

1.0 GENERAL

The Remuneration Board is a sub-committee of the Board of the Ancient Order of Foresters Friendly Society Ltd. It considers matters in relation to remuneration and expenses. It reports to the Board of the Ancient Order of Foresters Friendly Society Ltd and conducts its business in accordance with the Rules of Foresters Friendly Society and with its own Standing Orders.

2.0 LEGAL STATUS

The Ancient Order of Foresters Friendly Society Ltd is a registered Friendly Society and must ensure that the Society achieves its objectives within the relevant legal framework and in compliance with the requirements of the Financial Services Authority.

The members have responsibilities as Non-Executive Directors and are of approved person status.

3.0 MISSION & VALUES OF THE FORESTERS FRIENDLY SOCIETY

Foresters Friendly Society has adopted a Mission and Values statement. The Remuneration Board will seek to ensure that the Organisation follows that mission and upholds the values.

4.0 THE FORESTERS FRIENDLY SOCIETY'S OBJECTIVES

Foresters Friendly Society has agreed strategic objectives and the Remuneration Board will seek to monitor performance against the objectives.

5.0 MAIN FUNCTIONS

.1 The Committee will consider the following

- 5.1.1 Recommends remuneration for the Non Executive Directors, to the Board for submission to the Annual General Meeting.

- 5.1.2 Recommends remuneration for the Chairman, the Deputy Chairman of the Directors and the Chairman of the Audit & Risk Committee (where applicable) to the Board for submission to the Annual General Meeting.
- 5.1.3 Recommends remuneration for the High Chief Ranger and High Sub Chief Ranger to the Board for submission to the Annual General Meeting.
- 5.1.4 Recommends expense levels for the Board to the Board.

Remuneration Of Senior Management Team

- 5.1.5 Recommends remuneration for Chief Executive, Finance Director, Marketing Director, and Company Secretary to the Board.

Remuneration And Welfare Of Other Employees

- 5.1.6 To consider and recommend to the Board the Senior Management proposals for the remuneration and benefits budget for employees for the forthcoming year including any bonus arrangements.
- 5.1.7 To ensure that all staff are treated fairly and that good practice as laid down in the Society policies is being carried out.
- 5.1.8 Where necessary the Board may engage 3rd Party consultants/advisors to assist in determining remuneration/benefit packages to ensure Board and Senior Management are fairly and responsibly rewarded for their individual and collective contributions.

6.0 MONITORING

- 6.1 To ensure that all remuneration is in line with market conditions, equal opportunities and applicable legislation and succession planning needs.

Approved by the Board 29 October 2008

1.0 MEMBERSHIP

- 1.1 The Remuneration Committee shall consist of not less than three (3) members the majority of whom should be Independent Non-Executive Directors.
- .2 The Chairman of the Board shall chair each meeting, in his absence the members present shall elect one of their number to chair the meeting.
- .3 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, staff and advisors may be invited to attend the whole or part of the meeting if appropriate.
- .4 The Company Secretary or their nominee shall act as Secretary to the Committee.
- .5 The Committee will adhere to the Society's Conflict of Interest Policy. When the Committee discusses any item which poses a conflict of interest for any Committee member that member should declare the interest. If the conflict is clear and substantial that member should withdraw from the meeting.

All declarations of conflict of interest shall be recorded in the minutes.

2.0 QUORUM

- 2.1 The quorum necessary for the transaction of any business shall be two (2), both of whom must be Non-Executive Directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

3.0 FREQUENCY OF MEETINGS

- 3.1 The Committee shall meet at least twice a year and at such times as the Chairman of the Committee shall require.

4.0 NOTICE OF MEETINGS

4.1 Meetings of the Committee shall be summoned by the Secretary to the Committee at the request of the Chairman of the Committee.

.2 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 (5) 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.

4.0 MINUTES OF MEETINGS

5.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings including names of attendees and of any apologies received.

5.2 Minutes of the meeting shall be prepared and circulated promptly to all Committee members and other attendees, once agreed by the Chairman they shall be sent to the other members of the Committee.

5.0 ANNUAL GENERAL MEETING

6.1 The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any questions and the actions it has taken over the past year.

7.0 REPORTING TO MEMBERS

.1 The Annual report will contain a separate report addressing the frequency and attendance by members at Remuneration Committee meetings, together with disclosure of remuneration, including pensions, as set out in the Director's Remuneration Regulations 2002.

8.0 URGENT DECISIONS

.1 Should decisions required that cannot be deferred to the next scheduled meeting, the Chairman shall make the decision after contacting other members of the Committee where possible.

.2 Any decisions made must be reported at the next scheduled meeting and the extent of consultation and expressed views of the Committee members recorded in the minutes.

Approved by the Board 29 October 2008