

McBRIDE plc

REMUNERATION COMMITTEE

CONSTITUTION AND TERMS OF REFERENCE

ADOPTED 28 JULY 2005

**(UPDATED ON 23 MAY 2006, 24 MAY 2007, 29 JULY 2008, 20 MAY 2009,
27 MAY 2010 AND 9 JUNE 2011)**

1. CONSTITUTION

The Remuneration Committee (the “Committee”) is a Committee of the board of directors (the “Board”) of McBride plc (the “Company”) established under article 115 of the articles of association. The purpose of this charter is to define the terms of reference of the Committee.

2. TERMS OF REFERENCE TO BE MADE AVAILABLE

The Committee should make available these terms of reference upon written request and by including them on the website of McBride plc, together with a statement regarding the independence of any remuneration consultants.

3. MEMBERSHIP

The Committee shall be appointed by the Board on the recommendation of the Nomination Committee in consultation with the Chairman of the Committee, and shall be composed of all the independent non-executive directors of the Company. The Chairman of the Board may be a member of the Committee provided he is independent at the time of his appointment as Chairman of the Board, although he may not chair the Committee. The Chairman of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee.

The Committee members will normally serve for a period of not less than three years and for a maximum period of nine years taking into account the importance of refreshing the membership of the Committee and avoiding reliance on any particular individual.

A quorum of the Committee will be two members. The Group HR Director will be in attendance at meetings of the Committee and will act as Secretary to arrange meetings, take minutes and circulate documentation.

4. ATTENDANCE AT MEETINGS

The Chief Executive should normally be invited to attend meetings to discuss the performance of executive directors and others and make proposals as necessary.

The Chairman of the Board (if not a member of the Committee) and the Group Finance Director (who shall receive notice of all meetings of the Committee) may attend meetings by invitation and any other executive may also attend by invitation of the Chairman of the Committee when matters specific to their responsibility are discussed.

No director or executive shall, in any circumstances, be present for or be entitled to vote in any matter relating to his or her own performance or remuneration.

5. FREQUENCY OF MEETINGS

There shall be at least two meetings per annum.

A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions vested in or exercisable by the Committee. A meeting of the Committee may be called by any member of the Committee or the Secretary on reasonable notice.

6. REPORTING

The Chairman shall report to the Board after each Committee meeting and shall, once a year, report to the Board on issues arising from its work in the preceding financial year. Minutes of the meetings of the Committee shall be circulated to all members of the Board, unless it would be inappropriate to do so..

The Committee shall produce an annual report of the Company's remuneration policy and practices which will form part of the Company's annual report and accounts and will ensure each year that the report is put to shareholders for approval at the AGM. The report shall include details of the names and qualifications of all members of the Committee, the number of meetings in the period and the attendance by each member. The report shall be transparent and shall provide insight into the key considerations taken by the Committee when establishing senior executive packages. Specifically, the report shall contain a statement on how the pay and employment conditions of all employees within the Group have been taken into account when determining directors' remuneration.

The Chairman or, in his absence, an alternate shall attend the AGM and shall answer questions on the Committee's activities and their responsibilities.

7. AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference as defined in this charter. It has authority to request any information it requires from any employee and employees will be directed to co-operate with any request made by the Committee.

The Committee is authorised to obtain outside legal or other advice including the advice of independent remuneration consultants and training or development consultants and to arrange attendance of outsiders with relevant experience and expertise if it considers this necessary. The Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms for any independent remuneration consultants who advise the Committee. The costs of such advisers shall be met by the Company.

The Committee shall have full authority to obtain reliable, up to date information about remuneration in other companies and to commission any reports or surveys which it deems necessary to help it fulfil its obligations at the Company's expense.

The Committee will also have the authority to review remuneration matters arising in the parent company and its subsidiary companies (both in the UK and overseas) on behalf of McBride plc.

The Committee is authorised to appoint sub-committees to undertake specific tasks and/or investigations within the Committee's terms of reference such sub-committee having the same powers as the Committee other than the power to appoint a sub-committee. The sub-committee shall be entitled to co-opt members of the management of the Company including the Chief Executive, the Group HR Director and/or professional advisers and/or consultants onto the sub-committee if it is considered that such co-opted member(s) will enable the sub-committee to complete its task and/or investigation more competently, thoroughly and expeditiously.

8. DUTIES

The principal duty of the Committee is to ensure the Company follows a formal and transparent procedure regarding executive remuneration and remuneration packages. The Committee shall consider remuneration issues with a balanced and impartial mindset, taking into account all relevant stakeholders.

The Committee shall take full account of the UK Corporate Governance Code (the "Code") together with related and other relevant guidance. Variations from the Code shall be prior approved by the Board. In fulfilling its duties, the Committee shall also take account of the provisions of the Companies Act 2006 including (but not limited to) the requirement for directors to exercise their duties in good faith and in ways most likely to promote the success of the Company for the benefit of its members as a whole.

The Committee shall determine and agree with the Board the framework or broad policy for the remuneration of the Company's Chief Executive, Chairman, the executive directors, the Company Secretary and such other members of the executive management as it is designated to consider. Such policy will be forward looking and be subject to regular review by the Committee.

