BOARD OF DIRECTORS

Sir Peter Gershon CBE
Chairman and Chairman of the Nominations Committee

Joined the Board as an independent Non-Executive Director and Chairman Designate in February 2009. Appointed Chairman in July 2009. Aged 67.

Skills and experience
Sir Peter has broad business experience gained in large and complex international organisations and has held various leadership roles in the UK private and public sector. He was formerly Chairman of Premier Farnell plc; Chief Executive of the Office of Government Commerce; Managing Director of Marconi Electronic Systems; and a member of the UK Defence Academy Advisory Board.

Other directorships
- Chairman of National Grid plc
- Member of HM Government Efficiency and Reform Board
- Chairman of the Aircraft Carrier Alliance
- Member of the advisory board of The Sutton Trust

Javed Ahmed
Chief Executive

Joined the Board as Chief Executive in October 2009. Aged 54.

Skills and experience
Javed has extensive international experience from a wide variety of senior management roles. He started his career with Procter & Gamble and then spent five years with Bain & Co. before joining Benckiser (later Reckitt Benckiser plc) in 1992 where he gained significant experience of international consumer goods markets and held positions including Senior Vice President, Northern Europe; President, North America; Executive Vice President, North America, Australia and New Zealand; and Executive Vice President, Europe.

Other directorships
- Member of Mosaic Advisory Board

Tim Lodge
Chief Financial Officer

Joined the Board in December 2008 as Group Finance Director. Aged 49.

Skills and experience
Tim joined the Group in 1988 and has held a number of senior operational and financial roles, both in the UK and internationally, including Managing Director of Zambia Sugar; Group Financial Controller; Finance Director of the Food & Industrial Ingredients, Europe division; and Director of Investor Relations. He is a Fellow of the Chartered Institute of Management Accountants.

Other directorships
None

Liz Airey
Non-Executive Director and Chairman of the Audit Committee

Joined the Board in January 2007. Aged 55.

Skills and experience
Liz was an investment banker and has extensive financial experience in the UK and internationally. She was formerly Finance Director of Monument Oil and Gas plc.

Other directorships
- Chairman of the Unilever UK Pension Fund
- Senior Independent Director of Jupiter Fund Management PLC
- Senior Independent Director of Dunedin Enterprise Investment Trust PLC

William Camp
Non-Executive Director and Chairman of the Corporate Responsibility Committee

Joined the Board in May 2010. Aged 65.

Skills and experience
Bill worked for 22 years for Archer Daniels Midland Company, before retiring in 2007, and held a variety of management positions including Executive Vice President, Asia Strategy; Executive Vice President, Processing; and Senior Vice President, Global Oil Seeds, Cocoa and Wheat Milling.

Other directorships
- Senior Advisor, Naxos Capital
- Director of Culligan International

Douglas Hurt
Non-Executive Director

Joined the Board in March 2010. Aged 57.

Skills and experience
Douglas is a Chartered Accountant. He held a number of financial and operational roles, including US and European senior management positions, at GlaxoSmithKline before joining IMI plc as Finance Director in 2006.

Other directorships
- Finance Director of IMI plc

Our governance structure
Certain responsibilities are delegated to four Board Committees, details of which are provided on pages 47 to 51 and on page 64.

Audit Committee
Liz Airey (Chairman)
Douglas Hurt, Anne Minto

Remuneration Committee
Robert Walker (Chairman)
William Camp, Sir Peter Gershon
Anne Minto, Dr Ajai Puri

Nominations Committee
Sir Peter Gershon (Chairman)
Javed Ahmed, Liz Airey,
William Camp, Douglas Hurt,
Virginia Kamsky, Anne Minto,
Dr Ajai Puri, Robert Walker

Corporate Responsibility (CR) Committee
William Camp (Chairman)
Liz Airey, Sir Peter Gershon,
Virginia Kamsky, Dr Ajai Puri

Virginia Kamsky
Non-Executive Director

Joined the Board in December 2012. Aged 60.

Skills and experience
Ginny is Chairman and Chief Executive Officer of Kamsky Associates, Inc. She also served as an Executive Vice President of Foamex International, Inc. and held a variety of leadership roles at Chase Manhattan Bank.

Other directorships
- Non-executive director of Dana Holding Corporation
- Member of the US Secretary of the Navy Advisory Panel
- Trustee of the China Institute in America

Anne Minto OBE
Non-Executive Director

Joined the Board in December 2012. Aged 60.

Skills and experience
Anne was Group Director of Human Resources at Centrica plc from 2002 until her retirement in 2011. She previously held senior management roles at Shell UK and Smiths Group plc and was Deputy Director-General of the Engineering Employers' Federation.

Other directorships
- Non-executive director and Chairman of the Remuneration Committee of Shire PLC
- Trustee of the University of Aberdeen Development Trust
- Non-executive director of ExlService Holdings, Inc.

Dr Ajai Puri
Non-Executive Director

Joined the Board in April 2012. Chairman of the Research Advisory Group. Aged 60.

Skills and experience
Ajai has a PhD in Food Science from the University of Maryland, USA. He was President – Research, Development and Product Integrity and a member of the Executive Board of Koninklijke Numico N.V. from 2003 to 2007. Prior to this, Ajai held various management positions with The Coca-Cola Company, culminating in Senior Vice President Technical, The Minute Maid Company.

Other directorships
- Member of the supervisory board of Nutreco N.V.
- Non-executive director of Barry Callebaut AG
- Non-executive director of Britannia Industries Limited

Robert Walker
Senior Independent Director and Chairman of the Remuneration Committee

Joined the Board in January 2006. Aged 69.

Skills and experience
Robert spent over 30 years with Procter & Gamble, McKinsey and finally, PepsiCo, where he was responsible for the company's beverage operations in Europe, the Middle East and Africa.

Other directorships
- Chairman of Travis Perkins plc
- Chairman of Enterprise Inns plc

Lucie Gilbert
Company Secretary

Appointed Company Secretary in August 2012. Aged 42.

Skills and experience
Lucie was appointed Deputy Company Secretary in 2008 and previously held senior company secretarial roles in several listed companies, including Experian PLC and Brit Insurance Holdings PLC. Lucie is a Fellow of the Institute of Chartered Secretaries and Administrators and an Associate of the Chartered Insurance Institute.

Directorships
None

Our Group Executive Committee
The Group Executive Committee oversees the development and execution of the Group's strategy, and has overall responsibility for achieving business results. The members of the Committee are listed opposite.

Javed Ahmed
Chief Executive

Tim Lodge
Chief Financial Officer

Robert Gibber
Executive Vice President, General Counsel

Rob Luijten
Executive Vice President, Human Resources

Gabriella Parisse
President, Innovation and Commercial Development

Olivier Rigaud
President, Speciality Food Ingredients

Matt Wineinger
President, Bulk Ingredients

STATEMENT FROM THE CHAIRMAN

The governance arrangements we have in place have proven to be sound, as evidenced in the external Board effectiveness review

Introduction

Dear shareholder
Effective governance is a key component of the way Tate & Lyle manages its business and risks. The governance arrangements we have in place have proven to be sound, as evidenced in the external Board effectiveness review.

Board composition
Robert Walker, our Senior Independent Director, joined the Board at the start of 2006 and we anticipate that he will retire from the Board after serving a full nine years. In preparation for this, we have commenced work on planning for his successor as Senior Independent Director and as Chairman of the Remuneration Committee. In addition, the Nominations Committee has recommended that an additional non-executive director join the Board, ideally prior to Robert's departure. To this end, a clear specification has been drawn up and shared with the appointed search consultants, Spencer Stuart. We will of course announce any changes to the Board and specific roles as soon as the process has concluded and the Board reaches a decision.

Board effectiveness review
The last external Board effectiveness review was conducted in 2011 and the Board agreed that the 2014 review should be externally facilitated. We felt that additional benefits could also be derived from a review which was undertaken from a diversity and inclusion perspective and chose Schneider Ross to facilitate the review. The review concluded that the Board and its Committees operate effectively and identified some areas for further action, details of which are set out on page 44.

Reporting to shareholders
The UK Government and other regulatory bodies have introduced a number of new reporting requirements which now apply to Tate & Lyle. These include a new edition of the UK Corporate Governance Code which provides that the Directors should state that they consider that the Annual Report and Accounts, taken as a whole, is 'fair, balanced and understandable'. In preparation for this, we enhanced our processes for producing the Annual Report. Each of the directors has confirmed that he or she considers the Annual Report 2014 to be fair, balanced and understandable.

Focus for 2015
We regularly review the Board's areas of focus. The key areas to which we will continue to devote significant time at Board and Committee level are as follows:

- Safety, including the effectiveness of new initiatives to improve hazard identification and accident prevention at all our sites
- The performance of the Speciality Food Ingredients division and its products, including SPLENDA® Sucralose
- Customer engagement
- The Group's innovation pipeline
- Strategic initiatives, including acquisition opportunities
- Talent management, senior recruitment and succession planning activities.

Sir Peter Gershon
Chairman
28 May 2014

Sir Peter Gershon

CORPORATE GOVERNANCE

UK Corporate Governance Code

The UK Corporate Governance Code, dated September 2012 (the Code) and issued by the Financial Reporting Council, is applicable to companies with a premium listing on the London Stock Exchange. As such, we are required to state how we have applied the principles contained in the Code and to disclose whether we have complied with the provisions of the Code during the year. Throughout the year from 1 April 2013 to 31 March 2014 the Company has complied fully with the Code.

