

Remuneration Committee Terms of Reference

Constitution

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

Membership

2. The Committee shall be appointed by the Board from amongst the non-executive directors of the Company and shall consist of not less than three members, a majority of whom should be independent. A quorum shall be two members.
3. The Chairman of the Committee shall be appointed by the Board and should be an independent non-executive director.

Attendance at meetings

4. An executive director, the Head of Human Resources, and such other persons of whom the Committee considers necessary shall normally attend meetings.
5. The company secretary shall be the secretary of the Committee.

Frequency of meetings

6. The Chairman or any members may request a meeting if they consider that one is necessary and in any event the Committee shall meet once in a year to review the remuneration policy of the Company and its subsidiaries.

Authority

7. The Committee is authorised by the Board to carry out its duties within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
8. The Committee is authorised by the Board to obtain independent advice from professionals with relevant experience and expertise if it considers this necessary.

Duties

9. The duties of the Committee shall be:
- (a) to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
 - (b) to review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives;
 - (c) to have the delegated responsibility to determine the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
 - (d) to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;
 - (e) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate; and
 - (f) to ensure that no director or any of his associates is involved in deciding his own remuneration.

Reporting procedures

10. The secretary shall circulate the minutes of meetings and reports of the Committee to all members of the Board.