



FINSBURY FOOD GROUP PLC
SCHEDULE OF MATTERS RESERVED FOR THE BOARD

1. Strategy and management

- 1.1. Responsibility for the overall management of the Group.
- 1.2. Approval of the Group's long-term objectives and strategy.
- 1.3. Approval of the annual operating and capital expenditure budgets of the Group, and any material changes to them.
- 1.4. Overview of the Group's operations ensuring:
 - competent and prudent management;
 - sound planning;
 - an adequate system of internal control;
 - an adequate risk management system; adequate accounting and other records; and
 - compliance with legal and regulatory obligations.
- 1.5. 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.
- 1.6. Extension of the Group's activities into new business or geographic areas.
- 1.7. Any decision to cease to operate all or any part of the Group's business.

2. Structure and Capital

- 2.1. Changes relating to the Group's capital structure, including any reduction of capital, share issues (except allotments of shares under employee share plans, where these have previously been approved in principle by the Board) and purchases of own shares (including the use of treasury shares but excluding subsidiary reorganisations/changes that are not material).
- 2.2. Major changes to the Group's corporate structure.
- 2.3. Changes to the Group's control structure.
- 2.4. Any change to the Company's status as a public Company and its admission to AIM.

3. Financial reporting and controls

- 3.1. Approval of preliminary announcements of interim and final results and any trading statements.
- 3.2. Approval of the annual report and accounts including the remuneration report, directors' report, strategic report and corporate governance statement.
- 3.3. Approval of the dividend policy.
- 3.4. Declaration of the interim dividend and recommendation of the final dividend.

- 3.5. Approval of any significant changes in accounting policies or practices.
- 3.6. * Review of foreign currency and interest rate hedging policies, and the use of financial derivatives.
- 3.7. Receive and review reports of the Audit Committee.
- 3.8. * Commitment to new bank Facility Agreements, borrowings or bonds.
- 3.9. Material amendments or material breaches to approved bank facility agreements, borrowings or bonds.
- 3.10.* Hedges and other complex financial instruments, excluding foreign currency and interest rate hedging.
- 3.11. Approval of an increase of more than £500,000 in the approved annual capex Budget and approval of any changes to approved budgeted capital projects where the unbudgeted project involved is for a spend of £500,000 (4%) of budget.

4. Internal controls

Ensuring maintenance of a sound system of internal control and risk management including:

- * receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives;
- undertaking an annual assessment of these processes; and approving an appropriate statement for inclusion in the annual report; and
- approving procedures for detecting fraud and preventing bribery.

5. Contracts

- 5.1. Contracts of the Company or any subsidiary not in the ordinary course of business.
- 5.2. Acquisitions, disposals and investments.
- 5.3. Any contractual arrangement with any director of the Company or other related party.
- 5.4. The provision of guarantees by (i) Finsbury Food Group Plc or (ii) by any group company whereby that company assumes any liability in respect of a company which is not a group company or a liability in respect of an individual.
- 5.5. The provision of indemnities not in the ordinary course of business by (i) Finsbury Food Group Plc or (ii) by any group company whereby that company assumes any liability in respect of a company which is not a group company or a liability in respect of an individual.

6. Communication

- 6.1. Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 6.2. Approval of all circulars, prospectuses and admission documents other than approval of routine documents.
- 6.3. **** Approval of regulatory and group press releases concerning matters decided by the Board.

7. Board Membership and other appointments

- 7.1. Changes to the structure, size and composition of the Board following recommendations from the Nomination Committee.
- 7.2. *** Ensuring adequate succession planning for the Board and executive management.
- 7.3. Selection of the Chairman of the Board and the CEO.
- 7.4. Appointment of any Deputy Chairman and/or if considered appropriate, the Senior Independent Director.
- 7.5. Membership and chairmanship of Board committees.
- 7.6. 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.
- 7.7. 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.
- 7.8. Appointment or removal of the Company Secretary.
- 7.9. Appointment, re-appointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the Audit Committee.
- 7.10. Appointment, re-appointment or removal of nominated advisor, primary banker, insurers, principal legal advisors and registrars.
- 7.11. Receive and review reports of the Nomination Committee.
- 7.12. Review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties.

8. Remuneration

- 8.1. ** Determining the remuneration policy for the Directors, in conjunction with the Remuneration Committee.
- 8.2. ** Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval, as appropriate, in conjunction with the Remuneration Committee.
- 8.3. ** The introduction of new employees' share schemes or other incentive plans, or major changes to existing schemes/plans, including those to be put to shareholders for approval, in conjunction with the Remuneration Committee.
- 8.4. Employment contracts with a notice period of more than one year in duration.
- 8.5. Receive and review reports of the Remuneration Committee.

9. Delegation of authority

- 9.1. The division of responsibilities between the Chairman of the board, and the CEO which should be in writing
- 9.2. Establishing Board Committees and approval of their terms of reference.
- 9.3. * Approval of group delegated authority policy and authority limits.

10. Corporate governance matters

- 10.1. Undertaking a formal and rigorous review annually of the Board's performance, that of its committees and individual directors.
- 10.2. Determining the independence of directors.
- 10.3. Receiving reports on the views of the Company's shareholders.
- 10.4. Reviewing the group's overall corporate governance arrangements.
- 10.5. Authorising directors' conflicts of interest where permitted by the Articles of Association.
- 10.6. Approving the Board's statement under the Modern Slavery Act.

11. Policies

Approval of Group policies, including:

- insider information and code on dealing in shares;
- health and safety policy; and
- charitable and political donations/expenditure policy.

12. Other

- 12.1. The making of political donations/incurred of political expenditure.
- 12.2. Under normal circumstances the prosecution, defence or settlement of litigation and/or alternative dispute resolution involving an amount of more than £250,000. Where speed is of the essence the Executive will respond as required and inform the Board as soon as possible.
- 12.3. * Approval of the overall levels of insurance for the Group, including directors' and officers' liability insurance and indemnification of directors.
- 12.4. Major changes to the rules of the Group's pension arrangements
- 12.5. This Schedule of Matters reserved for the Board.

Notes:

The Board will receive reports and recommendations from time to time on any matter which it considers significant to the Group.

- * - These items are usually delegated to the Audit Committee
- ** - These items are usually delegated to the Remuneration Committee
- *** - These items are usually delegated to the Nomination Committee
- **** - These items are usually delegated to ad hoc committees set up solely to deal with specific matters.

Adopted by the Board on 22 November 2017