

## **REMUNERATION COMMITTEE**

### **Terms of Reference**

#### **Membership & Chairman**

The Committee shall be appointed by the Board and shall comprise all directors of the Company other than Maxwell Ward (the “Directors”). The first members of the Committee shall be James Ferguson, Robert Laing and Douglas McDougall.

The Chairman of the Company will normally be the Chairman of the Committee. The first Chairman of the Committee is Douglas McDougall.

The Secretary of the Company will be the Secretary of the Committee.

#### **Responsibilities**

The Committee shall review the effectiveness and performance of the Company’s managing director from time to time having regard to the terms of engagement of such managing director. For the avoidance of doubt, the terms of engagement of the current managing director, Maxwell Ward, shall be taken to include his duties under the contract for services entered into between the Company and him and his remuneration thereunder.

The Committee shall account for its decisions directly to shareholders and should comply with the requirements of a remuneration committee (to the extent appropriate and relevant) set out in the Combined Code appended to *The Listing Rules* and with *The Listing Rules*.

The Chairman of the Committee (or, in his unavoidable absence, another member of the Committee) shall attend the Annual General Meeting of the Company and answer shareholders’ questions about the engagement of the managing director. In respect of any Annual General Meeting at which the election or re-election of a director who is a member of the Committee is to be considered, the proxy forms sent to shareholders shall indicate the director’s membership of the Committee.

The Committee shall have access to professional advice from inside and outside the Company.

#### **Authority**

The Committee has authority to exercise all the powers of the Company under the terms of the managing director’s engagement. Should the Committee consider the effectiveness and performance of the managing director to be unsatisfactory, it shall have the authority to terminate or negotiate the terms of appointment of the managing director subject to the terms of the managing director’s engagement.

#### **Meetings**

The Committee shall meet at least once a year. The Chairman of the Committee shall otherwise call a meeting of the Committee if so requested by any Committee member or by the Board. The quorum for meetings of the Committee is two members of the Committee.