Statement of Clarification

Following the publication of the 2016 annual report and accounts, the Company wishes to make the following clarifications in respect of the Directors’ remuneration report.

Awards for new joiners

Future recruitment awards would be made within the limits set out in the policy, i.e. up to 250% of salary for long term incentives and up to 150% for short term incentives.

Additional flexibility applies only in a buy-out situation where the Committee may wish to replicate awards being forfeited if it is considered appropriate.

Outstanding long term incentive awards on change of control

Upon a change of control of the Company, the Committee’s policy is to:

- take into account the extent to which the performance target has been satisfied at that time; and
- pro rate the awards from the grant date to the date of the relevant event as a proportion of the performance period.

This position is set out in Rule 12.2 of the SEP Rules which are being put to shareholders for approval at the 2017 AGM.