

Remuneration Committee

The Remuneration Committee consists of two non-executive directors, Lord Mancroft and Paula Horan and is chaired by Lord Mancroft. The Committee determines the remuneration packages of the executive directors. None of the Committee has any personal financial interest (other than as shareholders), conflicts of interest arising from cross-directorships or day-to-day involvement in running the business. The Committee makes recommendations to the Board. No director plays a part in any discussions about his own remuneration.

Remuneration Policies

The objectives of the Remuneration Committee are that the executive directors are rewarded competitively relative to other companies, which will attract, motivate and retain executives of the necessary calibre. The performance measurement of the executive directors and key members of senior management and the determination of their annual remuneration package are undertaken by the Committee.

The remuneration packages of the executive directors consist of annual salary, annual bonus payments and pension arrangements.

Salaries are reviewed annually with effect from 1 March each year. Any salary increases are based on qualitative assessment of the change in the individual's responsibilities and performance, the company's financial results and inflation. When considering any increases to be granted, the Remuneration Committee reviews available information on comparable companies in order to ensure that salary levels are in line with competitive rates of similar businesses as far as is reasonably possible.

Bonuses

An allowance for annual bonus is included within the Executive Directors' service contracts which is 50% of the salary provided the targets as set are achieved. These are reviewed by the Remuneration Committee at the same time as considering annual salary packages.