This Governance section of the Annual Report, including the Directors' Remuneration Report plus the disclosures contained in the Risks section on pages 29 to 31, provide details of how the Company applies the principles and complies with the provisions of the Code.

The Directors' responsibilities for the preparation of financial statements are explained in the Directors' Statement of Responsibilities on page 73. Their statement on going concern is on page 28.

Further information on the Code can be found on the Financial Reporting Council's website, www.frc.org.uk.

The Board

The role of the Board

The Board is collectively responsible for promoting the success of the Company and for providing entrepreneurial leadership within a framework of prudent and effective controls that enable risk to be assessed and managed. It sets the Company's objectives, ensures that the Company has the necessary financial resources and people to meet them, and reviews management's performance. The Board also sets the Company's Values and ensures that its obligations to shareholders and others are met.

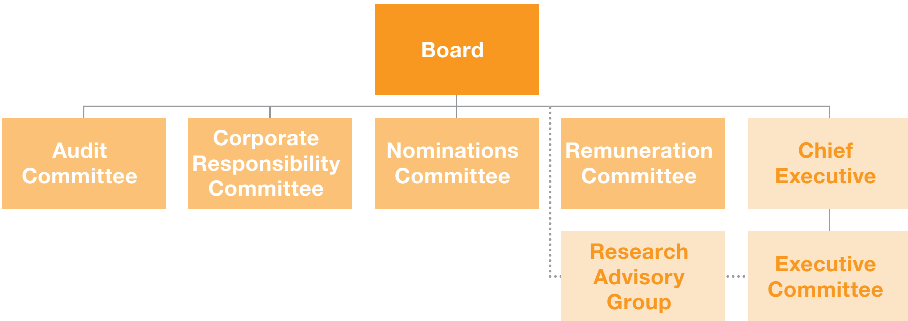
There is a schedule of matters reserved to the Board for decision, which includes approval of:

- Group strategy
- Annual budget and operating plans
- Major capital expenditure, acquisitions or divestments
- Interim dividends
- Full-year and half-year results and interim management statements
- Board and Company Secretary appointments
- Senior management structure and responsibilities
- Treasury policies
- Directors' conflicts of interest
- Systems of internal control and risk management

Board Committees

The Board has delegated certain responsibilities to Committees, details of which can be found on pages 47 to 51 and on page 64.

Governance structure



The Research Advisory Group (RAG) is chaired by Dr Ajai Puri and comprises external subject matter experts and senior Tate & Lyle managers. The RAG's remit covers reviewing the innovation pipeline and providing insight into how leading-edge science and technology can be applied to enhance the Group's speciality food ingredients portfolio. The RAG meets regularly, principally at the global Commercial and Food Innovation Centre in Chicago, USA and Dr Puri provides regular updates to the Board on the work of the RAG.

Operation of the Board

Board meetings

The Board and its Committees meet regularly according to a schedule linked to key events in the Company's corporate calendar. Ad hoc meetings are also arranged to consider matters requiring review and decision outside the scheduled meetings. Six scheduled Board meetings were held during the year ended 31 March 2014, including one held at the global Commercial and Food Innovation Centre in Chicago, USA and one at the Group's offices in Shanghai, China. Three additional Board meetings were also held to consider proposals relating to the Group's business transformation programme and to review operational performance. The Board also met offsite for one day to focus on strategy.

The rolling programme of items for discussion by the Board is reviewed at each Board meeting and updated to reflect topical matters. All substantive agenda items have comprehensive briefing papers which are distributed via the electronic Board portal, generally five working days before the meeting. In the few instances where a director is unable to attend a meeting, his or her comments on the briefing papers are given in advance to the Chairman.

Meetings are structured to facilitate open debate, and all directors participate in discussing safety, strategy, trading, financial performance and risk management. Members of executive management attend Board meetings and regularly make presentations.

The Chairman continued to hold a short discussion with the non-executive directors collectively both immediately before and after each scheduled Board meeting.

Directors' attendance at Board meetings

Directors as at 31 March 2014	Number of meetings	Number of meetings attended
Sir Peter Gershon	9	9
Javed Ahmed	9	9
Tim Lodge	9	9
Liz Airey	9	9
William Camp	9	9
Douglas Hurt	9	9
Virginia Kamsky	9	9
Anne Minto	9	9
Dr Ajai Puri	9	8
Robert Walker	9	9

During the year, Dr Ajai Puri was unable to attend a meeting that was held outside the usual schedule due to unavoidable business commitments and he provided input on the agenda items to the Chairman prior to the meeting.

CORPORATE GOVERNANCE | CONTINUED

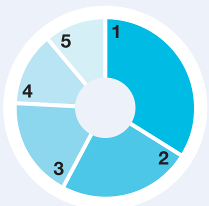
Summary of the Board's work during the year
During the year, the Board continued to oversee the ongoing transformation of the Group's culture and business and considered all matters within its remit, focusing in particular on the following:

- Safety
- The performance of the Speciality Food Ingredients (SFI) and Bulk Ingredients (BI) divisions and the Innovation and Commercial Development group (ICD), including the impact of the global Commercial and Food Innovation Centre
- The Group's approach to customer engagement and collaboration
- The ongoing implementation of the project to create one global IS/IT platform
- Talent management and succession planning activities.

In the 2015 financial year, the Board will focus in particular on the areas listed on page 40.

Board allocation of time
The chart below shows the approximate time the Board has spent discussing agenda items during the year, separated into broad categories.

Board allocation of time



Division of responsibilities
The roles of the Chairman, Chief Executive and Senior Independent Director are separated and their responsibilities are set out in writing and agreed by the Board.

The Chairman
Key responsibilities include:

- The effective operation, leadership and governance of the Board
- Ensuring the effectiveness of the Board, and each director individually
- Setting the style and tone of Board discussions
- Ensuring the directors receive accurate, timely and clear information.

The Chief Executive
Key responsibilities include:

- Proposing strategy to the Board and delivering it
- Running the business
- Communicating the Board's expectations with regard to culture, values and behaviours
- Ensuring the Board is aware of the executive directors' views on business issues.

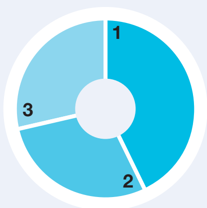
The Senior Independent Director
Key responsibilities include:

- Acting as a sounding board for the Chairman
- Conducting an annual review of the Chairman's performance
- Being available to shareholders if they have any concerns that they have been unable to resolve through the normal channels.

Board effectiveness
Board diversity
As set out in the Board's statement on diversity, published on the Group's website, the Directors believe that Board composition is a key element of Board effectiveness and each member, and potential member, of the Board must be able to demonstrate the skills, experience and knowledge required to contribute to the effectiveness of the Board. Subject to that overriding principle, the Directors believe that the Board's perspective and approach can be greatly enhanced through gender, age and cultural diversity. It is the Board's policy to consider overall Board balance and diversity when appointing new directors.

Board composition
At the date of this Annual Report, the Board comprised ten directors with deep knowledge and experience in diverse business sectors within global markets: the Chairman, who has no executive responsibilities; two executive directors; and seven non-executive directors. The names and biographies of the directors are on pages 38 and 39.

Tenure of non-executive directors



Independence
With the exception of the Chairman, who is presumed under the Code not to be independent, the Board considers all the non-executive directors to be independent. The Senior Independent Director, Robert Walker, is available to shareholders if they have any issues or concerns which they have not resolved through the usual channels, and leads the annual review of the Chairman's performance.

The non-executive directors have a wide range of skills and knowledge and combine broad business and commercial experience with independent and objective judgement. The terms and conditions of appointment of the non-executive directors can be inspected at the Company's registered office and will be available for inspection at the Annual General Meeting (AGM).

As part of the annual Board effectiveness review, each director goes through a formal performance review process. All directors completed this process during the year and, in line with the Code, Robert Walker and Liz Airey, who have served for over six years, have both been subject to a particularly rigorous review.

Time commitment
All directors have disclosed any significant external commitments to the Board and confirmed that they continue to have sufficient time to discharge their duties to Tate & Lyle. The other significant commitments of the Directors are set out on pages 38 and 39. The time commitment of all non-executive directors and the Chairman is reviewed annually and the Board is comfortable that all Directors continue to devote the necessary time to the Company.

During the year, the Board met without the Chairman present to consider his request to chair the Aircraft Carrier Alliance. The Chairman assured the Board that he would continue to be able to devote sufficient time to his duties at Tate & Lyle and the Board unanimously agreed to his request.

Advice and support
The appointment and removal of the Company Secretary is a matter for the Board as a whole. All directors have access to the advice and services of the Company Secretary, Lucie Gilbert, who is responsible for ensuring that Board processes are followed and that applicable rules and regulations are complied with.

There is also a formal procedure whereby directors can obtain independent professional advice, if necessary, at the Company's expense.

Information and professional development

The Chairman, assisted by the Company Secretary, is responsible for ensuring that the directors receive accurate, timely and clear information on all relevant matters.

