

**FLYING FUTURES CIC REMUNERATION COMMITTEE
TERMS OF REFERENCE**

Approval and Review	Details
Approval Authority	Board
Approval Authority signature: Print name:	LEE GOLZE, COMPANY SECRETARY (On behalf of the Board)
Next Review Date	To be reviewed annually April 2018

Approval and Amendment History	Details
Original Approval Authority and Date	26.07.2017
Amendment Authority and Date	Board DD/MM/YYYY
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1. Composition

The Committee shall comprise at least two members from amongst the Non-Executive Directors of the Company. Members of the Committee shall be appointed by the Board. An Executive Director may be a member.

Appointments to the Committee shall be for a period of up to three years, extendable at the Board's discretion.

The Board shall appoint the Committee Chairman. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

The Company Secretary or their nominated deputy shall act as secretary of the Committee. They will ensure that the Committee receives information and papers in a timely manner to enable all issues to be properly considered.

2. Quorum

The quorum necessary for the transaction of business shall be two independent Non-Executive Directors.

3. Meeting frequency

The Committee shall meet at least twice a year and otherwise as required.

4. Notice of meetings

Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairman.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-Executive Directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

5. Minutes of meetings

The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee Chairman it would be inappropriate to do so.

6. Purpose and Duties

The Committee shall:

The committee shall have responsibility for setting the remuneration policy for all Executive Directors and the Company's Chairman, including pension rights and any compensation payments. The Board itself should determine the remuneration of the Non-Executive Directors within the limits set in the Articles of Association. No Director or senior manager shall be involved in any decisions as to their own remuneration;

- recommend and monitor the level and structure of remuneration for senior management;
- in determining the remuneration policy for all Executive Directors and the Chairman, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the views of key stakeholders at general meetings of the Company, the provisions and recommendations of the UK Corporate Governance Code (the "Code") and associated guidance. The objective of such policy shall be to attract, retain and motivate Executive management of the quality required to run Flying Futures CIC successfully without paying more than is necessary, having regard to views of stakeholders. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long strategic term goals.
- when setting remuneration policy for Directors, review and have regard to pay and employment conditions across the Company, especially when determining annual salary increases;
 - a) review the on-going appropriateness and relevance of the remuneration policy;
 - b) within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive, as appropriate, determine the total

- individual remuneration package of each Executive Director, the Company Chairman and other designated senior Executives;
- c) obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company but within any budgetary restraints imposed by the Board;
 - d) be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
 - e) determine the policy for, and scope of, pension arrangements for each Executive Director and other designated senior executives;
 - f) ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
 - g) oversee any major changes in employee benefits structures throughout the Company or Group;
 - h) agree the policy for authorising claims for expenses from the Directors;
 - i) work and liaise as necessary with all other Committees.

7. Reporting Responsibilities

- The Committee Chairman shall report to the Board on its proceedings after each meeting on all matter within its duties and responsibilities.
- The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
- The Committee shall ensure that provisions regarding disclosure of information, as set out in the Enterprise and Regulatory Reform Act 2013, are fulfilled.

8. Other matters

The Committee shall:

- 8.1** have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
- 8.2** be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members should this be identified;
- 8.3** give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of Directors of Non listed companies (including Community Interest Companies);
- 8.4** arrange for periodic reviews of its own performance and, at least annually, review its 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.

9. Authority

- 9.1** The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.