



HOMECHOICE INTERNATIONAL PLC
REMUNERATION AND NOMINATION COMMITTEE CHARTER
23 January 2015

CONSTITUTION

The Remuneration and Nomination Committee (“the Committee”) is constituted as a committee of the board of directors of HomeChoice International PLC (“the Company”) and its subsidiaries (collectively “the Group”). The duties and responsibilities of the members of the Committee are in addition to those as members of the board.

The deliberations of the Committee do not reduce the individual and collective responsibilities of board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their statutory obligations.

These terms of reference are subject to the provisions of the Maltese Companies Act, the Company's Memorandum and Articles of Association and any other applicable law or regulatory provision.

MEMBERSHIP

The Committee shall consist of no fewer than three directors, at least two of whom shall be independent non-executive Directors appointed by the Board of Directors. (“the Board”) Two members present at the committee meeting, one of which shall be a non-executive director, shall represent a quorum.

The Board shall appoint the Committee chairperson and determine the period for which he or she shall hold office.

The constitution of the Committee and its chairmanship will be subject to annual review by the Board.

ROLE

The Committee has an independent role, operating in oversight capacity and in making recommendations to the board. The Committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.

The role of the Committee is to:

- assist the board in its responsibility for setting and administering effective remuneration policies that are in the Group’s long term interests;
- ensure that HIL’s directors and executive managers are fairly rewarded for their individual contributions to the Group’s overall performance;
- considers and recommends remuneration policies for all employee levels in the group
- ensure that the disclosure of director remuneration is accurate, complete and transparent;
- identify and recommend candidates to fill Director vacancies occurring between annual shareholder meetings

RESPONSIBILITIES

The Committee must perform all the functions necessary to fulfil its role as stated above and include the following:

1. determine, agree and develop the Group’s general policy and framework on remuneration and talent management so that it will promote the achievement of strategic objectives and encourage individual performance;

2. review the on-going appropriateness and relevance of the remuneration and talent management policy and framework;
3. Ensure that the remuneration policy is put to a non-binding advisory vote at the general meeting of shareholders once every year;
4. review incentive schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules;
5. approve the targets for any performance related pay schemes;
6. approve awards to employees made pursuant to the Group's share schemes;
7. determine specific remuneration packages for HIL's directors, including but not limited to market positioning of guaranteed salary, basic salary, benefits in kind, any annual bonuses, performance based incentives, share incentives, retirement and other benefits ensuring that the mix of these remuneration elements meets the Group's needs and strategic objectives, is market related and is equitable when compared to peers;
8. determine any criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities and review the outcomes of the implementation of the remuneration policy for whether the set objectives are being achieved;
9. annually evaluate and report to the Board on their performance and effectiveness to facilitate Directors fulfilling their responsibilities in a manner which serves the best interests of the Company
10. Annually establish the process for conducting the review of the CEO's performance
11. Annually review the composition of the committee and present recommendations to the Board as needed
12. review (at least annually) the terms and conditions of executive directors' service agreements, taking into account information from comparable companies where relevant.
13. advise on the remuneration of non-executive directors;
14. Monitor and review the Group's compliance with the remuneration guidelines of King III; and
15. Oversee the preparation and recommend to the board the remuneration report, to be included in the integrated report, for whether it:
 - is accurate, complete and transparent;
 - provides a clear explanation of how the remuneration policy has been implemented; and
16. Suggest and present to the Board a list of individuals recommended for nomination for election to the Board at annual meeting of shareholders and for appointment to the various committees of the Board
17. Before recommending an incumbent, replacement or additional Director, ensure that he/she has been thoroughly evaluated, including qualifications, capability, availability to serve, potential conflicts of interest and all other relevant factors.
18. Provide effective oversight on Company succession management particularly in leader roles

AUTHORITY

The Board supports and endorses the Committee, which operates independently of management and is free of any organisational impairment. The Committee has the power to independently investigate any activity within the scope of its charter.

The Committee, in the fulfilment of its duties, may call upon the chairpersons of the other board committees, any of the executive directors, officers or company secretary to sit in on meetings and/or to provide it with information.

The committee may form and delegate authority to subcommittees and may delegate authority to one or more members of the Committee

The Committee has unrestricted access to the company's records, facilities and any other resources that it may deem necessary to discharge its duties and responsibilities.

The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at company's cost, subject to following a board approval process.

MEETINGS

The Committee shall meet at least two times a year and whenever it is necessary to make recommendations relating to the Remuneration of the Group.

The Committee may invite people who are knowledgeable in remuneration matters to attend meetings and to act in an advisory capacity, or any other party who may contribute to its deliberations such as executive members of the Board.

The Committee may, if deemed appropriate, confer by telephone or video conferencing. A resolution passed by members constituting a quorum at such a conference shall be deemed to have been passed at a meeting of the Committee held on the day on which and at the time at which the conference was held.

The notice of each meeting of the Committee, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances be forwarded to each member of the Committee prior to the date of the meeting.

Minutes of meetings shall be completed within 14 days of such meetings and be circulated to all members of the Committee. The minutes must be formally approved by the Committee at its next scheduled meeting. The Chairperson shall provide feedback on its proceedings at subsequent meetings of the Board.

The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters laid out in these terms of reference and the number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

No Committee attendee shall participate in any discussion or decision in respect of their own remuneration.

The chairperson (or in his / her absence, an alternative member) of the committee shall attend the annual general meeting and be prepared to answer questions concerning the remuneration of executive and non-executive directors.

REMUNERATION

Having regard to the functions performed by the members of the committee in addition to their functions as directors in relation to the activities of the Committee, and pursuant to the approval of shareholders, members of the Committee may be paid such special remuneration in respect of their appointment as shall be fixed by the board.

SELF ASSESSMENT

The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

VERSION CONTROL

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