

**NATIONAL WORLD PLC
REMUNERATION COMMITTEE
TERMS OF REFERENCE**

1. Membership

- 1.1 The Remuneration Committee shall comprise of at least three Non-Executive Directors. Members of the Remuneration Committee shall be appointed by the Board in consultation with the Chair of the Remuneration Committee.
- 1.2 Only members of the Remuneration Committee have the right to attend Remuneration Committee meetings. However, other executive directors and senior management may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3 Appointments to the Remuneration Committee shall be subject to the provisions of the Companies Acts and the Company's Articles of Association.
- 1.4 The Board shall appoint the Remuneration Committee Chair who shall be a Non-Executive Director. In the absence of the Remuneration Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 1.5 The Remuneration Committee can assign sub committees for expediency and execution of activities and duties related to the Remuneration Committee.

2. Secretary

The Remuneration Committee will appoint a Secretary to the Remuneration Committee.

3. Quorum

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

4. Frequency of meetings

The Remuneration Committee shall meet at least twice a year or more often if required.

5. Notice of meetings

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 Remuneration Committee, any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Remuneration 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 Remuneration Committee meetings, including the names of those present and in attendance.

7. Duties

- 7.1** The Remuneration Committee shall as appropriate:

- 7.1.1** Determine and agree with the Board the framework or broad policy for the remuneration of the Executive Directors, the Non-Executive Directors (including the Company Chair) and such other members of the senior executive management of the Company and its subsidiaries to whom the Board has extended the remit of the Remuneration Committee. No Director, officer or executive shall be involved in any decisions as to his/her own remuneration;
- 7.1.2** when setting the remuneration policy for Directors, review and have regard to the remuneration trends and employment conditions across the Group especially when determining annual salary increases;
- 7.1.3** Review the ongoing appropriateness and relevance of the remuneration policy;
- 7.1.4** Approve the design of, and determine targets for, any performance-related bonus schemes operated by the Group;
- 7.1.5** Review the design of all share incentive plans for approval by the Board and shareholders;
- 7.1.6** Determine and recommend to the Board the policy for, and scope of, pension arrangements for each Executive Director and other designated senior executives.

8. Reporting responsibilities

- 8.1** The Remuneration Committee Chair shall report to the Board on its proceedings.
- 8.2** The Remuneration Committee shall review and approve a report of the Company's remuneration policy and practices to be included in the Company's annual report.

9. Other matters

The Remuneration Committee shall:

- 9.1** have access to sufficient resources (internal and external) in order to carry out its duties;
- 9.2** give due consideration to laws, regulations and reporting requirements; and
- 9.3** arrange for periodic reviews of its own performance, at least annually. Performance will be reviewed by the Remuneration Committee's Chair who will report to the Board.

10. Authority

- 10.1** The Remuneration Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its Terms of Reference.
- 10.2** To carry out all duties set out in this Terms of Reference, to have unrestricted access to the Company's documents and information and to obtain, at the Company's expense, appropriate professional advice on any matter within its Terms of Reference as it considers necessary; and
- 10.3** To invite/call for the attendance of external advisers at its meetings if it considers this necessary.