

Remuneration Code

“CCLA is a Tier 4 firm in relation to the proportionality classification of remuneration code firms under FSA regulations.

The CCLA Remuneration Committee (Committee) has delegated responsibility from the Board to determine the terms and conditions of employment, pay and benefits of each of the executive directors. The Committee also reviews the Company’s remuneration policy in relation to senior executives and the company as a whole, and approves major changes in employee remuneration, incentive and benefit structures.

There is no mechanical link between pay and performance and all bonuses are paid on discretionary basis.

The Committee’s terms of reference set out the decision making process. The Committee considers proposals within its terms of reference and obtains any additional advice as it deems appropriate to enable it to make informed decisions. The decisions of the Committee are made on the basis of a simple majority vote. In the event of equal votes the Chairman has the casting vote. The Committee Chairman reports formally to the Board on its proceedings after each meeting. The Committee makes whatever recommendations to the Board it deems appropriate on any area within its remit.

The members of CCLA Remuneration Committee are :

- James Dawnay
- Richard Fitzalan Howard
- John Tattersall
- Richard Williams

The quorum for the CCLA Remuneration Committee is two members.

CCLA maintains a record of Remuneration Code Staff in accordance with FSA requirements. CCLA defines Remuneration Code Staff as being all Controlled Functions and any employee receiving total remuneration of more than £500,000 or variable remuneration in excess of 33% of total remuneration. CCLA has chosen to adopt the FSA Remuneration Code on a firm-wide basis for all staff where appropriate.

CCLA's Code Staff	Number of staff	Total remuneration	Fixed remuneration (%)	Variable remuneration (%)
Senior Management	5	£1,473,818.50	59.9%	40.1%
Other Code Staff	12	£1,604,964.70	71.4%	28.6%

During the year to 31st December 2011 the Committee has not received advice used for the determination of the remuneration of CCLA’s employees or its Remuneration Policy. A remuneration consultant has been engaged to provide advice to the Committee which will be considered in the year starting on the 1st January 2012.”