

Curtis Banks Group plc

Corporate Governance

The Directors recognise the value and importance of high standards of corporate governance and its policy, given the Company's size and the constitution of the Board, is to comply, where practicable, with the principal provisions of the UK Corporate Governance Code. The Company's approach is also to follow, where practicable, the recommendations on corporate governance of the Quoted Companies Alliance for companies with shares traded on AIM ("**QCA Guidelines**").

Board

The Board of Directors ("**Board**") has overall responsibility for the Company and its subsidiaries ("**Group**"). The Board consists of an Executive Chairman, the Chief Executive, the Finance Director three Non-Executive Directors.

The Company does not fully comply with the UK Corporate Governance Code or adhere to the recommendations of the QCA Guidelines as the Board does not have an independent chairman. Christopher Banks holds the position of Executive Chairman and owns a material shareholding and, therefore, is not considered to be independent. The Board believes that Christopher's role as Executive Chairman benefits the Group given that he is the founder of the Company and his knowledge of the pension sector is important to the future development of the Group.

The Board has overall responsibility for the Group's system of internal controls including financial, operational, compliance and risk management controls.

The Board has established an audit committee ("**Audit Committee**"), a remuneration committee ("**Remuneration Committee**"), and a risk and compliance committee ("**Risk and Compliance Committee**").

Audit Committee

The Audit Committee is chaired by a Non-Executive Director (Bill Rattray). Its other members are two further Non-Executive Directors (Jules Hydleman and Chris Macdonald).

The Audit Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. It receives and reviews reports from the Company's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit Committee meets at least twice a year and has unrestricted access to the Company's auditors.

Remuneration Committee

The Remuneration Committee is chaired by Jules Hydleman. Its other members are Chris Macdonald and Bill Rattray. The role of the Remuneration Committee is to review the performance of the Executive Directors and make recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also makes recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. The remuneration and terms and conditions of appointment of the Non-executive Directors of the Company are set by the Board.

Risk and Compliance

The Risk and Compliance Committee is chaired by Chris Macdonald. Its other members are Jules Hydleman and Bill Rattray. The Risk and Compliance Committee has primary responsibility for reviewing the effectiveness of the Company's internal controls, compliance and risk management systems and providing oversight and advice to the Board in relation to current and potential risk exposures of the Group and future risk strategy, reviewing and approving various formal reporting requirements and risk policies and promoting a risk awareness culture within the Group; overseeing the implementation and maintenance of the overall compliance and risk management framework and systems; and reviewing the Company's risk assessment processes and capability to identify and manage new risks.