The remuneration of non-executive directors shall be a matter for the Chairman and the executive members of the Board. No director or manager shall be involved in any decisions as to their own remuneration.

The Committee shall review the ongoing appropriateness and relevance of the Group's overall remuneration policies and procedures to ensure they are aligned with the corporate objectives and business strategy and serve to promote the creation of value for shareholders over the longer term.

In determining such policy, the Committee shall take into account all factors which it deems necessary by reference to market practice. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company.

Within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive, as appropriate, the Committee shall determine the total individual remuneration package of each executive director and shall receive and consider

recommendations from the Chief Executive regarding packages for other senior executives including bonuses, incentive payments and share based awards.

Executive Directors

The Committee shall take proper and professional advice to ensure that in relation to executive directors:

- specific remuneration packages (including pension rights) and compensation packages on employment or early termination of office for each of the executive directors of the Company are determined by the Committee ensuring that contractual terms on termination, and any payments made reflect market practice, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- salaries are maintained at a level which allows the organisation to compete effectively for good calibre executives whilst taking account of the level of awards made to other employees;
- pay is adjusted at appropriate intervals (normally annually) both in relation to performance and to an assessment of market movement based on data from one or more independent sources;
- performance related elements of remuneration are designed to take account of the best interests of the Company and its shareholders and reflect the provisions of Schedule A of the Code;
- the basis, targets and rewards of both long and short-term executive incentive schemes (eg. cash bonuses, stock option plans, LTIPs etc) are linked to performance, serve the needs of the business and are aligned with shareholder interests;
- the balance of pay and benefits is maintained on a sensible competitive and defensible basis in the view of the Committee;
- a robust approach is adopted in determining appropriate rewards and incentive structures taking account of relevant external market forces; and
- the contracts for individual executive directors are reviewed from time to time to ensure they remain up to date.

The Committee shall consider to what extent they, or the Board, should liaise with shareholders regarding directors' remuneration, taking into account the economic climate at the time. Areas of concern for shareholders could be:

- remuneration should be justified by performance
- tax efficient remuneration structures should not result in additional tax bills for the Company
- can bonuses be justified if the Company suffers a material negative event

Senior Executive Management

(Direct reports to the Chief Executive, excluding secretarial)

The Committee shall determine and agree with the Board the Company's policies on total pay and other benefits (in all its or their forms) payable to, and the terms of employment of, senior executive management of the Group (other than the executive directors). They shall make or authorise changes where appropriate to ensure such policies are in the best interests of the Company having regard to those adopted from time to time in those industries in which the Company is engaged and that such policies are designed to encourage and reward individual performance in the interests of the Company.

Share Based Schemes and Pensions

The Committee shall:

- Operate and implement the McBride plc Company Share Option Plan, the McBride plc 2002 Unapproved Discretionary Share Option Scheme and the McBride plc 2002 Savings Related Share Option Scheme and all other schemes established either previously which are still in operation or subsequently to replace such schemes, including the McBride plc Long Term Incentive Plans;
- Review and consider on behalf of the Board the establishment of further such schemes or renewal of existing schemes and the terms of such schemes and to make recommendations where appropriate;
- Consider the recommendations of the Board relating to pension schemes operated by the Company and to advise the Board on issues relating to such schemes; and
- Ask the Board, where appropriate, to seek shareholder approval for all new long term incentive schemes (as defined in the Listing Rules) as well as any significant changes to existing schemes, save in circumstances permitted by the Listing Rules.

Management Development

The Committee shall:

- Review the management development plans and actions taken by management to ensure that the Company, its subsidiaries and any divisions have the necessary business, vocational and management skills and experience of the right quality to meet short and long term business needs;
- Review the talent management processes and actions taken by management to enable individuals within the Company to improve their performance in their current job and, where appropriate, to develop/acquire new skills and experience to equip them to take on more responsibility; and
- Refer any suitable candidates to the Nomination Committee for consideration in any succession planning..

9. GENERAL

The Committee shall:

- Not discuss, or pass any resolution in respect of, the remuneration of, or the terms of any consultancy agreement with, any non-executive director which shall be a matter for the Board itself, subject to the provisions of the articles of association;

Have access to sufficient resources to carry out its duties, including the Company Secretary if required;

- The Committee shall be provided with appropriate and timely training, both for new members and on an ongoing basis;
- Give due consideration to the provisions regarding disclosure of remuneration (including pensions) as detailed in Section D of the Code and in accordance with the Directors' Remuneration Report Regulations; and
- Review annually the Committee's terms of reference, its performance and effectiveness and recommend any necessary changes to the Board.

These terms of reference are those adopted at the meeting of the Board held on Thursday 28 July 2005, reviewed at a meeting of the Board held on Tuesday 23 May 2006, further updated at meetings of the Board held on Thursday 24 May 2007, Tuesday 29 July 2008 Wednesday 20 May 2009, Wednesday 27 May 2010 and Thursday 9 June 2011.

CHAIRMAN