

## **TERMS OF REFERENCE – REMUNERATION COMMITTEE**

References to “the Committee” shall mean the Remuneration Committee.

Reference to “the Board” shall mean the Board of Directors.

### **1. Membership**

- 1.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chairman of the Remuneration Committee. The Committee shall be made up of at least three non-executive directors.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
- 1.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three year periods.
- 1.4 The Board shall appoint the Committee Chairman who shall be a non-executive director. In the absence of the Committee Chairman, the remaining members present shall elect one of themselves to chair the meeting.

### **2. Secretary**

- 2.1 The Company Secretary or the Committee’s nominee shall act as Secretary of the Committee.

### **3. Quorum**

- 3.1 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

### **4. Meetings**

- 4.1 The Committee shall meet at least once a year and at such other times as the Chairman of the Committee shall require.

## 5. **Notice of Meetings**

- 5.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.
- 5.2 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 two 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.

## 6. **Minutes of Meetings**

- 6.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings of the Committee, including the names of those present and in attendance.
- 6.2 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.

## 7. **Annual General Meeting**

- 7.1 The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

## 8. **Duties**

The Committee shall:

- 8.1 determine and agree with the Board the framework or broad policy for the remuneration of the Company's Chief Executive, Chairman and the Executive Directors, the Company Secretary and such other members of the executive management as it is designated to consider. The remuneration of non-executive directors shall be a matter for the Chairman and the executive members of the Board. No Director shall be involved in any decisions as to their own remuneration;
- 8.2 in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the company;

- 8.3 review the ongoing appropriateness and relevance of the remuneration policy;
- 8.4 consider the need for a performance related pay scheme;
- 8.5 review the share option scheme each year and decide whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors and other senior executives and the performance targets to be used;
- 8.6 determine the policy for, and scope of, pension arrangements for each executive director and other senior executives;
- 8.7 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;
- 8.8 within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive as appropriate, determine the total individual remuneration package of each executive director and, if necessary, other senior executives including bonuses, incentive payments and share options or other share awards;
- 8.9 in determining such packages and arrangements, give due regard to any relevant legal requirements, the provisions and recommendations in the Combined Code and the Irish Stock Exchange and the UK Listing Authority's Listing Rules and associated guidance;
- 8.10 ensure that all provisions regarding disclosure of remuneration including pensions are fulfilled;
- 8.11 the Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations and may review market conditions.

## 9 **Reporting Responsibilities**

- 9.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Company's remuneration policy and practices will form part of the Company's Annual Report each year and will be put to shareholders for approval at the AGM.

10. **Other**

10.1 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.

11. **Authority**

11.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.

11.2 In connection with its duties the Committee is authorised by the Board to obtain, at the company's expense, any outside legal or other professional advice.