



McBride plc  
28<sup>th</sup> Floor  
Centre Point  
103 New Oxford Street  
London  
WC1A 1DD  
England

Tel +44 (0) 207 539 7850  
Fax +44 (0) 207 539 7856

21 December 2011

Dear Neil

This letter sets out the main terms of your appointment as a Non-Executive Director of the Board of McBride plc ("the Company") and as Chair of the Audit Sub-Committee of the Board. It is anticipated that your appointment will take effect from 3 January 2012.

It is agreed that this is a contract for services and is not a contract of employment.

### **Appointment**

Your appointment will be terminable at the discretion of either party upon three month's written notice. Continuation of your appointment is in any event contingent on satisfactory performance and annual re-election at the Company's Annual General Meeting ("AGM").

The Board has resolved to apply Provision B.7.1 of the FRC's UK Corporate Governance Code 2010, whereby all directors will be subject to annual election at the AGM. If the shareholders do not re-elect you as a director, or you are retired from office under the articles of association, your appointment shall terminate automatically, with immediate effect and without compensation. Continuation of your contract of appointment is also contingent on satisfactory performance and any relevant statutory provisions relating to the removal of a director.

### **Time commitment**

The time commitment involved will be by mutual agreement with the Chairman. As a minimum, this will include attendance at Board and Audit Committee meetings of which there are currently approximately six Board and three Audit meetings each year. These are normally held at the Company's Head Office at Centre Point. However, from time to time, Board meetings may be held outside the UK in a country in which the Company has a business operation. In addition, you will be expected to attend the AGM (held in October), and possibly a further two annual Board away days (strategy days etc.), and you will be expected to devote appropriate preparation time ahead of each meeting.

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations of your role. This will include preparation for and attendance at:

- scheduled Board meetings
- Board dinners
- Board strategy away-day(s)
- the AGM

- meetings of the non-executive directors
- meetings with shareholders where appropriate

The agreement of the Chairman should be sought before accepting additional commitments that might impact on the time you are able to devote to your role as a Non Executive director of the Company.

The nature of the role makes it impossible to be specific about the maximum time commitment, and there is always the possibility of additional time commitment in respect of preparation time and ad hoc matters which may rise from time to time, and particularly when the Company is undergoing a period of increased activity. At certain times it may be necessary to convene additional Board, committee or shareholder meetings.

## **Duties**

You will be expected to perform your duties, whether statutory, fiduciary or common-law, faithfully, efficiently and diligently to a standard commensurate with both the functions of your role and your knowledge, skills and experience.

You will exercise your powers in your role as a non-executive director having regard to relevant obligations under prevailing law and regulation, including the Companies Act 2006, the UK Corporate Governance Code and associated guidance and the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules.

Non Executive Directors have the same general legal responsibilities to the Company as any other director. The Board as a whole is responsible collectively for the long-term success of the Company. The Board:

- Provides entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;
- Sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives, and reviews management performance; and
- Sets the Company's values and standards and ensure that its obligations to its shareholders and others are understood and met.
- Is responsible for determining the nature and extent of significant risks which could be experienced by the Company.

All directors must take decisions objectively in the interests of the Company. You will be required to exercise your powers as a director in accordance with the Company's policies and procedures and internal control framework.

You should bear in mind that the liabilities and obligations of directors of listed companies are more onerous and more rigorously enforced than those relating to private companies.

In addition to the requirements of all directors, the role of the Non Executive director has the following key elements:

- **Strategy.** Non Executive Directors should constructively challenge and help develop proposals on strategy;
- **Performance.** Non Executive Directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

- Risk. Non Executive Directors should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible; and
- People. Non Executive Directors are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary removing, Executive Directors and in succession planning.

### **Committees**

You will serve on the sub-committees of the Board which typically meet on Board meeting days. The terms of reference will be provided to you by the Company Secretary. Your appointment will be confirmed by the Board from time to time.

### **Fees**

You will be paid a fee to be agreed annually (subject to UK statutory deductions) which will be paid monthly in arrears and which will be subject to an annual review by the Board. The Company will reimburse you for all reasonable and properly documented expenses that you incur properly in performing the duties of your office. Fees may be adjusted at any time and you will be advised of any changes as appropriate. The current fees are £40,000 per annum plus £4,000 per annum as Chairman of the Audit Committee. On termination of the appointment you shall only be entitled to such fees as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date.

### **Outside interests**

You have already disclosed to the Board the significant commitments you have outside this role. You must inform me in advance of any changes to these commitments. In certain circumstances the agreement of the Board may have to be sought before accepting further commitments which either might give rise to a conflict of interest or a conflict of any of your duties to the Company, or which might impact on the time that you are able to devote to your role at the Company.

You must disclose any direct or indirect interest which you may have in any matter being considered at a board meeting or committee meeting and save as permitted under the articles of association, you will not vote on any resolution of the Board, or of one of its committees, on any matter where you have any direct or indirect interest.

### **Independence**

The Board of the Company has determined you to be independent, taking account of the guidance contained in B.1.1 of the UK Corporate Governance Code.

The Board of the Company have also determined that Bob Lee and Sandra Turner are independent non-executive directors according to the provisions of the UK Corporate Governance Code 2010.

## **Confidentiality**

All information acquired during your appointment is confidential to the Company and should not be released, either during your appointment or following termination (by whatever means), to third parties without prior clearance from the Chairman.

## **Price sensitive information and dealing in the Company's shares**

Your attention is also drawn to the requirements under both legislation and regulation as to the disclosure of price sensitive information. Consequently you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Chairman or the Company Secretary.

In common with the rest of the Board, you will be required to comply with the terms of the Model Code for transactions by directors of listed companies and specifically with any insider dealing rules adopted by the Company from time to time. Copies of relevant documents can be obtained from the Group Company Secretary.

## **Review process**

The performance of individual directors and the whole Board and its committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role you should discuss them with the Chairman as soon as is appropriate.

## **Professional Development**

As a director you should be prepared to undertake the appropriate educational and/or professional development programmes, identified as part of the annual Board evaluation programme or by the Board generally. Any special training you need should be discussed with the Chairman.

## **Induction Plan**

On appointment, a comprehensive, formal and tailored induction plan will be developed for you which will be designed to introduce you to the Company, its operations and its key executives as well as providing an overview of our strategic plans and ways of working.

## **Insurance**

The Company has directors' and officers' liability insurance and it is intended to maintain appropriate levels of cover. The current indemnity limit is £30m.

## **Independent professional advice**

Occasions may arise when you consider that you need professional advice in the furtherance of your duties as a director. Circumstances may occur when it will be appropriate for you to seek advice from independent advisers at the Company's expense. Any such advice should be cleared with the Chairman or if you prefer with the Board as a whole.

## **Changes to personal details**

You shall advise the Company Secretary promptly of any change in address or other personal contact details.

**Data protection**

By signing this letter you consent to the Company holding and processing information about you for legal, personnel, administrative and management purposes and in particular to the processing of any sensitive personal data (as defined in the Data Protection Act 1998).

This letter and the terms of your appointment are governed by, and shall be construed in accordance with, the laws of England, and the parties agree to submit to the exclusive jurisdiction of the courts of England.

Please sign and return the duplicate copy of this letter by way of acceptance of its terms.

Yours sincerely

Iain Napier  
**Chairman**

(Agreed with Iain Napier and signed on his behalf by the Company Secretary).

The terms of this Letter of Appointment are hereby agreed and accepted

.....  
(Signed Neil Harrington)

Dated

.....