

ANNEX B**MATTERS RESERVED TO THE CONSIGNIA plc BOARD****STATUTORY REQUIREMENTS**

- Approval of half year, full year *and regulated* accounts
- Approval of financial forecasts to the DTI
- Approval of any significant change in accounting policies or practices on the recommendation of the Audit Committee
- Appointment or removal of *Directors* and the Company Secretary

COMBINED CODE REQUIREMENTS

- Approval of major capital projects (with costs in excess of £20m)
- Approval of material contracts of the company in the ordinary course of business (the acquisition and disposal of assets in excess of £20m)
- Approval of contracts of the company not in the ordinary course of business (including all strategic acquisitions or joint ventures where the transaction total is in excess of £10m)
- Approval of major investments, including the acquisition or disposal of interests of more than 5% in the voting shares of any company or the making of any takeover bid
- Approval of risk management strategy including internal control arrangements

MANAGEMENT

- Approval of the Group's commercial strategy and annual operating budget
- Approval of plans for senior management development and succession
- Approval of changes to the Group's management and control structure, including major restructurings
- Approval of main postal price changes
- Approval of pay policy for staff and agents
- Establishment of Board sub-committees, their terms of reference and membership
- Appointment to boards of 'direct' Consignia plc subsidiaries
- Approval of the health and safety policy
- Approval of the environmental policy
- Approval of the equal opportunities policy

MISCELLANEOUS

- Approval of amendments to trust deeds of Consignia pension schemes
- Appointment and remuneration of the chairman and trustees of main Consignia pension schemes
- Appointment of specified individuals to authenticate the Consignia plc seal
- Adoption of a new Consignia plc seal