

**TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE (THE
“COMMITTEE”) OF THE BOARD OF DIRECTORS OF FINDEL PLC**

1. MEMBERSHIP

- 1.1.** The Remuneration Committee (the "Committee"), including the Chairman of the Committee, shall be appointed by the Board of Directors (the "Board").
- 1.2.** The Committee shall consist of not less than two Members, with each Member being either (i) an independent Non-Executive Director; or (ii) the Chairman of the Board, provided he or she was considered independent on appointment as Chairman of the Board. The Board may appoint an Alternate to a Committee member to attend a Committee meeting if a Member is unable to do so.
- 1.3.** The Chairman of the Committee shall be an independent Non-Executive Director. The Chairman of the Board shall not be Chairman of the Committee.
- 1.4.** A quorum is two Members of the Committee.
- 1.5.** Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the Director still meets the criteria for membership of the Committee.
- 1.6.** The Company Secretary, or a nominee, shall be the Secretary of the Committee.

2. ATTENDANCE AT MEETINGS

- 2.1.** Directors of the Company other than the Members of the Committee shall not normally attend Committee meetings, nor shall they have the right of attendance. However, the Chairman of the Board, Executive Directors and any other members of management (including the HR Director) or advisers to the Committee may attend Committee meetings by invitation.
- 2.2.** No individual will be involved in any decisions as to their own remuneration.

3. FREQUENCY OF MEETINGS

- 3.1.** The Committee will meet with sufficient frequency to fulfil its responsibilities but will normally meet at least three times a year.

4. NOTICE OF MEETINGS

- 4.1.** Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its Members on reasonable notice.
- 4.2.** 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. MINUTES OF MEETINGS

- 5.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 5.2. Minutes of Committee meetings shall be circulated promptly to all Members of the Committee and, once agreed, to all members of the Board, unless a conflict of interest exists.

6. AUTHORITY

6.1. The Committee is authorised by the Board to:

- 6.1.1. seek any information it requires from any employee of the Company in order to perform its duties;
- 6.1.2. investigate, or cause to be investigated, any activity within its terms of reference;
- 6.1.3. commission any reports or surveys at the Company's expense which it deems necessary to help fulfil its obligations and to obtain reliable, up-to-date information about remuneration in other companies;
- 6.1.4. be exclusively responsible for establishing the selection criteria, appointing and setting the terms of reference for any remuneration consultants who advise the Committee (which may be the same advisers as used by management provided the Committee is satisfied that no conflict of interest arises) provided that such remuneration consultants are signatories of the 'Code of Conduct in Relation to Executive Remuneration Consulting in the United Kingdom'; and
- 6.1.5. delegate any of its duties as is appropriate to such persons or person as it thinks fit.

7. DUTIES OF THE COMMITTEE

7.1. In carrying out its duties under these Terms of Reference, the Committee shall:

- 7.1.1. have regard to the Combined Code on Corporate Governance, the UK Listing Authority's Listing Rules and any other relevant statutory, regulatory or governance codes (e.g. the latest ABI guidelines on remuneration);
Remuneration of Executive Directors
- 7.1.2. determine the Company's framework for Executive Directors' remuneration and its cost;
- 7.1.3. ensure the remuneration of the Executive Directors' is adequate to attract, retain and motivate personnel of the quality required to run the Company successfully and provides reward for enhancing shareholder value responsibly in relation to their individual contributions;
- 7.1.4. determine the remuneration policy in respect of the Executive Directors and review its ongoing appropriateness and relevance;
- 7.1.5. consider, not less than once a year, specific remuneration packages for individual Executive Directors to determine basic salary, any benefits in kind, any annual bonuses, any participation in any performance related pay scheme and any pension arrangements and to ensure that Executive Directors are paid fairly and responsibly for their individual contribution after, where appropriate, obtaining independent advice;

- 7.1.6. approve the design of, and determine the targets for, any performance related pay schemes operated by the Company for Executive Directors and approve the individual annual payments made under such schemes;
- 7.1.7. review the terms of Executive Directors' service agreements from time to time;
- 7.1.8. agree the policy for authorising claims for expenses incurred by any Director;
- 7.1.9. determine the structure and quantum of any severance package for an Executive Director ensuring that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure it not rewarded and that the duty to mitigate loss is fully recognised;
- 7.1.10. in determining such packages and arrangements, review and note annually the remuneration trends across the Group;

Remuneration for Senior Manager

- 7.1.11. determine the remuneration principles and policy for a defined population of senior management (to include the Company Secretary);
- 7.1.12. monitor the level and structure of remuneration for a defined population of senior management;

Employees Generally

- 7.1.13. approve the budget for salary increases and annual bonus payments across the Group annually;
- 7.1.14. maintain an overview of all aspects of remuneration across the Group to ensure that policies are coherent;

Pension

- 7.1.15. implement the decision of the Board relating to pension schemes operated by the Company and to advise the Board on issues relating to such schemes;

Chairmans Fees

- 7.1.16. review and determine the remuneration package of the Chairman of the Board;
- 7.1.17. agree the policy for authorising claims for expenses from the Chairman;

Non-Executive Fees

- 7.1.18. the Chairman of the Board, in consultation with Chief Executive, shall determine and recommend to the Board the fees payable to the Non-Executive Directors annually and, where appropriate, obtaining independent advice;

Share-Based Incentive Plans

- 7.1.19. review the design and development of all share incentive plans requiring approval by the Board and/or shareholders, including the design and development of long-term incentive plans (including any deferred share bonus plan) applicable to Executive Directors and all all-employee share plans (the "Share Plans") and make recommendations to the Board as to the adoption of the Plans and to any amendments to the terms of such Share Plans;
- 7.1.20. for all Share Plans, determine each year, whether awards will be made, and, if so, the individual amount of all awards;
- 7.1.21. approve the performance targets for Executive Directors' incentive plans and assess their performance against these targets;
- 7.1.22. exercise all powers under the rules of the Share Plans, including the power to delegate to any committee or individual appointed to administer or implement the Share Plans subject to reasonable supervision of the same;

Risk Management

7.1.23. consider and review the risk implications in respect to the design, implementation and operation (including payout) of remuneration arrangements across the Group;

Governance Matters

7.1.24. be responsible for selecting and appointing any consultants advising the Committee on Executive Directors' remuneration (which may by the same advisors as used by management provided the Committee is satisfied that no conflict of interest arises), for agreeing their Terms of Reference (to be published on the Company's website) and ensuring that the 'Code of Conduct in Relation to Executive Remuneration Consulting in the United Kingdom' is complied with.

8. REPORTING PROCEDURES

8.1. The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall, annually, report to the Board on the issues arising from its work in the preceding financial year.

8.2. The Committee shall make its terms of reference publicly available and review these terms of reference on a regular basis and, if necessary, make recommendations to the Board for their amendment.

8.3. The Chairman of the Committee should attend the Company's Annual General meeting to be available to answer questions with respect to the Company's remuneration policy and all remuneration-related matters.

8.4. The Committee shall prepare for approval by the Board an annual Directors' Remuneration Report (to be included in the annual report and accounts) which should include, inter alia, the information on directors' remuneration required to be disclosed by the Companies Act (including regulations made thereunder), the Combined Code on Corporate Governance, the UK Listing Authority's Listing Rules and any other relevant statutory, regulatory or governance codes.

9. OTHER

9.1. The Committee shall, at least once a year, review its own performance, 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.