Directors receive ongoing training and updates on relevant issues as appropriate, taking into account their individual qualifications and experience. Bespoke training sessions were held during the year, including sessions on the speciality food ingredients market in Asia Pacific. The Company Secretary helps directors undertake any other professional development they consider necessary to assist them in carrying out their duties. Visits to external events, including the Food Ingredients Europe Exhibition, were also arranged to help non-executive directors in particular to gain a deeper insight into the Group's operating environment. During the year, in addition to the Board's visits to Chicago, Shanghai and Singapore, the Chairman and the non-executive directors visited 13 of the Group's sites in Europe and the USA as part of their independent site visit programme. These visits provide directors with the opportunity to interact with local management and gain in-depth knowledge about the challenges being faced by the Group's operations across the world. Over the past three years, the Chairman and non-executive directors have visited 21 of the Group's principal locations as part of this programme.

Asia Pacific is a key growth region for the Group and in January 2014 the Board visited the SFI facilities in Shanghai and Singapore. The visit enabled directors to increase their understanding of the challenges and opportunities of the local markets and to meet staff based at these locations.

Directors' induction programme

On appointment to the Board, directors receive background reading about the Group and details of Board procedures and other matters related to governance. The Company Secretary then works with each of the new directors to deliver a tailored induction programme. No new directors joined the Board during the financial year. A detailed summary of the induction programme undertaken by directors in the previous financial year is included in the Annual Report 2013.

Performance evaluation

A review of the Board's effectiveness is undertaken each year. The process is led either internally or by an external facilitator. Following an external review in 2011, the Chairman led the process in 2012 and 2013.

2013 Board effectiveness review

The progress made since the 2013 evaluation is summarised below.

Recommendations	Update on actions
Increase the amount of time spent on understanding the market and how customer relationships are managed.	Two Global Enterprise Account Directors have presented to the Board and additional time is allocated to reviewing customer engagement.
Enhance knowledge of the innovation pipeline.	The Board undertook a review of the innovation pipeline and key ICD processes during its visit to the global Commercial and Food Innovation Centre.
Increase the Directors' focus on talent management and succession planning.	The Board delegated this action to the Nominations Committee which focused on this at each of its subsequent meetings during the year.
Identify and implement improvements to Board reporting in respect of the performance of SFI.	Board reporting has been enhanced.

2014 Board effectiveness review

The Board agreed that the 2014 review should be externally facilitated. Given the importance of inclusive leadership and the changes to the Board in the previous financial year, the Directors felt that it would be particularly beneficial for the review to reflect on diversity and inclusion. After careful consideration of providers, Schneider Ross, an independent external consultancy firm specialising in diversity and inclusion, was retained to undertake the review.

Schneider Ross held confidential one-to-one interviews with directors and members of the leadership team who regularly attend Board and/or Committee meetings plus three external advisers. The discussions focused on the behavioural aspects of Board effectiveness including how the Board works together, the quality of inputs, discussions and decision-making, and specific themes such as succession planning. Following the interviews and, working in conjunction with the Company Secretary, questionnaires were produced to solicit further feedback on the overall effectiveness, performance and processes of the Board and each of its Committees. Thirty individuals, including regular attendees and four external advisors, were invited to complete these questionnaires anonymously.

The key results and recommendations were presented to the Board by Schneider Ross.

The results were grouped into three broad areas:

- **Mechanics:** for instance processes, structure, membership and operation of the Board and its Committees
- **Dynamics:** including leadership, the Tate & Lyle Values in practice in the boardroom, quality of discussions, debate and decision-making
- **Specifics:** including strategy, customer engagement, talent management and succession planning, and risk appetite.

The Board deliberated each of Schneider Ross's recommendations and an action plan was agreed; examples are provided in the table on page 44.

In addition, each Committee considered the output from Schneider Ross's review of the Committees. Each of the reviews indicated that the Committees were operating effectively and made a number of recommendations for further consideration. Examples of the agreed actions are set out in each of the separate reports of the Audit Committee and the Corporate Responsibility (CR) Committee. With regard to the Remuneration Committee, following consideration of the report from Schneider Ross, that Committee agreed a number of actions including increased communication with all Remuneration Committee members prior to Committee meetings and refinements to the Remuneration Committee's programme of activity for the year ending 31 March 2015.

CORPORATE GOVERNANCE | CONTINUED

2014 Board effectiveness review

Area	Agreed actions
Mechanics	• Ways to further improve the support for incoming presenters to be considered and implemented. • A working party to be established to identify ways to enhance site visits.
Dynamics	• Chief Executive to meet with executives who attend Board meetings immediately afterwards to discuss how the Board operated as a whole and to reflect on any learnings. • Thinking styles of candidates for the Board and Executive Committee to be taken into consideration once skill set and experience has been confirmed. • Undertake an externally-facilitated session for the Board focusing on boardroom dynamics, relationships and how to make even better use of Board diversity.
Specifics	• Building on the progress made in 2013, further proposals to be developed to drive customer centricity in the boardroom. • Board Committees to oversee the executive focus on building an inclusive culture. • Revisit the timing and location of the scheduled Board meetings, in particular the timing of the annual Board strategy day.

Progress will be monitored by the Chairman and Company Secretary throughout the 2015 financial year and regular updates will be provided to the Board.

With regard to the performance of individual directors, the review concluded that all directors continued to make an effective contribution to the Board's work, were well prepared and informed about issues they needed to consider, and that their commitment remained strong. The Chairman also provided individual feedback to each director and the Senior Independent Director provided feedback to the Chairman.

The performance of the Chief Executive and Chief Financial Officer was also considered by the Nominations Committee, in line with its terms of reference. During the year, the non-executive directors met without the Chairman, under the chairmanship of the Senior Independent Director, to discuss the Chairman's performance.

These reviews also concluded that both the Chairman and Chief Executive continued to fulfil their responsibilities effectively.

Re-election of directors

The Company's Articles of Association require all directors to seek re-election by shareholders at least once every three years. In addition, any directors appointed by the Board must stand for re-election at the first AGM following his or her appointment. Any non-executive directors who have served for more than nine years are subject to annual re-election.

The Code provides that all directors should seek re-election on an annual basis and all directors will seek re-election at the forthcoming AGM. The directors standing for re-election, with the exception of Javed Ahmed and Tim Lodge, do not have service contracts.

At no time during the year has any director had any material interest in a contract with the Group, being a contract of significance in relation to the Group's business. A statement of directors' interests in Company shares is set out on page 71.

Directors' conflicts of interest

As permitted under the Companies Act 2006, the Company's Articles of Association allow directors to authorise conflicts of interest and the Board has a policy and procedures for managing and, where appropriate, authorising, actual or potential conflicts of interest. Under those procedures, directors are required to declare all directorships or other appointments to organisations that are not part of the Group and which could result in actual or potential conflicts of interest, as well as other situations which could result in a potential conflict of interest. The Board is required to review directors' actual or potential conflicts of interest at least annually. Directors are required to disclose proposed new appointments to the Chairman before taking them on, to ensure that any potential conflicts of interest can be identified and addressed appropriately. Any potential conflicts of interest in relation to proposed directors are considered by the Board prior to their appointment.

Directors' indemnities and insurance cover

As at the date of this Annual Report, indemnities are in force under which the Company has agreed to indemnify the directors, to the extent permitted by the Companies Act 2006, against claims from third parties in respect of certain liabilities arising out of, or in connection with, the execution of their powers, duties and responsibilities as directors of the Company or any of its subsidiaries. The directors are also indemnified against the cost of defending a criminal prosecution or a claim by the Company, its subsidiaries or a regulator provided that where the defence is unsuccessful the director must repay those defence costs. These indemnities are qualifying indemnity provisions for the purposes of Sections 232 to 234 of the Companies Act 2006 and copies are available for inspection at the registered office of the Company during business hours on any weekday except UK public holidays.

The Company also maintains directors' and officers' liability insurance cover, the level of which is reviewed annually.

Accountability

Internal control

The Board has overall responsibility for the Group's system of internal control and risk management and for reviewing its effectiveness. The objective of internal control within Tate & Lyle is to support efficient implementation of the Group's strategy and effective operations whilst enabling it to respond appropriately to significant business, operational, financial, compliance and other risks to achieving the Company's objectives. The system of internal controls is designed to safeguard the assets of the Group and to ensure the reliability of financial information for both internal use and external publication and to comply with guidance published by the Financial Reporting Council, 'Internal Control: Revised Guidance for Directors' (formerly the Turnbull Guidance). The Board recognises that internal control systems are designed to identify and manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material mis-statement or losses and the breach of laws and regulations.

Internal control system

The Board determines the level of risk that it is prepared to accept in the business (risk appetite) and oversees the strategies for significant risks that have been identified. Executive management works within the risk appetite and develops the mechanisms and processes to direct the organisation, through setting the tone and expectations from the top, delegating authority and monitoring compliance. Line management has primary responsibility for compliance with Group policies, principles and compliance requirements. In certain functions, notably safety and product quality, executive management has also established separate assurance teams to oversee the effective execution of controls.

The risk management function works with executive management and the divisions to help identify, measure, monitor and report significant risks. The units report regularly on progress with the implementation of the Group's strategy, including its impact on the risk environment. Key risks are reviewed regularly by the Board. Further information on the Group's risk management process can be found on page 29.

