

Remuneration

The main elements of Kirk Davis's package as CFO, which is consistent with the shareholder approved Directors' Remuneration Policy, are as follows:

- Base salary: £355,000 p.a.
- Pension: 20% of base salary p.a. (payable as a salary supplement)
- Maximum annual bonus: 120% of salary (pro-rated for the year of joining), 50% of any payment due deferred for 3 years
- LTIP award: 150% of salary p.a. with vesting based on earnings per share and relative total shareholder return. Dividend equivalents apply. Any award due in the current financial year will be considered when his start date is confirmed
- 200% of salary share ownership guidelines
- clawback and malus provisions operate in respect of the bonus and LTIP
- private healthcare, car allowance, PHI and life assurance
- Notice period: 6 months in year one from the Company and the Individual, 12 months thereafter from the Company and the Individual

Kirk's start date will be no later than February 2018.

The Company also notes the following amendments to Andy McCue's package as CEO, which are consistent with the shareholder approved Directors' Remuneration Policy:

- As originally planned when Andy McCue joined the Company in September 2016, his notice period will increase from both the Company and the Individual from 6 months to 12 months, with effect from 1st October 2017. Now that Andy has completed a full year in the Company, the Committee believes that it is appropriate to have a notice period commensurate with a CEO of this scale and complexity of business.
- The Company will remove the £300,000 relocation expense provision as the Executive has decided to keep his main home in Ireland due to personal reasons. The Company will continue to pay him (in respect of his temporary living costs in London) the annual sum of £100,000, which shall be paid monthly at the same time as his salary, subject to such deductions for income tax and national insurance until 30 September 2020, thus not incurring any additional relocation costs to those approved on joining, but also giving him a reasonable period of support with his additional living costs.
- An additional LTIP award of 25% of salary will be made on 1st October 2017, taking the aggregate value of awards granted in 2017 to 200% of salary, within policy. The Committee has decided to award the full quantum of LTIP to ensure appropriate retention is in place for the long term. It did so after feedback from a number of

shareholders. The additional award will vest 30th September 2020, with vesting based on earnings per share and relative total shareholder return targets as follows:-

- TSR element (50%) – the Company’s TSR vs. the constituents of the FTSE 250 (excluding investment trusts)

- EPS element (50%) – the Company’s EPS growth based on budgeted PBT for 2017, with 10% vesting if growth of 6% p.a. is achieved, rising to full vesting if growth of 12% is achieved

- Note dividend equivalents apply.