

# REMUNERATION COMMITTEE

## Terms of Reference

### 1. CONSTITUTION

The Board hereby resolves to establish a Committee of the Board to be known as the Remuneration Committee.

### 2. MEMBERSHIP

The members of the Remuneration Committee will be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chairperson of the Committee and shall consist of not less than three members, each of whom shall be independent non-executive directors.

The Chairman of the Board shall not chair the Remuneration Committee but may be a member once considered independent on appointment.

The Company Secretary shall act as the secretary of the Remuneration Committee. The Board shall ensure that the membership of the Remuneration Committee is refreshed in accordance with the Group Corporate Governance Policy.

### 3. ATTENDANCE AT MEETINGS

Only the Committee Chairman and members are entitled to be present at the Remuneration Committee meetings. The Remuneration Committee may extend an invitation for other persons to attend meetings or be present for particular agenda items as required. The quorum necessary for the transaction of business shall be two.

No director or senior executive shall be involved in any decisions as to his or her own remuneration.

### 4. FREQUENCY OF MEETINGS

The Remuneration Committee Chairman shall, in consultation with Secretary decide on the frequency and timing of the Remuneration Committee meetings. Meetings shall be held no less than four times a year.

Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chairman. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

### 5. AUTHORITY

The Remuneration Committee is authorised by the Board to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of advisors with relevant experience and expertise if it considers this necessary, the expense of which is to be borne by the Company.

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### 6. COMMITTEE'S DUTIES

Duties as per committee Terms of Reference:

<b>C.E.O. &amp; Executive Director's remuneration</b>	<ul style="list-style-type: none"> <li>Responsibility for setting and determining the level / scope of basic pay, pension and other benefits of the CEO and Executive Directors.</li> <li>To review the remuneration of the C.E.O (the CEO if present, to withdraw during this review);</li> <li>To receive and review recommendations from the C.E.O. for the salaries and overall remuneration of Executive Directors and approve if satisfied;</li> <li>To arrange at least every three years for external benchmarking of overall remuneration levels for the CEO, the Executive Directors;</li> <li>To agree policy for authorising claims for expenses of the CEO and Executive Directors;</li> </ul>
<b>Chairman &amp; Non-Executive Director's fees</b>	<ul style="list-style-type: none"> <li>For the Committee to review the Chairman's fees and present any recommendations to the full Board for approval;</li> <li>For the CEO &amp; Chairman to review the Non-Executive Director's fees and present any recommendations to the full Board for approval;</li> <li>To arrange at least every three years for external benchmarking of overall remuneration levels for the Chairman and Non-Executive Directors;</li> </ul>
<b>Senior Management remuneration</b>	<ul style="list-style-type: none"> <li>To receive and have oversight of recommendations from the C.E.O. for the salaries and overall remuneration of Senior Management;</li> </ul>
<b>Incentive plans – Short Term &amp; Long Term</b>	<ul style="list-style-type: none"> <li>To review and approve incentive plan structures, targets, goals and payment recommendations from the C.E.O. in respect of Executive Directors;</li> <li>To review the effectiveness of short term and long term incentive schemes;</li> <li>To ensure the link between the reward policy and corporate strategy / risk;</li> <li>To ensure the right KPI's, right weighting, right targets and right calibration is applied to all incentive plans for Executive Directors;</li> <li>To ensure appropriate payment between shares and cash and attain shareholder approval where applicable;</li> <li>Consider appropriate application and use of deferral, claw-back and malus provisions;</li> <li>To keep an overview of the operation of the all Group short and long term incentive plans;</li> </ul>
<b>Contractual terms</b>	<ul style="list-style-type: none"> <li>To ensure the contractual terms of Executive Directors are deemed fair and reasonable for both individual and company and that failure or poor performance is not rewarded;</li> <li>To review the status and terms and conditions for the next level of Senior Management;</li> </ul>
<b>Remuneration Report</b>	<ul style="list-style-type: none"> <li>To place before shareholders at each AGM, a Remuneration Report outlining the Company's policy and disclosure on Director remuneration as required by the combined code and other associated legislative requirements;</li> </ul>
<b>External remuneration consultants</b>	<ul style="list-style-type: none"> <li>To appoint external remuneration consultants where required at the Company's expense, set their terms of reference and approve any fees paid to them;</li> </ul>

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<b>Committee Performance in TOR</b>	<ul style="list-style-type: none"> <li>The Committee shall review at least annually, its own performance and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval;</li> </ul>
<b>General</b>	<ul style="list-style-type: none"> <li>To remain up to date in relation to the climate and conditions of pay across the Group for employees and Senior Management;</li> <li>To ensure commercial awareness of trends, practice, regulation and governance for Senior Executive remuneration.</li> </ul>

### 7. REPORTING PROCEDURES

The Chairman shall make reports to the main Board on the Business of the Committee.

The Secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. A summary of the minutes should be circulated to all other members of the Board unless in the opinion of the Committee chairman it would be inappropriate to do so.

The Committee shall produce an annual report of the company's remuneration policy and practices which will form part of the company's annual report.

The Committee chairman should attend the annual general meeting to answer any shareholder questions on the committee's activities

The Committee shall: (a) have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required, (b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members and (c) arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval