

Maxima Holdings plc
Terms of reference for the Remuneration Committee
adopted by the Board on 22 June 2007

Constitution

The Committee will be established by resolution of the Board of the Company. ("**the Board**") and will be known as the Remuneration Committee.

Membership

The members of the Remuneration Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than two members. The membership of the Remuneration Committee shall be made up of the non-executive Directors of the Company. A quorum shall be two members.

Attendance at meetings

The Committee may at each meeting appoint one of their number to be the Secretary of the Committee.

Frequency of meetings

Meetings shall be held not less than twice a year. The Chairman of the Company may request a meeting if he reasonably considers that one is necessary.

Authority

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 requests made by the Remuneration Committee.

The Remuneration Committee is authorised by the Board to obtain outside professional advice at the Company's expense from such persons as it shall exclusively select and appoint and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Purpose

The purpose of the Remuneration Committee is to:

- ensure that the executive Directors of the Company are fairly rewarded for their individual contribution to the overall performance of the Company; and
- demonstrate to the shareholders of the Company that the remuneration of the principal executive Directors of the Company is set by a committee of the Board whose members have no personal interest in the outcome of the decisions of the Remuneration Committee and who will have due regard to the interests of shareholders.

Duties

The Remuneration Committee shall be responsible for all elements of the remuneration of the executive Directors of the Company ("**the Executives**") and the duties of the Remuneration Committee shall be:

- to consider the basic salaries paid to each of the Executives and any recommendations made by the Chairman of the Company for changes to that basic salary;
- 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;
- 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;
- to administer all aspects of any share option or other employee share scheme operated by or to be established by the Company including but not limited to (subject always to the rules of that scheme and any applicable legal and stock exchange requirements):

- the selection of those eligible directors and employees of the Company and its subsidiary companies to whom options should be granted;
- the timing of any grant;
- the numbers of shares over which options are to be granted;
- the exercise price at which options are to be granted;
- the imposition of any objective condition which must be complied with before any option may be exercised;

provided that option grants to any member of the Remuneration Committee shall be determined by the Board itself;

- to have regard in the performance of the duties set out in this paragraph to any published guidelines or recommendations regarding the remuneration of directors of listed companies and formation and operation of share options schemes (in particular the Combined Code on corporate governance, the guidelines published by the Association of British Insurers and the National Association of Pension Funds) which the Remuneration Committee considers relevant or appropriate;
- to consider and make recommendations to the directors of the Company concerning the disclosure of details of remuneration packages and structures in addition to those required by law or by the London Stock Exchange;
- to consider other benefits granted to the Executives and any recommendations of the Chairman for changes in those benefits; and
- to consider the pension arrangements applicable to the Executives;
- to consider and make recommendations in respect of the terms of the service contracts of the Executives and any proposed changes to these contracts;
- 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;
- to be aware of and advise on any major changes in the employee benefit structures of the Group;
- to agree the policy for authorising claims for expenses from the Chief Executive and the Chairman;
- to report the frequency of and attendance by members at Committee meetings in the annual report of the Company;
- to make available its terms of reference explaining its role and the authority delegated to it by the Board, and to review and where necessary update these annually.

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.

Reporting Procedures

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

Maxima Holdings plc
Terms of reference for the Nominations Committee
adopted by the Board on 22 June 2007

Constitution

The Committee will be established by resolution of the Board of the Company ("**the Board**") and will be known as the Nominations Committee.

Membership

The members of the Nominations Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than two members. The membership of the Nominations Committee shall be made up of the non-executive Directors of the Company and the Chief Executive. A quorum shall be two members.

Attendance at meeting

The Committee may at each meeting appoint one of their number to be the Secretary of the Committee.

Frequency of meetings

Meetings shall be held as required. The Chairman of the Company may request a meeting if he reasonably considers that one is necessary.

Authority

The Nominations 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 requests made by the Nominations Committee.

The Nominations Committee is authorised by the Board to obtain outside professional advice at the Company's expense 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.

Purpose

The purpose of the Nominations Committee is to:

- ensure that appointments to the Board are made on merit and against objective criteria;
- ensure that plans are in place for orderly succession for appointments to the Board and to senior management, so as to maintain an appropriate balance of skills and experience within the Company and on the Board; and
- following on from these purposes, lead the process for Board appointments and make appropriate recommendations to the Board.

Duties

The duties of the Nominations Committee shall be:

- to identify, and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- on an appointment being considered, to evaluate the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, to establish the role and capabilities required for the particular appointment;
- to review annually the time required from a non-executive director. Performance evaluation should be used to assess whether the non-executive director is spending enough time to properly fulfil their duties to the Company;

- to consider candidates from a wide range of backgrounds;
- to give full consideration to succession planning for key senior management in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in future;
- to regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
- to keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
- report the frequency and attendance by members at committee meetings in the annual report of the Company;
- to make available its terms of reference explaining its role and the authority delegated to it by the Board, and to review and where necessary update these annually; and
- 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.

The Committee should also make recommendations to the Board:

- as regards plans for succession for both executive and non-executive directors;
- as regards the re-appointment of any non-executive director at the conclusion of their specified term of office;
- concerning the re-election by shareholders of any director under the retirement by rotation provisions in the Company's articles of association;
- concerning any matters relating to the continuation in office of any director at any time; and
- concerning the appointment of any director to executive or other office other than to the positions of chairman and chief executive, the recommendation for which would be considered at a meeting of the Board.

Exclusions

The terms of reference of the Nominations Committee do not encompass decisions to employ or dismiss Executives. The Nominations Committee does not have responsibilities for considering the remuneration of Board members and senior management.

Reporting Procedures

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