

REMUNERATION COMMITTEE TERMS OF REFERENCE

Hansteen Holdings PLC ("the Company")

Terms of Reference for the Remuneration Committee adopted on 22 November 2005 (as amended on 25 September 2009).

References to the "**Chief Executive Officer**" shall include each of the Joint Chief Executive Officers as the context requires.

1. ESTABLISHMENT AND ROLE

1.1 The Committee has been established by resolution of the board of directors of the Company ("**the Board**") and is known as the Remuneration Committee.

1.2 The role of the Remuneration Committee is to:

- (A) ensure that the Company's executive directors are fairly, but responsibly, rewarded for their individual contributions to the Company's overall performance;
- (B) demonstrate to the shareholders of the Company that the remuneration of the principal executive directors of the Company, as determined by the Board, of the Company and its subsidiaries ("**the Group**") is independently approved and monitored and set by a committee of the Board whose members have no personal financial interest, other than as shareholders, in the outcome of the decisions of the Remuneration Committee and who will have due regard to the interests of shareholders; and
- (C) to monitor the Company's compliance with the best practice provisions regarding directors' remuneration set out in the Model Code.

2. MEMBERSHIP

2.1 The members of the Remuneration Committee shall be appointed by the Board from amongst the independent non-executive directors of the Company and shall consist of not less than three members. All of the members shall be unconnected with the management of the Company and free from any business or other relationship that could materially interfere with the exercise of their independent judgment. A quorum shall be two members. If membership falls below three members, the Board may appoint other non-executive members to the Remuneration Committee for an interim period.

2.2 The Chairman of the Remuneration Committee shall be a non-executive director who shall be appointed by the Board. In the absence of the Chairman of the Remuneration Committee and/or an appointed deputy, the remaining members shall elect one of themselves to chair any relevant meetings.

2.3 Members of the Remuneration Committee shall be named in the Annual Report and Accounts of the Company.

3. MINUTES

3.1 The minutes of meetings of the Remuneration Committee shall be made available to all members of the Board unless a conflict of interest exists.

4. ATTENDANCE AT AND FREQUENCY OF MEETINGS

- 4.1 Meetings shall be held as and when appropriate, but in any event shall be held not less than once per calendar year. Any member of the Remuneration Committee may call a meeting and the Chairman of the Company may request a meeting if he/she reasonably considers that one is necessary.

5. AUTHORITY

- 5.1 The Remuneration Committee is authorised by the Board to investigate any matter within its term of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any reasonable requests made by the Remuneration Committee.
- 5.2 The Remuneration Committee is authorised by the Board to obtain, at the Company's expense, outside professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. It is envisaged that in obtaining outside advice the Committee will act in conjunction with the Chairman of the Company.
- 5.3 The Remuneration Committee will consult the Chairman and/or Chief Executive (as and when appropriate) of the Company in connection with any proposals and those persons may be invited to attend relevant meetings (or parts thereof) of the Remuneration Committee.

6. DUTIES

- 6.1 The Remuneration Committee shall be responsible for determining the policy and all elements of the remuneration of the executive directors of the Company ("**the Executives**") of the Group and the duties of the Remuneration Committee shall be:
- (A) to consider the basic salary paid to the Executives and any recommendations made by the Chairman of the Company for changes to that basic salary;
 - (B) to consider any bonuses to be paid to the Executives and, in respect of any element of remuneration of an Executive which is performance related, to formulate suitable performance related criteria and monitor their operation, and to consider any recommendations of the Chairman of the Company regarding bonuses or performance related remuneration;
 - (C) to advise on and determine all performance-related formulae relevant to the remuneration of the directors of the Company and to consider the eligibility of directors for annual bonuses and benefits under long term incentive schemes;
 - (D) to consider and make recommendations to the directors of the Company concerning disclosure of detail of remuneration packages and structures in addition to those required by law;
 - (E) to consider other benefits granted to the Executives and any recommendations of the Chairman of the Company for changes in those benefits;
 - (F) to consider the pension arrangements applicable to the Executives;
 - (G) to consider and make recommendations in respect of the terms of the service contracts of the Executives and any proposed changes to these contracts (including, without limitation, any compensation payments, notice periods, or other entitlements under these contracts); and

- (H) to consider other matters relating to the remuneration of or terms of employment applicable to the Executives and referred to the Remuneration Committee by the Board.

7. EXCLUSIONS

The terms of reference of the Remuneration Committee do not encompass decisions to employ or dismiss Executives. The Remuneration Committee does not have responsibilities for nominations to the Board.

8. REPORTING PROCEDURES

- 8.1 The Chairman of the Remuneration Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and the Remuneration Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 8.2 All decisions of the Remuneration Committee in respect of the remuneration of the executive directors shall be referred to the Board and shall take effect only upon approval thereof by resolution of the Board at a meeting which is properly convened and constituted and in accordance with the Company's Articles of Association, provided that the Board shall only have the power to approve without modification or reject the decisions of the Remuneration Committee, but that no director shall be entitled to vote or be counted in the quorum in respect of any resolution relating to his own remuneration.
- 8.3 The Chairman of the Remuneration Committee shall be available to answer questions from the Company's shareholders at each annual general meeting of the Company.
- 8.4 The Remuneration Committee shall produce an annual report of the Company's remuneration policy and practices which will form part of the Company's Annual Report and ensure each year that it is put to shareholders for approval at the AGM.