

NON-EXECUTIVE DIRECTOR TERMS AND CONDITIONS OF APPOINTMENT

1. APPOINTMENT

- 1.1 The appointment as a non-executive director of the company is a contract for services and is not a contract of employment.
- 1.2 The appointment is for an initial term of three years unless terminated earlier by either party giving to the other three months' prior written notice. Non-executive directors are typically expected to serve two three-year terms, although the board of directors ("Board") may invite them to serve for an additional period.
- 1.3 The appointment is in accordance with the articles of association ("Articles") of the company and subject to approval by the company's shareholders at the annual general meeting. Continuation of the appointment is then subject to continued satisfactory performance and re-election by the shareholders at forthcoming annual general meetings as required by the Articles.

2. ROLE AND DUTIES

- 2.1 A non-executive director has the same general legal responsibilities to the company as any other director and shall be required to take decisions objectively in the interests of the company. The Board as a whole is collectively responsible for the success of the company. The Board's role is to:
 - 2.1.1 provide entrepreneurial leadership of the company within a framework of prudent and effective controls which enable risk to be assessed and managed;
 - 2.1.2 set the company's strategic aims, ensure that the necessary financial and human resources are in place for the company to meet its objectives, and review management performance; and
 - 2.1.3 set the company's values and standards and ensure that its obligations to its shareholders and others are understood and met.
- 2.2 The role of a non-executive director shall also:
 - 2.2.1 constructively challenge and contribute to the development of strategy;
 - 2.2.2 scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
 - 2.2.3 be satisfied that financial information is accurate and that financial controls and systems of risk management are robust and defensible;
 - 2.2.4 be responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing and, where necessary, removing senior management and in succession planning;
 - 2.2.5 chair the audit and remuneration committees or serve on these committees from time to time;
 - 2.2.6 at all times comply with the Articles;
 - 2.2.7 abide by all general duties imposed by law;
 - 2.2.8 diligently perform their duties and use their best endeavours to promote, protect, develop and extend the business of the company;

- 2.2.9 immediately report their own wrongdoing or the wrongdoing or proposed wrongdoing of any other employee or director of the company of which they become aware to the Chairman; and
 - 2.2.10 comply with the terms of the relevant share dealing code for transactions by directors of AIM traded companies and any code of practice issued by the company from time to time relating to insider dealing.
- 2.3 The performance of individual directors and the whole Board and its committees is evaluated annually.

3. FEES

- 3.1 Fees shall be paid that are reflective of the time commitment and responsibilities agreed and shall be subject to an annual review by the Board. The company will reimburse all reasonable and properly documented expenses incurred in performing the duties of office.
- 3.2 All directors are entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date.

4. TIME COMMITMENT

- 4.1 The directors will be expected to devote such time as is necessary for the proper performance of their duties. It is anticipated that a non-executive director will spend fifteen and a half days per year providing services to the company after the induction phase. This will include attendance at: (i) monthly Board meetings and any committee meetings of the audit committee and/or remuneration committee of which the non-executive director is a member; (ii) the company's annual general meeting; (iii) one strategy day a year; (iv) one company conference a year; and (v) two half-day accompanied store visits per year. In addition, directors will be required to consider all relevant papers in advance of each meeting.

5. OUTSIDE INTERESTS

- 5.1 It is accepted and acknowledged that the non-executive director will have business interests other than those of the company. In the event that the non-executive director becomes aware of any potential conflicts of interest, these should be disclosed to the chairman and company secretary as soon as they become aware of them.

6. INDEPENDENT LEGAL ADVICE

- 6.1 Circumstances may arise where the director considers it necessary to seek professional advice in the furtherance of their duties as a director. Advice may be sought from independent advisors at the Company's expense.

7. CONFIDENTIALITY

- 7.1 All information acquired during the appointment is confidential to the company and should not be disclosed to third parties or used for any reason other than in the interests of the company, either during the appointment or following termination (by whatever means), without prior clearance from the chairman.
- 7.2 All directors should avoid making any statements that might risk a breach of the legal and regulatory requirements relating to the disclosure of inside information without prior clearance from the chairman or company secretary.

8. INDEMNITY AND INSURANCE

- 8.1 The Company has arranged directors' and officers' liability insurance and it will maintain such cover for the full term of the appointment. All directors will be entitled to the indemnification afforded to them by the Articles.