

SCHEDULE OF MATTERS RESERVED FOR THE BOARD

The board of directors of Carr's Group plc (the "**Board**") is ultimately responsible for the strategy, management, performance and long-term success of the Company and its subsidiaries (the "**Group**").

In particular the Board is responsible for:

- The effective and entrepreneurial leadership of the Group within a framework of prudent and effective controls which enables risk to be assessed and managed.
- Assessing and monitoring culture and ensuring that it is aligned with the Group's purpose, values and strategy.
- Ensuring that all directors act with integrity, lead by example and promote the desired culture of the Group.
- Overseeing the Group's operations ensuring:
 - Competent and prudent management;
 - Sound planning;
 - Maintenance of sound management and internal control systems; and
 - Compliance with statutory and regulatory obligations.
- Ensuring that the necessary resources are in place for the Group to meet its objectives and enable it to review the Group's performance against its strategy, objectives, business plans and budgets.

Further information on the role and responsibilities of the Board is contained in The Role of the Board and the Directors.

The Board has reserved the matters set out below for its decision making in conjunction with the Audit, Remuneration and Nomination committees (and any other committee appointed by the Board from time to time).

The Board shall be responsible for the following:

1. Strategy and management

- 1.1 Overall leadership of the Group and setting the Group's purpose, values and standards.
- 1.2 Approval of the Group's strategic aims and objectives.
- 1.3 Approvals of the annual budget and any material changes to it.
- 1.4 Oversight of the Group's operations ensuring:
 - competent and prudent management;
 - sound planning;
 - maintenance of sound management and internal control systems;
 - adequate accounting and other records; and
 - compliance with statutory and regulatory obligations.
- 1.5 Review of performance in the light of the Group's strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.6 Extension of the Group's activities into a new category of business which is material to the Group or establishing a place of business in any new country.
- 1.7 Any decision to cease to operate all or any material part of the Group's business or to withdraw any material business operations from any country.

2. Structure and capital

- 2.1 Changes relating to the Group's capital structure including reduction of capital, share issues (except under employee share plans) and any reduction of capital through share buy-backs or otherwise.
- 2.2 Major changes to the Group's corporate structure, including, but not limited to acquisitions, disposals, mergers and disposals involving shares or cash transactions with an overall value (taking into account initial and/or any deferred consideration) of more than £0.5m..
- 2.3 Changes to the Group's management and control structure.
- 2.4 Any changes to the Company's listing or its status as a public limited company.

3. Financial reporting and controls

- 3.1 Approval of the half-yearly report, trading updates, and any preliminary announcement of the final results.
- 3.2 Approval of the annual report and accounts and ensuring that, taken as a whole, the annual report and accounts are fair, balanced and understandable and provide shareholders with the necessary information to assess the Group's position and performance, business model and strategy.
- 3.3 Declaration of the interim dividends and recommendation of the final dividend and the approval of any dividend policy.
- 3.4 Approval of any significant changes in accounting policies or practices.

4. Internal controls

- 4.1 Ensuring maintenance of a sound system of internal control and risk management including:
 - approving the Group's risk appetite;
 - receiving reports on, and reviewing the effectiveness of, the Group's risk and control processes to support its strategy and objectives;
 - approving procedures for the detection of fraud and the prevention of bribery;
 - undertaking an annual assessment of these processes; and
 - approving an appropriate statement for inclusion in the annual report.
 - assessing, following recommendations from the Audit Committee, the prospects of the Group, over an appropriate period of time, and its ability to continue in operation and meet its liabilities as they fall due over the period of assessment.
 - agreeing a statement to confirm the long-term viability of the Group for inclusion in the annual report.

5. Contracts

- 5.1 Approval of capital expenditure with a value of more than £0.5m.
- 5.2 Approval of acquisitions, mergers, joint ventures or disposals involving shares or cash transactions with a value of more than £0.5m.
- 5.3 Contracts which:

- Exceed £10m in value;
- Exceed £5m in value and of an expected duration in excess of 12 months;
- Are material strategically to the Group; or
- Are outside the ordinary course of business of the Group.

5.4 Making investments including the acquisition or disposal of interests of more than (3) percent in the voting shares of any publicly traded company or the making of any takeover offer.

6. Communication

6.1 Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.

6.2 Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.

6.3 Approval of all circulars, prospectuses and listing particulars.

6.4 A framework of engagement methods for the workforce.

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 senior management so as to maintain an appropriate balance of skills and experience within the Group and on the Board.

7.3 Appointments to the Board, following recommendations by the Nomination Committee.

7.4 Ensuring that appointments and succession plans are based on merit and objective criteria and promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

7.5 Appointment of the Chairman of the Board and the Chief Executive.

7.6 Appointment of the Senior Independent Director to provide a sounding board for the Chairman and to serve as intermediary for the other directors when necessary.

7.7 Membership and chairmanship of Board committees following recommendations from the Nomination Committee.

7.8 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.

7.9 Appointment or removal of the Company Secretary.

7.10 Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the Audit Committee.

8. Remuneration

- 8.1 The procedure for determining the remuneration policy for the Chair, Executive Directors, Company Secretary and senior management which supports the strategy and promotes the long-term sustainable success of the Group following recommendations from the Remuneration Committee.
- 8.2 Determining the remuneration of the Non-Executive Directors, subject to the articles of association and shareholder approval as appropriate.
- 8.3 The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.
- 9. Delegation of authority**
 - 9.1 The division of responsibilities between the Chairman and the Chief Executive which should be clearly established, set out in writing and agreed by the Board.
 - 9.2 Establishing Board committees and approving their terms of reference, and approving material changes thereto.
- 10. Corporate governance matters**
 - 10.1 Undertaking a formal and rigorous annual review of its own performance, that of its committees and individual directors, and the division of responsibilities.
 - 10.2 Determining the independence of non-executive directors in light of their character, judgment and relationships.
 - 10.3 Considering the balance of interests between shareholders, employees, customers and the community.
 - 10.4 Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the board as a whole.
 - 10.5 Considering and where appropriate authorising conflicts of interest in accordance with the Company's articles of association as required by the Companies Act 2006.
- 11. Other**
 - 11.1 The making of political donations.
 - 11.2 Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism involving above £1 million or being otherwise material to the interests of the Group.
 - 11.3 Major changes to the rules of the Group's pension scheme or, where this is subject to the approval of the Company, change of trustees or in fund management arrangements.
 - 11.4 Any decision likely to have a material impact on the Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
 - 11.5 This schedule of matters reserved for Board decisions.

Matters which the Board considers suitable for delegation are contained in the terms of reference of its committees.

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

Approved on 12 October 2020