



MACRO 4 PLC ("the Company")

REMUNERATION COMMITTEE (THE "COMMITTEE") TERMS OF REFERENCE

1 COMMITTEE MEMBERS

- 1.1 The Committee shall comprise at least 2 members, all of whom should be independent non-executive directors. All members shall be appointed by the Board.
- 1.2 The Chairman of the Committee ("the Chairman") shall be appointed by the Board and shall be an independent non-executive director. The chairman of the Board may also serve on the Committee as a member if he or she is considered independent on appointment as chairman.

2 MEETINGS

- 2.1 The Committee shall meet as and when the need arises but at least once a year and meetings may be held by telephone. The quorum for any meeting of the Committee shall be two members.
- 2.2 Only members of the Committee have the right to attend Committee meetings but others may attend by invitation.
- 2.3 No person shall participate in a meeting of the Committee (or during the relevant part) at which any part of his remuneration is being discussed or participate in any recommendation or decision concerning his remuneration.
- 2.4 If the Chairman is not present at the meeting of the Committee, then the remaining members present shall elect one of their number to chair the meeting.
- 2.5 The company secretary or the Committee's nominee shall act as the secretary of the Committee (the "Secretary").
- 2.6 The Secretary shall circulate the minutes of the Committee meetings once approved, to all members of the Board unless a conflict of interest exists.

3 DUTIES

- 3.1 The duties of the Committee shall be:
 - (a) to determine, and review on a continuing basis, the specific remuneration and terms of service for each of the executive directors and chairman of the Company following consultation with the Chief Executive, and in so doing it shall consider all the elements of the remuneration including base salary, performance related payments, profit sharing schemes, share options, discretionary payments, pension contributions and benefits in kind and also the contractual terms of service including the contractual terms on termination and any notice period.

- (b) the remuneration of non-executive directors shall be a matter for the chairman of the Board and the executive members of the Board.
- (c) to monitor the level and structure of remuneration for senior management;
- (d) to review the design of any new long term incentive plans for approval by the Board and shareholders;
- (e) to determine targets for any performance-related pay schemes operated by the Company and to determine the policy for and scope of pension arrangements for each executive director of the Company;
- (f) to ensure that contractual terms on termination, and any payments made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- (g) to be responsible for appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- (h) to administer all aspects of any discretionary share option or other share scheme operated by the Company from time to time (subject always to the rules of any such scheme and any applicable legal and stock exchange requirements).
- (i) to have regard, in the performance of the above duties to any relevant legal requirements, the provisions and recommendations in the Combined Code and the UK Listing Authority's Listing Rules and associated guidance;
- (j) to ensure that all provisions and requirements regarding disclosure of remuneration, including pensions, are fulfilled;
- (k) obtain reliable up to date information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations; and
- (l) To be aware of and advise on any major changes in employee benefit structures throughout the Company and to agree the policy for authorising claims for expenses from the Chief Executive and chairman of the Company.

4 REPORTING

- 4.1 The Chairman shall report to the Board on the Committee's proceedings.
- 4.2 The Chairman of the Committee (or another member of the Committee nominated by the Chairman) shall attend the Company's AGM to answer any questions which shareholders may raise in connection with directors' remuneration.
- 4.3 The Committee shall provide a statement 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.

5 REVIEW

- 5.1 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at a maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

6 AUTHORITY

- 6.1 The Committee is authorised by the Board to seek any information it requires from any employee or director of the Company.
- 6.2 The Committee is authorised to obtain, at the Company's expense, external legal or other professional advice on any matters within its terms of reference.