The internal audit function provides independent and objective assessment of the appropriateness and effectiveness of the Group's internal control systems to the Audit and CR Committees, and to the Board. It has the authority to review any relevant aspect of the business and a duty to report on any material weaknesses. The Group has a risk-based internal audit plan which is approved by the Audit and CR Committees. It is updated regularly to reflect changes to the control environment.

The findings from audits are discussed with executive management and action plans put in place where appropriate. Progress against these plans is monitored regularly by the internal audit function. Summaries of both audits and progress on any actions are discussed regularly at meetings of the Audit and CR Committees.

The Board also commissions external specialists to supplement internal processes as appropriate. Given the ongoing significant business transformation activity, in addition to regular reports from the internal audit function, the Board continued to receive reports from external specialists retained to review key elements of the transformation programme.

Key features of the internal control system

The Group's internal control system has a number of key features which ensure that risk is monitored and managed throughout the year, including those listed below.

- The schedule of matters reserved to the Board ensures that the Directors control, among other matters, all significant strategic, financial and organisational issues.
- A clear organisational structure and limits of authority in respect of items such as capital expenditure, pricing and contract authorisation.
- A comprehensive planning and budgeting system for all items of expenditure with an annual budget approved by the Board. Performance is reported monthly against budget and prior year results; significant variances are investigated; and revised forecasts for the current financial year and financial projections for future years are prepared regularly.
- The Group has comprehensive safety, product quality assurance and environmental management systems. Where appropriate, these are independently certified to internationally recognised standards; they are also subject to a regular independent audit process.
- The Audit and CR Committees oversee the operation of controls and report regularly to the Board. If a failure of control has a material impact, then a detailed investigation, analysis and action plan would be provided to and considered by the Audit Committee, the CR Committee and the Board (as appropriate).

Speak Up (whistleblowing)

Speak Up, the Group's whistleblowing programme, has been in place for a number of years in all operations controlled by the Group. This programme, which is monitored by the Audit and CR Committees, is designed to enable employees, contractors, customers, suppliers or other stakeholders to raise concerns confidentially in cases where conduct is deemed to be contrary to the Group's Values. It may include, for example, actions that may endanger safety; unethical practices; or criminal offences.

The Speak Up programme provides a number of alternative ways to raise concerns including a telephone reporting line, email, and a web-based reporting facility. The multilingual communication facilities are operated by independent service providers who submit a report to the Speak Up Committee for investigation.

Reports received during the year were kept strictly confidential and the concerns identified were referred to appropriate managers within the Group for resolution. Where appropriate, action was taken to address the issues raised. The reports were analysed and monitored to ensure the process continued to be effective.

Controls over financial reporting

The financial reporting control system covers the financial reporting process and the Group's process for preparing consolidated accounts, and includes policies and procedures which provide for:

- The maintenance of records that, in reasonable detail, accurately and fairly reflect transactions including the acquisition and disposal of assets
- Reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with International Financial Reporting Standards
- Reasonable assurance regarding the prevention or timely detection of unauthorised use of the Group's assets.

In addition, specific disclosure controls and procedures are in place to support the approval of the Group's financial statements. Twice a year, representatives from SFI and BI certify that their reported information provides a true and fair view of the state of the financial affairs of their division and its results for the period. The results of this financial disclosure process are reported to the Audit Committee.

Joint ventures

All material joint ventures follow either the Group's formal systems of internal control, or their own internal control procedures. These separate procedures are subject to review by the Group's internal audit function, and the Group works with its partners to ensure that action plans are in place to address any issues identified during those reviews.

CORPORATE GOVERNANCE | CONTINUED

2014 review of the effectiveness of the system of internal control

The effectiveness of the Group's internal control system is monitored throughout the year and once a year the Board, with the assistance of the Audit and CR Committees, conducts its own review of the effectiveness of the systems of risk management and internal control. In 2014, this review was once again facilitated by the internal audit function and covered the period from the start of the financial year to the date of this Annual Report. The process included a two-stage review to facilitate discussion with the Audit and CR Committees discussing the results of the two-stage review at their meetings in March, April and May 2014 and the Board then discussed the output at its meeting in May 2014.

The 2014 review covered financial, operational and compliance controls, Values and behaviours and the risk management process, and included questionnaires and representation letters completed by management. The internal audit function monitored and selectively checked the results of this review, ensuring that the responses from management were consistent with the results of its work during the year. As part of this process, areas for enhancements to internal controls, and associated action plans to deliver them, were identified. Delivery of these enhancements is being monitored by the Audit Committee or CR Committee as appropriate. The Board considers that none of the areas identified for enhancement in relation to the review constituted a significant weakness.

Remuneration

The Board has delegated to the Remuneration Committee responsibility for agreeing the remuneration policy for the Chairman, Chief Executive, Chief Financial Officer and senior executives. The Chairman is a member of the Remuneration Committee but is not involved in any aspect of his own remuneration. The Directors' Remuneration Report on pages 52 to 71 sets out the remuneration policy and the way in which the established policy has been implemented.

2014 review of the effectiveness of internal controls

Relations with shareholders

Shareholder communications

The Chief Executive, Chief Financial Officer and Group VP, Investor and Media Relations maintain a regular programme of visits and presentations to institutional shareholders both in the UK and overseas. The Chairman also undertook separate visits to institutional shareholders and the Senior Independent Director met with a number of institutional shareholders. Feedback on interaction with institutional shareholders is provided to all directors.

The Investor Relations team provides the Board with a report on any meetings with major institutional shareholders at each scheduled Board meeting. All directors receive copies of analysts' reports on the Company. In addition, the Company's external advisors give an annual briefing on investors' perceptions of Tate & Lyle and its investor relations activities. The non-executive directors are encouraged to attend the full-year and half-year results presentations.

The Company aims to present a balanced and clear assessment in all its communications with shareholders. Key announcements, financial reports and other information about the Group can be found on the Company's website, www.tateandlyle.com.

Annual General Meeting

The 2014 AGM will be held at The Queen Elizabeth II Conference Centre in London on Thursday 24 July 2014 at 11.00 am. Full details are set out in the Notice of Meeting.

Shareholders have the opportunity to put questions to the Board at the AGM on matters relating to the Group's operations and performance. Resolutions are decided by means of a poll and the votes received in respect of each Resolution, together with the level of abstentions, are notified to the London Stock Exchange and published on the Company's website. Shareholders are offered the choice of receiving shareholder documentation, including the Annual Report, electronically or in paper format, as well as the choice of submitting proxy votes either electronically or by post.

AUDIT COMMITTEE REPORT

Introduction

Dear shareholder
I am pleased to report on the activities of the Audit Committee.

Members of the Committee take an active role in understanding aspects of the business and the challenges it faces and, as part of this, the Committee visited the global Shared Service Centre in Łódź, Poland during the year. This provided us with an opportunity to meet with the local leadership team and conduct a detailed review of operations.

In addition to our usual matters, including the financial results for the full year and half year and the interim management statements, applicable accounting policies and going concern assumptions, we continued to undertake in-depth reviews of key topics. These included risk management processes, the management of commodities risk and, together with the members of the Corporate Responsibility Committee, IT security.

We also considered the timing of the tender of the external audit contract. As explained in the Chief Executive's Review, implementation of the global IS/IT platform is ongoing and the Committee believes that continuity of the external auditors plays a very important role in managing risk effectively during this transition to new systems, processes and ways of working. We have therefore agreed to undertake a tender after the Board considers that the platform is operating satisfactorily across all our material operations. In the meantime, we are undertaking preliminary work to prepare ourselves and the business for the tender.

In preparation for this year's audit, I attended part of PwC's initial planning meeting where I was able to meet with members of the global audit team. The Committee collectively met the US audit partner as part of our annual programme.

I led a review of the Committee's effectiveness, supplementing the activities undertaken as part of the external Board effectiveness review, explained on page 43. Both of these reviews concluded that the Committee was functioning effectively and identified a number of areas for further action. These include: increasing the membership of the Committee; reviewing detailed scoping documents for the in-depth reviews to enhance the value gained from them; and furthering interaction with divisional senior finance management.

I look forward to meeting with shareholders at the forthcoming AGM on 24 July 2014.

Liz Airey
Chairman of the Audit Committee

Liz Airey

Composition and constitution

The Audit Committee, which comprises three non-executive directors, oversees the Group's financial reporting and internal controls and provides a formal reporting link with the external auditors.

The Committee's terms of reference, which are reviewed annually, are available on the Company's website, www.tateandlyle.com.

Main responsibilities of the Audit Committee

These include:

- Overseeing the Group's financial reporting process and monitoring the integrity of the financial statements and formal announcements relating to the Group's financial performance
- Reviewing significant financial reporting issues and accounting policies and disclosures in financial reports
- Reviewing the effectiveness of the Group's internal control procedures and risk management systems
- Reviewing the effectiveness of the internal audit function
- Overseeing the Group's relationship with the external auditors including the level of fees
- Reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process
- Making recommendations to the Board on the appointment or reappointment of the Group's external auditors.

