

Individual remuneration for the year ended 31 December 2012

	Basic salary and fees (i) €000	Incentive Plan Cash element (ii) €000	Deferred shares (ii) €000	Retirement benefits expense (iii) €000	Other remuneration (iv) €000	Benefits (v) €000	Total 2012 €000	Total 2011 €000
Executive Directors								
M. Carton	550	183	-	175	-	13	921	1,050
M. Lee	1,150	383	-	980	-	23	2,536	2,689
A. Manifold	800	266	-	288	-	31	1,385	1,537
M. Towe	1,012	708	-	202	-	61	1,983	1,543
	3,512	1,540	-	1,645	-	128	6,825	6,819
Non-executive Directors								
E. Bärtschi (vi)	68	-	-	-	37	-	105	15
W. Egan	68	-	-	-	52	-	120	120
U-H. Felcht	68	-	-	-	37	-	105	105
N. Hartery (vii)	68	-	-	-	237	-	305	124
J.M. de Jong	68	-	-	-	71	-	139	139
J. Kennedy	68	-	-	-	37	-	105	105
K. McGowan (vii)	23	-	-	-	122	-	145	405
H.A. McSharry (viii)	58	-	-	-	19	-	77	-
D. O'Connor	68	-	-	-	44	-	112	90
J. O'Connor (viii)	-	-	-	-	-	-	-	31
W. O'Mahony (viii)	-	-	-	-	-	-	-	103
	557	-	-	-	656	-	1,213	1,237

(i) **Basic salary and fees** Salary levels for Irish-based executive Directors were unchanged in 2012 as were fee levels for non-executive Directors. Mark Towe received a 2012 salary increase in US Dollars which was broadly in line with trends in senior executive remuneration in the United States.

(ii) **Performance-related Incentive Plan** Under the executive Directors' incentive plan for 2012, a bonus is payable for meeting clearly defined and stretch targets and strategic goals. The structure of the 2012 incentive plan is set out on page 58.

(iii) **Retirement benefits expense** The Irish Finance Act 2006 effectively established a cap on pension provision by introducing a penalty tax charge on pension assets in excess of the higher of €5 million or the value of individual prospective pension entitlements as at 7 December 2005. This cap was further reduced by the Irish Finance Act 2011 to €2.3 million as at 7 December 2010. As a result of these legislative changes, the Remuneration Committee has decided that Executive Directors who are members of Irish pension schemes should have the option of continuing to accrue pension benefits as previously, or of choosing an alternative arrangement - by accepting pension benefits limited by the cap - with a similar overall cost to the Group. Maeve Carton, Myles Lee and Albert Manifold have chosen to opt for the alternative arrangement which involves capping their pensions in line with the provisions of the Finance Acts and receiving a supplementary taxable non-pensionable cash allowance in lieu of prospective pension benefits foregone. These allowances are similar in value to the reduction in the Company's liability represented by the pension benefit foregone. They are calculated based on actuarial advice as the equivalent of the reduction in the Company's liability to each individual and spread over the term to retirement as annual compensation allowances. For 2012 the compensation allowances amount to €980,000 (2011: €980,000) for Myles Lee; €288,117 (2011: €335,195) for Albert Manifold and €174,931 (2011: €231,954) for Maeve Carton.

(iv) **Other Remuneration** Includes remuneration for Chairman, Board Committee work and allowances for non-executive Directors based outside of Ireland.

(v) **Benefits** These relate principally to the use of company cars and medical/life assurance.

(vi) Ernst Bärtschi became a Director on 26 October 2011.

(vii) Nicky Hartery became Chairman on 9 May 2012 succeeding Kieran McGowan who retired as a non-executive Director on the same date.

(viii) Heather Ann McSharry became a Director on 22 February 2012. Joyce O'Connor retired on 4 May 2011, while Liam O'Mahony retired on 31 December 2011.