

RANDALL & QUILTER INVESTMENT HOLDINGS LTD.

REMUNERATION & NOMINATIONS COMMITTEE (the "Committee")

TERMS OF REFERENCE

1. Membership

- 1.1. The Committee shall comprise at least three members, all of whom shall be independent non-executive directors. The chair of the board may also serve on the Committee as an additional member if he or she was considered independent on appointment as chair. Members of the Committee shall be appointed by the board, in consultation with the chair of the Committee.
- 1.2. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the chief executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3. Appointments to the Committee are made by the board and should normally be for a period of up to six years extendable annually so long as members (other than the chair of the board, if he or she is a member of the Committee) continue in the opinion of the board (excluding the member in question) to be independent.
- 1.4. The board shall appoint the Committee chair who shall be an independent non-executive director. In the absence of the Committee chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the board. The chair of the board shall not be chair of the Committee.

2. Secretary

The company secretary or his or her nominee shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. Quorum and Voting

- 3.1 The quorum necessary for the transaction of business shall be two.
- 3.2 Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Committee.
- 3.3 The members shall declare, at the beginning of each meeting, the existence of any conflicts of interest, to be minuted accordingly. If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly, has a personal interest, that member shall not be entitled to vote at the meeting.

4. Meetings

The Committee shall meet at least twice a year and otherwise as required.

5. Notice of Meetings

5.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chair.

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

6.1 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the board unless in the opinion of the Committee chair it would be inappropriate to do so.

7 Annual General Meeting

The Committee chair should attend the annual general meeting to answer any shareholder questions on the Committee's activities.

8 Duties in Relation to Remuneration

The Committee shall:

8.1 have responsibility for setting the remuneration policy for all executive directors and the company's chair, including pension rights and any compensation payments. The board itself or, where required by the Bye-laws, the shareholders should determine the remuneration of the non-executive directors within the limits set in the Bye-laws. No director or senior manager shall be involved in any decisions as to their own remuneration

8.2 recommend and monitor the level and structure of remuneration for senior management

8.3 in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the QCA Corporate Governance Code (the "QCA Code") and associated guidance. The objective of such policy shall be to attract, retain and motivate executive management of the quality required to run the company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of the company and alignment to the company's long term strategic goals. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the long-term success of the company

- 8.4 when setting remuneration policy for directors, review and have regard to pay and employment conditions across the company or group, especially when determining annual salary increases
- 8.5 review the on-going appropriateness and relevance of the remuneration policy
- 8.6 within the terms of the agreed policy and in consultation with the Chair and/or Chief Executive, as appropriate, determine the total individual remuneration package of each executive director, the company chair and other designated senior executives including bonuses, incentive payments and share options or other share awards
- 8.7 obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity, where it considers this to be appropriate. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the company but within any budgetary restraints imposed by the board
- 8.8 be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee
- 8.9 approve the design of, and determine targets for, any performance-related pay schemes operated by the company and approve the total annual payments made under such schemes
- 8.10 review the design of all share incentive plans for approval by the board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors, company secretary and other designated senior executives and the performance targets to be used
- 8.11 determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives
- 8.12 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
- 8.13 oversee any major changes in employee benefits structures throughout the company or group
- 8.14 agree the policy for authorising claims for expenses from the directors
- 8.15 work and liaise as necessary with all other board committees.

9 Duties in Relation to Nomination of Directors and Senior Executives

The Committee shall:

- 9.1 regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the board and make recommendations to the board with regard to any changes

- 9.2 give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the board in the future
- 9.3 keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace
- 9.4 keep up to date and informed about strategic issues and commercial changes affecting the company and the market in which it operates
- 9.5 be responsible for identifying and nominating for the approval of the board, candidates to fill board vacancies as and when they arise
- 9.6 before any appointment is made by the board, evaluate the balance of skills, knowledge, experience and diversity on the board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall:
 - 9.6.1 use open advertising or the services of external advisers to facilitate the search
 - 9.6.2 consider candidates from a wide range of backgrounds
 - 9.6.3 consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the board, taking care that appointees have enough time available to devote to the position
- 9.7 for the appointment of a chair, the Committee should prepare a job specification, including the time commitment expected. A proposed chair's other significant commitments should be disclosed to the board before appointment and any changes to the chair's commitments should be reported to the board as they arise
- 9.8 prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest
- 9.9 ensure that on appointment to the board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings
- 9.10 review the results of the board performance evaluation process that relate to the composition of the board
- 9.11 review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties
- 9.12 work and liaise as necessary with all other board committees

The Committee shall also make recommendations to the board concerning

- 9.13 formulating plans for succession for both executive and non-executive directors and in particular for the key roles of chairman and chief executive
- 9.14 suitable candidates for the role of senior independent director, if considered appropriate
- 9.15 membership of the audit committee, and any other board committees as appropriate, in consultation with the chair of those committees
- 9.16 the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the board in the light of knowledge, skills and experience required
- 9.17 the re-election by shareholders of directors under the retirement by rotation provisions in the company's Bye-laws, having due regard to their performance and ability to continue to contribute to the board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the board (particularly in relation to directors being re-elected for a term beyond six years)
- 9.18 any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the company subject to the provisions of the law and their service contract
- 9.19 the appointment of any director of the Company to executive or other office

10 Reporting Responsibilities

- 10.1 The Committee chair shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2 The Committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3 The Committee shall ensure that provisions regarding disclosure of information, including pensions, as set out in the QCA Code as appropriate to an AIM listed company registered and domiciled in Bermuda.
- 10.4 Through the chair of the board, ensure that the company maintains contact as required with its principal shareholders about remuneration.

11 General Matters

The Committee shall:

- 11.1 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.
- 11.2 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members.
- 11.3 Give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors of listed/non listed companies and formation and operation of share schemes including but not limited to the provisions of the QCA Code, as appropriate.
- 11.4 Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.
- 11.5 The 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.