Meetings during the year ended 31 March 2014

The Committee met six times during the year and the minutes of each meeting are made available to all directors via the Board portal. Membership of the Committee and attendance during the year were as follows:

Directors as at 31 March 2014	Number of meetings	Number of meetings attended
Liz Airey[1]	6	6
Douglas Hurt	6	6
Anne Minto	6	6

1 Committee Chairman.

All the Committee members have extensive management experience in large international organisations. It is a requirement of the Code that at least one Committee member has recent and relevant financial experience. Two members meet this requirement: Liz Airey was an investment banker and former finance director of Monument Oil and Gas plc, and Douglas Hurt is Finance Director at IMI plc and is a member of the Institute of Chartered Accountants in England and Wales.

The Chief Financial Officer; VP, Group Audit and Assurance; Group VP, Finance and Control; Executive VP, General Counsel; and representatives of the external auditors are normally invited to attend each meeting. The Chairman of the Board and Chief Executive attend meetings of the Committee by invitation. In addition, the Committee continues to enhance its exposure to the business through its programme of key topics for in-depth review, which involves operational and other key senior managers presenting to the Committee.

The VP, Group Audit and Assurance and the external auditors have direct access to, and meet regularly with, the Chairman of the Committee outside formal Committee meetings.

AUDIT COMMITTEE REPORT | CONTINUED

Independence of the external auditors

The Group's external auditors are PricewaterhouseCoopers LLP (PwC) and the Committee operates a policy to safeguard its objectivity and independence. This policy sets out certain disclosure requirements by the external auditors to the Committee; restrictions on the employment of the external auditors' former employees; and partner rotation. During the year, the Committee reviewed the processes that the external auditors have in place to safeguard their independence, and received a letter from the external auditors confirming that, in their opinion, they remained independent.

The policy also sets out the circumstances in which the external auditors may be permitted to undertake non-audit services. The Chief Financial Officer and Chairman of the Committee have authority to approve the provision of certain services up to £100,000 or £250,000 respectively. The Committee must approve any proposed non-audit services that exceed those thresholds. Such proposals must be justified and, if appropriate, subject to tender. In addition, the policy specifies the services which are not permitted under any circumstances, such as the provision of remuneration advice and internal audit outsourcing.

The Committee reviews the policy on an annual basis and considers quarterly reports which set out the ongoing non-audit services provided by the auditors and the fees incurred.

In April 2014, the European Parliament adopted proposals which include certain restrictions around the provision of non-audit services by the auditors and a 70% non-audit services fee cap. These proposals are likely to come into force at EU level during 2014 and the Committee will revise the policy to reflect the new requirements as they take effect in the UK.

A breakdown of the fees paid to the external auditors in respect of audit- and non-audit-related work is included in Note 8. The total amount paid in respect of the Group audit, audit of subsidiaries and joint ventures and the half-year review was £2 million and £0.2 million was paid in respect of non-audit-related services. Fees paid in respect of non-audit-related services therefore comprised 9% of the total fees paid to PwC.

Work undertaken during the year

The Committee maintains a formal calendar of items for consideration at each meeting and within the annual audit cycle to ensure that its work is in line with the requirements of the Code. In addition to the activities outlined in the statement from the Committee Chairman, during the year and up to the date of this Annual Report, the work undertaken by the Committee fell under four main areas: financial reporting, oversight of the external auditors, oversight of the internal audit function, and internal control and risk management. The Committee's work in each of these areas is described below.

Financial reporting

At each of its meetings during the year, the Audit Committee reviewed accounting papers prepared by management and determined, with the perspective of the external auditors, the appropriateness of key accounting policies, estimates and judgments. The significant issues that the Committee considered in relation to the financial statements for the year ended 31 March 2014 are listed below.

- **Reported and adjusted earnings**: the Committee considered management's review of reported and adjusted earnings, to ensure that significant one-off items of income and expense had been correctly classified, and that external disclosure of these items was appropriate.
- **Commodity risk**: the Group uses corn commodity contracts to manage and hedge its corn book in the US. The valuation of the corn book, which is underpinned by a number of judgments, has a material impact on the reported results of the Group. The Committee participated in a detailed information session led by both executive and local US management covering the key commodity risks and the risk management framework in place to mitigate these risks. In addition to this session, the Committee considered the work performed by the external auditors before concluding that the judgments made in determining the valuation were appropriate.
- **Retirement obligations**: a number of judgments have to be made when calculating the fair value of the Group's legacy retirement obligations. The Committee reviewed the assumptions proposed by management (reflecting advice from the Group's external actuary) which have driven a reduction in the pension and healthcare net liability (see Note 30) and considered reports from the external auditors before agreeing that the assumptions were reasonable. In addition, the Committee reviewed and agreed management's proposed accounting treatment for both the September 2013 full buy-in of the Amylum UK defined benefit pension scheme, having adopted the calculations performed by the external actuary and the December 2013 transfer of the defined benefit obligation of Tate & Lyle Netherlands BV.
- **Taxation**: the Group operates in a number of tax jurisdictions and provisioning for potential direct tax exposures with local tax authorities is underpinned by a range of judgments. The Committee reviewed the Group's principles and processes for managing tax risks during the year and reviewed the key judgments made in estimating the Group's tax charge along with the key disclosures, including a statement of tax principles, proposed to be included in the Annual Report (set out on page 26 and in Notes 11 and 29). The Committee was satisfied that the judgments made in estimating the Group's tax charge were reasonable, and that the tax disclosures to be made in the Annual Report were appropriate.

In addition to the above items, the Committee reviewed management's annual goodwill impairment assessment paper, considering future performance of the underlying divisions, including discussion of the discount rates used and forecast assumptions and sensitivities. The Committee was satisfied that no impairment charges, or reversal of impairments, were required. Separate papers on the Group's existing and emerging litigation risks were presented to the Committee and duly considered. There have been no substantive developments in any material case in the current year.

External audit

PwC (or its predecessor firms) has been the Company's auditors since 1989. The lead audit partner is rotated on a five-yearly basis and, as set out in last year's report, the lead audit partner changed with effect from the beginning of the 2014 financial year in line with this requirement.

Following the conclusion of the audit for the year ended 31 March 2013, the Committee conducted an internal review of the effectiveness of the auditors (the last external review having been undertaken in 2010). As part of the process, the Committee reviewed the auditors' performance against criteria set at the start of the audit, together with feedback from management at Group level and at divisional level and considered the most recent public report on the inspection of PwC which was issued by the FRC in May 2013. The Committee concluded that the external audit process was operating effectively and that PwC continued to provide effective and independent challenge to management. The review identified a number of areas for process enhancements which were implemented and incorporated into the criteria set for the audit in respect of the year ended 31 March 2014.

The Code states that FTSE 350 companies should tender the provision of audit services at least every ten years or explain their approach, if different. The Competition Commission has published additional proposals that are expected to come into effect in October 2014. These require FTSE 350 companies to put their statutory audit engagement out to tender at least every ten years. In addition to this, in April 2014 the European Parliament adopted proposals which include the requirement that audit firms of all EU companies listed on a regulated market are subject to retender after ten years and rotate off after 20 years. These proposals are likely to come into force at EU level during 2014. The Committee continues to consider legal and regulatory developments in this regard.

The Committee discussed the timing of a tender on a regular basis during the financial year ended 31 March 2014. In light of the output of the effectiveness review and the ongoing implementation of the global IS/IT platform, the Committee agreed to undertake a tender after the Board considers that the platform is operating satisfactorily across all material operations. The Committee has recommended to the Board that PwC continue to act as auditors to the Group. PwC has indicated its willingness to continue in office, and a resolution that PwC be reappointed will be proposed at the AGM. As explained in the letter from the Chairman of the Committee, activities are underway to prepare the Group for the tender.

Internal audit

Following a competitive tender process, the Committee retained Independent Audit Limited to conduct a review of the effectiveness of the internal audit function, the last external review having been undertaken in 2010. The review concluded that the internal audit function had continued to strengthen since that time and make a significant contribution to the internal governance of the Group. A number of areas for incremental improvement were agreed and implemented, including enhancements to the function's charter and planning cycle.

Internal control and risk management

The Committee continued to receive and consider regular reports from management and the VP, Group Audit and Assurance on the effectiveness of the Group's risk management system. The reports from the latter included the findings from reviews of internal financial controls and actions to address any weaknesses in those controls. Throughout the year, the Committee focused in particular on the impact of the implementation of the new IS/IT platform and associated changes to the control environment, together with any potential impact on financial reporting processes. It also reviewed controls to mitigate fraud risk and the Group assurance map outlining the key risks and associated assurance processes. In addition, the Committee reviewed the output from the annual review of the effectiveness of internal financial reporting controls and then reported to the Board on that review.

As set out on page 48, the Committee undertook a detailed review of the Group's approach to managing corn and the associated hedging processes during the year. During this session the Committee considered the controls in place and how they are being enhanced with the implementation of the global IS/IT platform. The Committee will continue to keep these activities under review during the year ending 31 March 2015.

The global Shared Service Centre (the Centre) in Łódź, Poland is the principal location for handling the financial transactional activities and processes for Tate & Lyle. The Committee has monitored its development since its establishment in 2011.

In October 2013, the Committee visited the Centre and met with senior managers to understand more about the control environment in place and the progress the Centre had made in achieving its other objectives, which include supporting decision making across the Group through the prompt delivery of centralised management information, and providing high quality, consistent advice, support and resolution.

NOMINATIONS COMMITTEE REPORT

Introduction

Dear shareholder
One of the key areas of focus for the Committee is succession planning and during the year we focused on both Board succession plans and executive succession planning and talent management.

