

GLOBAL ENERGY DEVELOPMENT PLC

Remuneration Committee Terms of Operation

- 1 In order to assist the Board to discharge its duties in such matters, the Remuneration and Nomination Committee shall monitor, review and make recommendations to the Board on all elements of the remuneration of the Directors and senior executives of the Group and on the award of options under the Group Share Option Scheme.
- 2 In particular, but without limiting the generality of paragraph 1, the Remuneration Committee, bearing in mind the provisions of the Principles of Good Governance and Code of Best Practice (the "**Combined Code**") appended to the Listing Rules of the UK Listing Authority, shall:
 - (a) review at least annually the remuneration package (comprising base salary, any performance-related element of salary or bonus (including under any profit-sharing schemes), participation in share option schemes, and other benefits) of each Director of the Company, and make recommendations to the Board on any adjustments thereto which the Remuneration Committee considers necessary or desirable;
 - (b) perform a similar function in relation to the remuneration packages of directors and senior executives of the subsidiaries of the Company;
 - (c) consider from time to time whether the terms of any performance-related pay arrangements, profit-sharing schemes and share incentive schemes, or the terms on which participation therein is awarded, create appropriate incentives for performance by participants and make recommendations to the Board on any adjustments thereto which the Remuneration Committee considers necessary or desirable;
 - (d) identify, when called on by the Board so to do, qualified employees and other qualified persons to whom, and on what terms, options should be granted under the Group Share Option Scheme and make recommendations to the Board as to the making of offers of options under such scheme;
 - (e) as and when it deems it necessary or desirable, make recommendations to the Board on the appointment of non-executive Directors of the Company and on the terms of their appointment;
 - (f) examine each proposal which the Board may make for the appointment of an executive Director of the Company and report to the Board on such proposal, on the basis that no such appointment should be made unless the Remuneration Committee has first so reported.
 - (g) consider such other matters as may from time to time be referred to the Remuneration Committee by the Board.
- 3 The Remuneration Committee is authorised by the Board to investigate any matters within the terms of its reference. It may seek any information that it requires for the purposes of its deliberations from any employee of the Group.
- 4 The Remuneration Committee may seek the views of any executive Directors of the Group in its deliberations, but executive Directors of the Company shall not be entitled to attend or vote at any meetings of the Remuneration Committee or to receive copies of any minutes that it may keep of the proceedings at its meetings.
- 5 The Remuneration Committee may obtain, at the Company's expense, outside legal or other independent professional advice and secure the attendance at its meetings of outsiders with relevant experience and expertise if it considers this necessary, but such persons shall not be

members of the Remuneration Committee. The Remuneration Committee shall inform the Chairman or the Finance Director of any such expense which it has incurred as soon as it is appropriate in the particular circumstances for the Remuneration Committee to do so.

- 6 Alan Henderson shall be chairman of the Remuneration Committee and the quorum for its meetings shall be two members. Meetings of the Remuneration Committee shall be held not less than twice a year and otherwise as often as any member of the Remuneration Committee may require.
- 7 Subject as provided in the resolution appointing the committee and to the Articles of Association of the Company, the Audit Committee shall determine its own procedures.
- 8 A copy of this minute shall be supplied to the Auditors of the Company.