peter Tierney and Fraser Gray, and will be chaired by Tanya Raynes. The nomination committee will meet at least twice a year and otherwise as required.