As explained in my statement on page 40, Robert Walker, Senior Independent Director and Chairman of the Remuneration Committee, is expected to retire during the current financial year after serving a full nine years on the Board. In preparation for this, we commenced work on planning for his successor as Senior Independent Director and as Chairman of the Remuneration Committee. We also reviewed the needs of the Board in light of this imminent retirement and have drawn up a specification for an additional non-executive director. We have retained Spencer Stuart to assist with this search.

The Executive Vice President, HR presented to us at a number of our meetings to provide us with regular updates on the progress of the executive succession planning and talent management activities. We will continue to monitor progress for these two core activities during the financial year ending 31 March 2015.

Schneider Ross, who performed the external review of Board effectiveness, undertook a review of the Committee's effectiveness. The review concluded that the Committee was functioning effectively and recommended that the Committee continue to maintain its clear focus on succession planning going forward.

I look forward to meeting with shareholders at the forthcoming AGM on 24 July 2014.

Sir Peter Gershon
Chairman of the Nominations Committee

Sir Peter Gershon

Composition and constitution

The Nominations Committee comprises the Chairman of the Company, the Chief Executive and all of the non-executive directors. It ensures that the balance of skills and experience of the Board remains appropriate for the needs of the Group.

The Committee's terms of reference, which are reviewed annually, are available on the Company's website, www.tateandlyle.com.

Main responsibilities of the Nominations Committee

These include:

- Reviewing the size and composition of the Board, including succession planning, and the leadership needs of the Group generally
- Recommending candidates for appointment as executive and non-executive directors and as Company Secretary, taking into account the balance of the Board and the required blend of skills and experience, bearing in mind the need for diversity
- Making recommendations on the process for the appointment of the Chairman of the Board
- Reviewing annually the performance of each member of the Group Executive Committee and reporting on that review to the Remuneration Committee.

Meetings during the year ended 31 March 2014

The Committee met three times during the year. Membership of the Committee and attendance during the year were as follows:

Directors as at 31 March 2014	Number of meetings	Number of meetings attended
Sir Peter Gershon[1]	3	3
Javed Ahmed	3	3
Liz Airey	3	3
William Camp	3	3
Douglas Hurt	3	3
Virginia Kamsky	3	3
Anne Minto	3	3
Dr Ajai Puri	3	3
Robert Walker	3	3

1 Committee Chairman.

The Committee has a formal calendar of items for consideration at each meeting and meets at least twice a year.

Work undertaken during the year

During the year and up to the date of this Annual Report, in addition to the work set out in the Chairman's letter above, the work undertaken by the Nominations Committee included:

Succession planning
The Committee reviewed succession plans for Executive Committee roles and the progress of action plans to address any gaps. The Committee continues to review progress on a regular basis.

Performance evaluation
The Committee undertook a performance evaluation of each member of the Group Executive Committee and reported its conclusions to the Remuneration Committee.

Membership of Board Committees

The Committee reviewed the composition of each of the Board's Committees in conjunction with recommendations from the relevant chairmen. The Committee agreed with the conclusions of the Audit Committee effectiveness review that an additional member should join that committee. To that end, the specification for the new non-executive director covers the experience and skills required by members of our Audit Committee. In addition, the Committee recommended that Virginia Kamsky join the CR Committee. The Board agreed with the recommendation and she joined the CR Committee with effect from 1 April 2014.

CORPORATE RESPONSIBILITY COMMITTEE REPORT

Introduction

Dear shareholder

As explained in the Corporate Responsibility section on page 33, the Group has no higher priority than safety, so we were all shocked and saddened by the tragic fatalities at three of our plants over the last year. In each case, we investigated the circumstances surrounding the accidents and the actions taken by management based on the preliminary findings of these investigations immediately after the events, as well as ensuring all necessary co-operation was given to the local regulatory investigations. We also worked with management to ensure all necessary assistance was available to support the families and others affected by these incidents.

We are sponsoring a management initiative to refocus and refresh our approach to safety. The oversight of ongoing safety initiatives will continue to be a key focus for the Committee this year.

We undertook a detailed review of the Group's approach to tackling cyber security and received a report on progress in this regard during the year. We will continue to monitor the ongoing efforts to mitigate this risk across the Group.

The annual review of Committee effectiveness, undertaken by Schneider Ross, indicated that the Committee continues to operate effectively. It recommended some areas for process improvement, such as the timing of meetings where the discussion topics overlap with the interests of the Audit Committee, for example IT security. In addition, the review highlighted topics for increased focus, such as initiatives to drive and embed inclusion across the organisation, and we have adjusted our agenda to address these suggestions.

Last, but by no means least, we welcome Virginia Kamsky as an additional Committee member from 1 April 2014 and we have put in place an induction programme for her, reflecting our wide remit.

I look forward to meeting with shareholders at the forthcoming AGM.

William Camp
Chairman of the CR Committee

William Camp

Composition and constitution

The Committee comprises four non-executive directors and the Chairman of the Company. The Committee oversees the Group's processes and measures used to manage social, environmental and ethical risks and associated internal controls.

The Committee's terms of reference, which are reviewed annually, can be found on the Company's website, www.tateandlyle.com.

Main responsibilities of the Corporate Responsibility Committee

These include:

- Monitoring the Group's approach to corporate responsibility and ensuring it aligns with Group strategy
- Reviewing the effectiveness of the Group's policies and procedures relating to a safe working environment
- Approving, or recommending to the Board for approval, CR policies
- Reviewing the implementation of appropriate environmental policies
- Monitoring the effectiveness of workplace policies concerning employee relations, equal opportunities, travel, entertainment and conflicts of interest
- Reviewing whistleblowing arrangements
- Satisfying itself that the Group has appropriate policies, systems and controls in place in respect of the risks falling within the Committee's remit.

Meetings during the year ended 31 March 2014

The Committee met four times during the year. Membership of the Committee and attendance during the year were as follows:

Directors as at 31 March 2014	Number of meetings	Number of meetings attended
William Camp[1]	4	4
Liz Airey	4	4
Sir Peter Gershon	4	4
Dr Ajai Puri	4	4

1 Committee Chairman.

Virginia Kamsky joined the committee on 1 April 2014. As she did not serve during the year under review, she is excluded from the above analysis.

Work undertaken during the year

During the year and up to the date of this Annual Report, in addition to the work outlined in the Committee Chairman's letter, the work undertaken by the CR Committee included the following:

Safety
The Committee discussed the Group's initiatives to improve workplace safety performance and received regular reports from the VP, Global Safety.

Product safety continued to be an area of focus and the VP, Global Quality and Food Safety provided regular updates on the operation of the Group's quality assurance processes.

Diversity and inclusion
The Committee received an update on the implementation of diversity and inclusion initiatives and agreed further refinements to the external reporting of the Group's gender diversity.

Business practices
The Committee reviewed the effectiveness of the independent confidential reporting (whistleblowing) line. Further information on this is on page 45.

Charitable donations
The Committee received an update on implementation of the global community involvement programme, and also approved a proposed education partnership strategy as set out on page 37.

Environment
The VP, Sustainability provided the Committee with updates on the Group's environmental performance and initiatives on a regular basis.

Internal control
The Committee received regular reports from management and the VP, Group Audit and Assurance in respect of the policies, systems and controls in place in respect of the risks falling within the Committee's remit. The Committee reviewed the output from the annual review of the effectiveness of controls falling within its terms of reference and then reported to the Board on this review.

DIRECTORS' REMUNERATION REPORT

Chairman's introduction

Dear shareholder

The purpose of this introductory letter to the Directors' Remuneration Report for the year ended 31 March 2014, is to provide some context for the Committee's decision-making during the year, and to summarise the key points of the Report. Hopefully, this will make reading the detailed Report that follows somewhat easier.

Guiding principles

Our philosophy remains unchanged: the Company's remuneration framework should be simple, and provide for a close alignment between executive remuneration and shareholders' interests. We aim to achieve this primarily by making a significant proportion of pay conditional on the achievement of stretching performance conditions and by ensuring that executives maintain significant personal shareholdings in the Company.

We were 'early adopters' of features such as claw back provisions (which apply to both annual bonus and long-term share awards), and the 'single-figure' and 'pay scenario' disclosures that have now been adopted into standard reporting.

Business performance and remuneration outcomes for the year

The Committee judges that the Company made further progress in executing its strategy despite facing a number of challenges that held back financial performance. Profit growth in starch-based speciality ingredients and Food Systems and strong growth in emerging markets, were offset by the impact of cold weather, including the extremely cold and prolonged US winter, and an increasingly competitive market for sucralose. Good momentum in emerging markets, a robust innovation pipeline and a strong balance sheet, bodes well for the longer term.

With regard to the financial metrics used in our incentive plans:

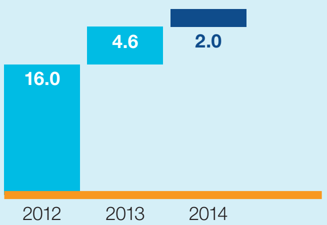
- **Annual Bonus Plan**. Growth in net sales (less cost of raw materials) of 2.0% and like-for-like profit growth of 0.5% (in constant currency) for the year ended 31 March 2014 demonstrate continued progress in the context of significant year-on-year profit growth over prior periods. The cash conversion cycle improved by 4.8%. As a result, the Committee has approved annual bonus payments in the range of up to 3% of base salary for executive directors.
- **Performance Share Plan**. Adjusted earnings per share has grown by 7.2% on a compound annual basis over the three financial years ended 31 March 2014; and adjusted return on capital employed in the year to 31 March 2014 is 19.2%, which is significantly above our cost of capital. As a result, the awards granted under the Performance Share Plan will vest at 63.4%.

