



**BRAEMAR SEASCOPE GROUP PLC**  
**("the Company")**

**TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE**

1. Membership

The members of the Committee shall be appointed and removed from time to time by the Board from among the non-executive directors of the Company and shall consist of not less than two members. The current Committee is comprised of John Denholm (Chairman), Richard Agutter, David Moorhouse and Sir Graham Hearne.

2. Quorum

A quorum shall be two members of the Committee.

3. Chairman

The Chairman of the Committee ("the Chairman") shall be appointed and removed from time to time by the Board.

4. Attendance at Committee Meetings

Other persons may attend meetings of the Committee ("Committee Meetings") at the discretion of the Chairman of the Committee.

The Company Secretary (or failing him a person nominated by the Chairman of the Committee), shall be the secretary of the Committee and shall attend all Committee Meetings.

The Chief Executive (and/or the Finance Director) of the Company may be invited to attend Meetings so as to advise the Committee in their deliberations and shall be so invited to discuss the performance of the other executive directors of the Company and to make proposals as may be necessary; provided however the Chief Executive nor the Finance Director shall not be present at any Committee Meeting at any time during the Committee's deliberations concerning the Chief Executive's or the Finance Director's remuneration.

Professional advisers and other persons with relevant experience, including other executive directors of the Company, may attend Committee Meetings by invitation; provided that no person shall be present at any Committee Meeting during the Committee's deliberations concerning such person's own remuneration. The choice of professional advisor, for matters of executive remuneration, should exclude the company's auditor.



5. Frequency of Committee Meetings

Committee Meetings shall be held as its business requires and as determined by the members of the Committee.

6. Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference as set out below. It is authorised to seek any information it requires from any employee or director of the Company or other companies within the group (“the Group”) and all employees and directors are required to co-operate with any request made by the Committee

The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance at Committee Meetings of outsiders with relevant experience and expertise if the Committee considers this necessary.

7. Duties

The duties of the Committee are:

- (a) to determine on behalf of the Board and the shareholders the Company’s overall policy for executive remuneration;
- (b) to determine all aspects of the individual remuneration packages for each of the executive directors of the Company and other senior executives reporting directly to the Chief Executive, including their base salary and all performance related elements including bonus arrangements, profit share schemes, equity participation schemes, other long term incentive schemes, pension and other benefits and to assess actual performance against targets set;
- (c) to resolve the introduction and to determine the term, of all (if any) bonus profit share or equity participation schemes or any other like schemes intended to reward or incentivise employees of the Group and to determine the participation of each individual in such schemes, including the award of any bonuses and the grant of any rights or options thereunder;
- (d) to determine and approve expenses incurred or to be incurred by the executive directors of the Company;



- (e) to maintain an overview of overall policy in relation to the remuneration and conditions of service of other managers within the Group; and
- (f) to maintain an overview of policy and practice in relation to equity participation and other long term incentive schemes.

8. Reporting Procedures

The Secretary shall circulate the minutes of the Committee Meetings to all members of the Board.

In addition, the Committee shall prepare a report (“the Report”) each year addressed to the shareholders for inclusion in the Company’s annual report and accounts addressing in form and content the matters referred to in Listing Rules of the Stock Exchange, Combined Code of Corporate Governance or any other regulatory disclosure obligations as may be in force from time to time.

The Committee shall submit its Remuneration Report each year for approval by shareholders at the AGM. It shall also consider each year the need to seek the approval of shareholders at the AGM for any new long-term incentive schemes.

The Chairman of the Committee shall attend each year the Company’s AGM and be available to answer shareholders’ questions about the remuneration of the Board and the deliberations of the Committee.

March 2005