

Cassidy Brothers plc

Terms of Reference for the Remuneration Committee

Constitution

The Board hereby resolves to establish a Committee of the Board to be known as the Remuneration Committee. Peter Cassidy has agreed to act as Chairman of this Committee.

General Statement

The Remuneration Committee, after consultation with the Chief Executive, makes recommendations to the Board on the policy on executive directors' remuneration and specifically approves the detailed terms of service of the executive directors and the Company Secretary, in accordance with this policy. The Committee also determines the terms upon which such service is terminated, having regard to the severance policy adopted by the Board from time to time.

Membership

The Committee shall comprise at least one non-executive director who is considered by the Board to be independent of management and free from any business or other relationship which could interfere with the exercise of their independent judgement.

The Board (acting upon recommendation from the Nominations Committee) shall appoint the Remuneration Committee and determine the period for which they shall hold office.

The Company Secretary shall act as Secretary to the Committee.

The Chief Executive and Company Secretary will attend meetings but no director or the Company Secretary shall be entitled to be present or to act in matters relating to him/herself.

Meetings

The Committee shall meet at least once a year, usually on the day of the Board meeting, or more frequently as required by the Chairman of the Committee. The Quorum shall be not less than two.

Unless otherwise agreed, notice of each meeting, together with an agenda of items to be discussed, shall be sent to each member of the Committee, any other person required to attend, and all other non-executive directors, no fewer than 5 working days before the meeting.

Reporting Procedures

The Secretary shall minute the proceedings and circulate Minutes to all members of the Committee and to all members of the Board

Authority

The Committee is authorised by the Board to have access to such information and advice, at the cost of the Company, both from within the Company and externally, as it may deem necessary in the fulfilment of its duties.

Terms of Reference

In forming its policies and decisions, the Committee will follow the Principles and Provisions contained in The Combined Code as they apply to Remuneration Policy.

The duties of the Committee are to:

- a) advise the Board on the general policy for the remuneration of executive directors and Company Secretary. The remuneration of non-executive directors shall be a matter for the executive members of the Board.
- b) prepare for the Board's approval an annual report to the shareholders on directors' remuneration, and recommend to the Board whether shareholders should be invited to approve the remuneration policy as set out in the Annual Report and Accounts.
- c) deal with all matters that fall to be dealt with by the Committee in relation to the Cassidy Brothers plc Long Term Incentive Plans and the Executive Share Option Schemes.
- d) the Chairman of the Committee shall attend the Annual General Meeting and be prepared to respond to any shareholder questions on the Committee's activities.

Within the terms of the agreed remuneration policy to:

- a) review and determine the remuneration of each executive director and Company Secretary, including (without limitation) base salary, bonus, or incentives and other benefits, pensions and compensation payments and contractual provisions.
- b) determine targets for any performance related pay schemes, which schemes should be designed to align the interests of directors and shareholders and provide incentives for directors to operate at the highest levels.
- c) determine the policy for and scope of pension arrangements, service agreements, termination payments and compensation commitments.
- d) give due regard to the comments and recommendations of the Combined Code as well as the rules of the Alternative Investment Market, Best Practice guidelines as applicable, and prevailing market conditions.