In confirming these outcomes, the Committee discussed the Company's health and safety performance during the past year.

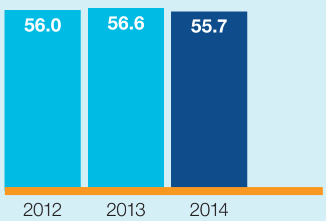
Key committee activities during the year

The last significant changes in the Company's remuneration arrangements were made in 2010, to introduce the Annual Bonus Plan and the Performance Share Plan in their current forms, receiving significant support from shareholders at the 2010 Annual General Meeting (AGM). Four years on, the Committee felt it would now be appropriate to undertake a detailed review to test the continued appropriateness of the performance metrics used in our current incentive framework. This review confirmed that these metrics remain closely aligned with

Net sales less raw materials change vs prior year – per bonus metric (%)

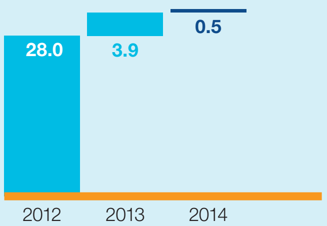


Adjusted diluted EPS long-term incentive metric (pence)

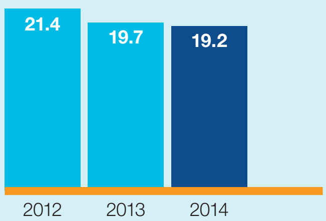


Tate & Lyle PLC adjusted closing share price (pence)

Adjusted PBTEA change vs prior year – per bonus metric (%)



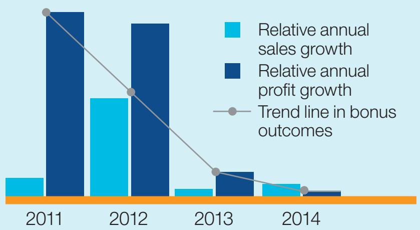
Adjusted ROCE long-term incentive metric (%)



Strategic Report Governance Financial Statements Useful Information

Chairman's introduction continued

our strategic objectives and that remuneration outcomes have been closely aligned with business performance. The chart below illustrates this alignment in respect of the Annual Bonus Plan through to the end of the financial year to which this Report relates. The chart shows relative year-on-year growth in sales and profits (both key metrics in the Annual Bonus Plan) against a trend line in bonus outcomes over the same period:



Based on this review, the Committee concluded that the choice of our financial metrics across the annual bonus and long-term share plan remain appropriate. Looking ahead, we will of course continue to review targets on an annual basis to ensure that these remain appropriately stretching and aligned with the business strategy and outlook.

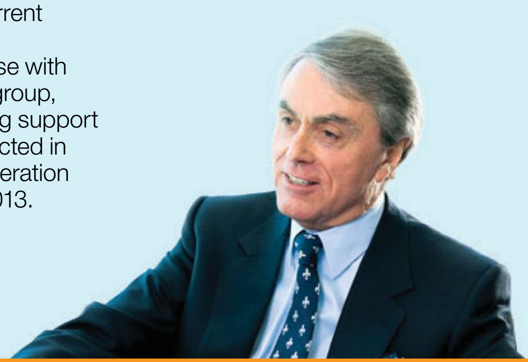
I can confirm that the Committee has made no change to the structure of the remuneration package for the year ahead, and executive directors' salaries remain unchanged since 1 April 2012, the second year of no increase.

Engagement with shareholders
As part of our annual cycle of activity, in addition to the normal shareholder engagement activities which the Board undertakes, I write to our key institutional shareholders in my capacity as Remuneration Committee Chairman in order to offer a meeting to discuss any shareholder issues or concerns. This year, I have already written to our top 20 shareholders; this is a larger number than in the past to ensure that we consult on the widest possible basis.

It is a reflection of the significant levels of shareholder support for our current remuneration arrangements that shareholders had no issues to raise with me as part of that process. As a group, shareholders indicated their strong support for our approach, which was reflected in a 96% vote to approve our remuneration report resolution at the AGM in 2013.

Approval of the remuneration policy for the year ahead
In view of the discussion above, we have made no changes to our remuneration design or framework at this time, and the report on remuneration policy, which we ask shareholders to support at the AGM, is consistent with our approach to date and the arrangements which shareholders have previously approved. I trust we can count on your support.

Robert Walker
Chairman of the Remuneration Committee



Robert Walker

About these Reports
The information regarding directors' remuneration is presented in two Reports: the first relates to our remuneration policy (the Directors' Remuneration Policy Report), and the second relates to the way in which our established policy has been implemented during the year under review (the Annual Report on Remuneration).

Resolutions to approve each of these Reports will be proposed at the AGM. It is our intention that the policy approved by shareholders will apply for a period of three years, and will not be put to an annual shareholder vote, although we intend to report on both policy and implementation each year.

These Reports have been prepared in accordance with the requirements of the Companies Act 2006 (the Act) and Schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 (the Regulations), the Listing Rules of the UK Listing Authority and the UK Corporate Governance Code. PricewaterhouseCoopers LLP has audited such content as required by the Act (the information on pages 67 to 71 marked as '(audited)'). Resolutions to approve each Report will be proposed at the AGM on 24 July 2014.

Directors' Remuneration Policy Report

Introduction
This Report sets out the Company's policy in relation to directors' remuneration. This approach was originally established in 2010 in connection with the review of the business strategy following Javed Ahmed's appointment as Chief Executive, and the policy is fundamentally unchanged from that set out in the 2011, 2012 and 2013 Annual Reports.

Subject to shareholder approval at the AGM on 24 July 2014, the Committee will operate within this policy from that date.

The Committee will retain discretion on specific aspects of policy and implementation, as described in this report along with an overriding discretion to determine bonus outcomes and judge the level at which share awards vest, in order to ensure that payments are consistent with the underlying health and performance of the business, within the maximum opportunity stated in the policy tables.

The Committee may make minor changes to the policy without seeking shareholder approval, for example to benefit the administration of arrangements, or to take account of changes in legislation. Any such changes will be disclosed in the relevant Annual Report.

DIRECTORS' REMUNERATION REPORT | CONTINUED

Remuneration strategy and key principles

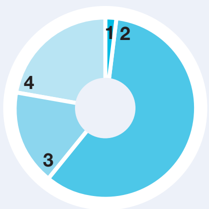
The Company's remuneration strategy, and supporting principles which apply consistently across employee, management and executive populations, is summarised in the table below.

Remuneration strategy	Key principles
The Company's remuneration strategy is to provide packages that enable the Company to recruit, retain and motivate high-calibre individuals in the markets in which we operate to deliver superior operational performance and outstanding financial results	• Base pay and benefits are generally positioned at local market 'median' levels • For all employees, our pay for performance framework provides for meaningful differentiation in salary progression and opportunities for career progression, based on each individual's contribution
	• The total package opportunity should provide meaningful reward for superior performance and encourage the achievement of genuinely stretching short-term and long-term objectives • Below executive level, key individuals who have a specific accountability for driving annual and longer-term performance may be selected to participate variously in our sales incentive plan, the Annual Bonus Plan, and/or the Performance Share Plan
	• Alignment with shareholders' long-term interests is carefully preserved, for example through: a significant proportion of pay being based on performance; effective governance around remuneration decisions; a considered approach to setting performance targets; the adoption of shareholding guidelines at senior executive levels; and claw back provisions on incentive awards
	• All aspects of remuneration are designed to encourage a focus on long-term, sustained performance and risk management
	• Our approach is intended to be equitable and transparent and operate across the Group, recognising that we recruit talented individuals and operate in an international market
	• Outcomes must be achieved in a way that is consistent with the Group's core Values and Code of Ethics, and that fosters sustainable, profitable growth

The charts below illustrate the international nature of our business – although we are UK-listed and headquartered in London, a very significant proportion of our people, our shareholders, and our customers are based outside the UK. Accordingly, it is important that our remuneration arrangements are appropriately competitive in that international context.

Our sales[1]

1 2% UK
2 59% US
3 17% Other European countries
4 22% Rest of world



Our shareholders[2]

1 50% UK
2 40% US
3 4% Other European countries
4 6% Rest of world

Our people[3]

1 4% UK
2 46% US
3 35% Other European countries
4 15% Rest of world

1 Sales by destination (from continuing operations) as per Note 4 to the Financial Statements.
2 Shareholders are represented by an analysis of the largest 20 institutional shareholdings (covering 48% of the register at 31 March 2014).
3 Includes all joint-venture employees.

A clear link between our strategy and directors' remuneration

The Company's remuneration arrangements place a clear emphasis on driving Company performance, through incentives that are directly linked to the key performance indicators (KPIs) which come from our business strategy. In this way, we maintain a keen focus on delivering long-term growth, thereby enhancing long-term value for shareholders.

