

Remuneration Committee – Terms of Reference

Membership

The Committee shall comprise at least two members all of which should be independent non-executive directors. The Chairman of the Board may also serve on the Committee as an additional member if he/she was considered independent on appointment as Chairman.

Frequency of Meetings

The Committee shall meet at least twice a year as required.

Duties

The responsibilities of the Committee covered in its terms of reference include:

- Setting the remuneration policy for all executive directors and the company's chairman, including pension rights and any compensation payments. The board itself should determine the remuneration of the non-executive directors within the limits set in the Articles of Association.
- Recommend and monitor the level and structure of remuneration for senior management
- When setting remuneration policy for directors, review and have regard to pay and employment conditions across the company or group, especially when determining annual salary increases.
- Review the on-going appropriateness and relevance of the remuneration Policy
- Determine the total individual remuneration package of each executive director, the company chairman and other designated senior executives including bonuses, incentive payments and share options or other share awards
- Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations the committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary
- Approve the design of, and determine targets for, any performance-related pay schemes operated by the company and approve the total annual

payments made under such schemes

- Review the design of all share incentive plans for approval by the board and shareholders. Determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors, and other designated senior executives and the performance targets to be used.
- Determine the policy for, and scope of, pension arrangements and other benefits for each executive director and other designated senior executives.
- Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- Oversee any major changes in employee benefits structures throughout the company
- Agree the policy for authorising claims for expenses from the directors