

**REMUNERATION &
APPOINTMENT COMMITTEE
TERM OF REFERENCE**



INDEX

1	MEMBERSHIP AND DELEGATION	3
2	SECRETARY	4
3	QUORUM AND CONFLICTS.....	4
4	FREQUENCY OF MEETINGS.....	4
5	NOTICE OF MEETINGS	4
6	MINUTES OF MEETINGS.....	4
7	DUTIES	5
8	COMMITTEE'S INTERFACE WITH OTHER COMMITTEES AND REPORTING RESPONSIBILITIES	5
9	AUTHORITY.....	5
10	OTHER.....	5

REMUNERATION & APPOINTMENT COMMITTEE

("the Committee")

TERMS OF REFERENCE

This is a committee of the Board of Directors of the Company ("**the Board**") from which it derives its authority. The Committee shall have no authority other than that expressly delegated to it by the Board.

1 MEMBERSHIP AND DELEGATION

- 1.1 Members of the Committee shall be appointed by the Board taking into account the relevant skills, experience and commitments of each proposed member. The Committee shall be made up of the following members: (i) The Chief Executive Officer, (ii) Mr. Gordon Ian Winston Parsons as member of the Board, (iii) Mr. Zogheib as member of the Board, and (iv) Mrs. Joanne Lesley Cooper as Chair of the Board.
- 1.2 Each member of the Committee shall serve until he/she is removed by the Board or until he/she resigns as a member of the Committee.
- 1.3 Any other individuals such as the external auditors, internal auditors, Chief Financial Officer, Chief People Officer, the General Counsel and the Company Secretary may be invited to attend for all or part of any meeting as and when appropriate.
- 1.4 The Board appoints the Chief Executive Officer as the Chair of the Committee. In the absence of the Chair of the Committee the remaining members present shall elect one of themselves to chair the meeting.
- 1.5 The Board delegates on this Committee the authorizations to decide on the following matters:
 - 1.5.1 Propose to the Board of Directors the remuneration policy for workers and the management team. The proposed policy will be clear, precise and verifiable by any means admitted by law, and must take into account the company's strategy and its multi-year strategic plans, as well as the risks inherent to the activity.
 - 1.5.2 Ensure compliance with and adaptation to current legislation as well as to transparency and good governance standards.
 - 1.5.3 Propose to the Board of Directors the remuneration of the members of the management team.
 - 1.5.4 Supervise the remuneration of those workers who, without being members of the management team, have been assigned significant remuneration.
 - 1.5.5 Establish the policy of variable payments.
 - 1.5.6 Establish incentive plans for the management team and other workers.
 - 1.5.7 Review periodically the remuneration policy to verify that it is in accordance with market standards.
 - 1.5.8 Inform the Board of Directors about the appointment and removal of the members of the management team and other employees with significant remuneration and the basic conditions of their employment contracts.
 - 1.5.9 Prepare a succession plan for the members of the management team and those employees with high responsibilities and make proposals to the Board of Directors so that said plan is implemented in an orderly and planned manner.
 - 1.5.10 Review annually the succession plan.

2 SECRETARY

- 2.1 The Committee will appoint a secretary for every meeting. The Secretary may not be a member of the Committee.
- 2.2 The Secretary shall ensure that the Committee is duly constituted in accordance with these Terms of Reference, that a quorum is present at scheduled meetings of the Committee and that notice of Committee meetings, information and papers are provided within the timeframes set out herein.

3 QUORUM AND CONFLICTS

- 3.1 The quorum necessary shall be three (3) members of the Committee. 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.
- 3.2 Each member of the Committee shall disclose to the Committee any direct or indirect interest they have in any matter to be decided or considered by the Committee.
- 3.3 Any member who has declared an interest in any matter to be decided or considered by the Committee shall be precluded from participating in any decisions, considerations or discussions of the Committee in relation to such matter.

4 FREQUENCY OF MEETINGS

- 4.1 It is intended that the Committee shall meet not less than twice per year: at least once in the latter half of each calendar year for the purposes of the revision of the remuneration structure, new incorporations, variable scheme and all others economics conditions of employees. The Committee may also meet at such other times as the Chair of the Committee or any of its members shall require (to coincide as appropriate with meetings of the Board).
- 4.2 Outside of the formal meeting programme, the Chair of the Committee will maintain a dialogue with key individuals involved in the Company's people Chief, including the Chair of the Board, Chief Executive Officer and Chief People Officer.

5 NOTICE OF MEETINGS

- 5.1 Meetings of the Committee shall be called by the Committee Chair in accordance with these Terms of Reference and at the request of any member of the Committee. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and any supporting papers, shall be circulated or made available electronically to each member of the Committee, the Board, and to any other person required to attend, no later than five (5) working days before the date of the meeting.

6 MINUTES OF MEETINGS

- 6.1 The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance and, following approval by the members of the Committee, shall circulate those promptly to the members of the Board.

- 6.2 Once agreed, minutes of the meetings shall be signed by the Committee Chairman.

7 DUTIES

- 7.1 The Committee may resolve anything on behalf of the Board in respect with remuneration, people and employees, and the remuneration's policy, and may make recommendations for the Board to resolve upon. The Committee should carry out the duties below for the Company and its subsidiaries as appropriate.

8 COMMITTEE'S INTERFACE WITH OTHER COMMITTEES AND REPORTING RESPONSIBILITIES

- 8.1 The Committee shall interface with:
- (a) the senior management of the company in respect of remuneration's conditions; and
 - (b) the Chief Financial Officer;
- 8.2 The Committee shall report to the Board on its proceedings and shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed or desirable.

9 AUTHORITY

- 9.1 Subject to any restrictions imposed by law, the Committee is authorised to seek any information it requires from any employee of the Company and its subsidiaries in order to perform its duties.
- 9.2 The Committee is authorised to call any member of staff to be present at a meeting of the Committee as and when required.
- 9.3 The Committee has the authority to access sufficient resources and professional advice as is reasonable, at the Company's expense, in order to carry out its duties, including access to the Company Secretariat for assistance as required.
- 9.4 Save as expressly provided herein, the Committee shall not be entitled to sub-delegate all or any of the powers and authorities delegated to it.

10 OTHER

- 10.1 The Committee should, on a regular basis but not less than annually, review its own performance, constitution and these Terms of Reference and seek approval of the Board to any changes. The Board should also review the Committee's effectiveness annually. An external review of the Committee's effectiveness may also be undertaken.
- 10.2 Members shall be provided with training as appropriate, both in the form of an induction programme for new members and on an ongoing basis for all members.