Remuneration Committee

Terms of Reference

The Committee will consist of at least three members, all of whom shall be independent non-executive directors (with a quorum of 2 in order to transact business). At least one member of the Committee shall also be a member of the Audit Committee. Provided that, if he was deemed independent on appointment and continues to meet the standards of independence, the Chairman of the Board may be an additional member of the Committee. No executive director may be a member of the Committee.

The Chairman of the Committee shall be appointed by the Board from amongst the independent non-executive directors. The Chairman of the Committee shall not be the Chairman of the Board. To be eligible as Chair of the Committee, the proposed director will need to have served on the Committee itself or the remuneration committee of another company for at least a year.

It is the responsibility of the Committee to determine remuneration packages (including pension rights and compensation payments) for the executive directors, the Chairman of the Board and, so as to maintain and assure their independence, the company secretary. In setting the policy and practices for executive directors, the Committee will additionally review and have regard to: clarity, simplicity, risk, predictability, proportionality, alignment to culture and awareness of workforce practices as contemplated by the Corporate Governance Code. In addition, the Committee shall review workforce remuneration and related policies and the alignment of incentives and rewards with executive director remuneration and the values and culture of the business.

The remuneration of the Chairman of the Board shall be a matter for the Committee in consultation with the Chief Executive, as appropriate. The remuneration of non-executive directors shall be a matter for the Chairman of the Board and the executive directors, having regard to the increases in wider workforce remuneration, the time commitment and responsibilities of the role(s) and within the limits set out in the Company's Articles of Association. In any event, no director shall be involved in any decisions as to their own remuneration.

It is also the responsibility of the Committee to meet its obligations as set out in the terms of reference, as well as to review the level and structure of remuneration for senior management.

The policy of the Remuneration Committee is to reward directors competitively and on the broad principle that their remuneration should take into account the remuneration paid to senior management of comparable public companies.

The Committee chair will attend the AGM and be available to answer remuneration related questions.

The terms of reference for the Committee are as follows:

1. To provide packages necessary to attract, retain and motivate executive directors of the quality required. The notice period for directors will be a maximum of one year for new appointees, except in exceptional circumstances.

2. To make itself aware of packages available in comparable companies.

3. To determine the balance between basic pay and performance related elements of the package to align directors' interests to those of the shareholders as well as considering the interest of wider stakeholders. A significant proportion of executive directors' remuneration shall be structured so as to link rewards to corporate and individual performance.

4. In designing any performance-related remuneration, the Committee will take into account the remuneration related Principles and Provisions of the Corporate Governance Code and Companies Act legislation.

5. To recommend the Company's framework for executive remuneration and its cost for the approval of the Board.

6. To consider and determine specific remuneration packages for the executive directors. No director will take part in the discussions concerning his own remuneration.

7. To approve the annual bonus payments to executive directors.

8. To consider and determine compensation payments for early termination of contracts of service. The broad aim will be to avoid rewarding poor performance while dealing fairly where departure is not for poor performance and to take a robust line on director's obligations to mitigate loss.

9. To ensure that shareholders are invited to approve all long term incentive plans.

10. To maintain contact with shareholders on remuneration issues.

11. To review, recommend and monitor the level and structure of remuneration for senior management.

12. To approve the Remuneration report contained in the Company's annual report.

13. To approve contracts of service for all new executive directors. The Committee will consider the advantages and disadvantages of providing explicit compensation commitments, except in the case of misconduct, in that initial contract.

14. To approve the share ownership policy for executive directors including in relation to post-employment shareholding requirements, encompassing both unvested and vested shares, and monitor compliance.

15. To assess the overall reasonableness of the total reward to executive directors and use its discretion to adjust outcomes where they would not otherwise align with individual performance or meet the intention of the remuneration policy, subject to and in accordance with the rules of any share-based remuneration schemes