The table opposite summarises the KPIs that we use to measure the Group's success against our strategy. The right-hand column describes how these KPIs link directly to remuneration arrangements.

Key Performance Indicators
Pages 18 and 19

Key performance indicators	Link to directors' remuneration
Financial results	
Adjusted operating profit	This is a key determinant of awards under the Annual Bonus Plan.
Adjusted diluted EPS growth	Awards under the Performance Share Plan depend on this metric.
Dividend per share	The dividend has a direct impact through individual executive share ownership and dividend equivalents on deferred bonus awards.
Net debt	Objectives are reflected in incentive plan target setting, but this metric does not directly impact remuneration.
Performance and financial strength (in addition to the above)	
Speciality food ingredients sales growth	Informs the sales target in the Annual Bonus Plan that is set by the Committee each year.
Return on capital employed	Awards under the Performance Share Plan depend on this metric.
Cash conversion cycle	This is a performance metric in the Annual Bonus Plan.
Net debt to EBITDA and interest cover	Objectives are reflected in Annual Bonus Plan targets, but this metric does not directly impact remuneration.
Corporate responsibility	
Safety metrics	Safety and broader corporate responsibility matters are specific factors that the Committee may factor into decisions on pay and annual incentive plan outcomes.

Key components of directors' remuneration

As a Committee, we believe that our approach to remuneration provides a relatively simple but effective overall framework that is aligned with long-term success and returns to shareholders.

The executive directors' remuneration consists of base salary, annual bonus, long-term incentives, and retirement and other benefits as described in the table overleaf. Claw back provisions apply to incentive awards following release (as described in the policy table on pages 56 to 59), and a strong alignment with shareholders' interests is maintained through significant personal shareholding requirements imposed on each director.

The key components of the remuneration framework for executive directors are summarised in the graphic below, and the full policy in relation to each item is described in the tables that follow.

Fixed	Variable (short-term)	Variable (long-term)
Base salary: providing fixed remuneration which reflects the market value of the role	**Annual bonus:** to deliver the Company's annual financial performance objectives	**Long-term share incentive:** to deliver shareholder value linked to efficient use of capital and profitable long-term growth
Employment / retirement benefits: consistent with local market practice	**Claw back** provisions mean cash and share incentives may be recouped in specific circumstances	
	Personal share ownership: strengthens alignment between executives and shareholders	

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DIRECTORS' REMUNERATION REPORT | CONTINUED

Executive directors' remuneration policy table

Purpose and alignment with strategy	Operation	Opportunity
Base salary (short-term, fixed remuneration)		
To provide fixed remuneration that reflects the market value of the individual, his or her skills and experience and performance	• Base salaries are positioned at around the median of the relevant market based on company size and operations (for UK directors, the Committee currently has regard to the 50th to 130th largest UK-listed companies), and taking account of personal performance, as well as individual circumstances (e.g. following promotion into a new role)	• Base salary reviews take into account increases awarded to employees below executive level, and the impact on pension and other consequences of increases • Increases arising from the normal annual review will normally be limited to the local market increase applicable to employees at the same location generally. However, the Committee may use its discretion to award a higher or lower increase to ensure that salaries remain appropriately aligned with the external market, and to reflect changes in experience, role or responsibility
Employment and retirement benefits (short-term, fixed remuneration)		
To provide employment and retirement benefits in line with the relevant local market	• Retirement benefits are provided by way of defined contribution arrangements, or an equivalent cash allowance • Other employment benefits include car (or car allowance), health insurance, group income protection and, where appropriate, life cover	• The value of retirement and/or cash benefits in lieu of pension is set by reference to external market practice (using the same market reference point as for base salary), and is subject to periodic review • The value of non-cash benefits is determined by the cost of provision, e.g. third-party health insurance premiums
Annual bonus (short-term, performance-related remuneration)		
To support the Company's strategy by rewarding the achievement of the Company's annual performance objectives	• The discretionary Annual Bonus Plan rewards the achievement of financial and other objectives established by the Committee for the relevant financial year • The bonus award is made, subject to the Committee's approval, following the end of the financial year and the audit of full-year results • The bonus award may comprise cash and deferred shares, depending on the level of award that is made	• No bonus is payable if performance is below 'threshold', regardless of performance against other metrics • The 'target' bonus is 75% of base salary for the Chief Executive, and 50% of base salary for the Chief Financial Officer • The maximum cash bonus is 100% of base salary; any annual bonus above 100% of base salary is delivered in Tate & Lyle PLC shares which are deferred for two years • The maximum cash and share bonus is 175% of base salary • Deferred shares carry the right to receive a cash payment in lieu of the dividend that would have been paid on those shares between award and release

Performance framework	Commentary
• Base salary is a fixed element of the remuneration package, paid monthly • Employees generally participate in a merit-based review, which means that the general market increase which applies will be sufficient to maintain competitiveness against the local market, while individual high performers may be rewarded with higher salary increases	• A consistent framework applies to employees generally – salaries are positioned by reference to the local market median, and salary reviews take into account local market increases, external benchmarking, and personal performance • No changes to the policy for executive directors have been made in the year or are proposed for the year ahead
• Benefits are a fixed part of the remuneration package, and typically accrue monthly • Retirement benefits are defined contribution in nature, limiting the financial risk and potential costs to the Company	• The provision of employment and retirement benefits to executive directors is consistent with our policy and approach for employees generally: appropriate benefits are provided in line with local competitive market practice • No changes to the policy for executive directors have been made in the year or are proposed for the year ahead
• Performance is assessed over the relevant financial year • Performance metrics are selected by the Committee at the start of the relevant year, and are drawn from key financial metrics. Additionally, the Committee may select quantifiable metrics that are aligned with our strategic and/or operational objectives on a personal or collective basis • Targets for each metric are set at the start of each financial year, taking account of the business strategy, performance in previous years, market expectations and the prevailing economic climate • The greatest weighting will be given to financial performance; specifically, a minimum profit hurdle applies before any bonus is payable against any of the metrics • The final bonus award is made at the Committee's discretion. Subject to the overall maximum, the Committee may make appropriate adjustments to ensure that the bonus outcomes are a fair reflection of the underlying performance of the Company and may also take into account factors such as Group safety, operational performance, and personal performance	• Claw back provisions apply, which means cash and share elements may be recouped in specific circumstances during the two-year period following the end of the financial year to which the bonus relates • The discretionary Annual Bonus Plan applies to a broad population who have roles which allow them to contribute materially to the successful delivery of the Company's annual performance objectives. The Annual Bonus Plan operates within a consistent framework for all participants, with financial targets typically set by reference to the business area that is most relevant to the employee's role • No changes to the policy for executive directors have been made in the year or are proposed for the year ahead

DIRECTORS' REMUNERATION REPORT | CONTINUED

Executive directors' remuneration policy table continued

Purpose and alignment with strategy	Operation	Opportunity
Performance Share Plan (long-term, performance-related remuneration)		
To support the Company's strategy by incentivising sustained profit growth and capital efficiency over successive three-year performance periods, and to help retain senior executive talent	• Awards over Tate & Lyle PLC shares may be made, at the Committee's discretion, on an annual basis taking an individual executive's contribution and performance into account • Awards will only vest to participants if demanding financial performance requirements have been achieved over a period of at least three financial years commencing with the financial year in which the award is made	• The Committee has the flexibility to make awards of up to 300% of base salary (at the time of award) if appropriate to ensure market competitiveness and taking account of the Company's performance • The award will lapse entirely if threshold performance targets are not achieved • Only 15% of any award made to executive directors vests for achieving threshold performance
Personal share ownership requirements (this information is provided here to explain a key feature of the remuneration framework, but these requirements do not form part of the binding 'policy')		
To strengthen long-term alignment of interests between senior executives and the Company's shareholders	• Executive directors are subject to individual minimum share ownership requirements • Specified holdings must be built up over an initial five-year period following the adoption of the policy (or appointment, if later) and retained for the duration of employment	• Share ownership requirements for executive directors are as follows: – Chief Executive: four times base salary – Chief Financial Officer: three times base salary

Other (potential) benefits	Operation	Opportunity
To address specific commercial or administrative situations, the following benefits may be provided: • Director relocation and associated benefits, including international healthcare • Payment in lieu of dividend on specific share awards • UK savings-related share options (Sharesave Plan)	• If a director is required to relocate at the Company's request, e.g. as a result of changing business requirements, additional benefits may arise in accordance with the Group relocation policy. Benefits may include (without limitation): relocation assistance; health cover; travel; accommodation; and tax equalisation • Certain share awards carry the right to receive a cash payment in lieu of the dividend that would have been paid on those shares pending delivery • The Company operates a Sharesave Plan which is open to all employees in the UK, and provides a mechanism for employees to purchase shares at a discounted price through savings that accumulate from monthly deductions from net salary	• No directors currently receive relocation benefits • The cost of provision will be determined by the policy and will depend on the specific circumstances • Specific benefits and the cost of provision would be approved by the Remuneration Committee at the time • The value of any payment in lieu of dividend will depend on: the value of the relevant dividends paid over the relevant period, and the number of shares to which the participant is entitled • The value of individual grants is capped by reference to maximum participant savings (monthly savings/deductions from salary may not exceed HMRC limits, and a savings contract may run for a three- or five-year period)

Performance framework	Commentary
• Long-term performance is assessed over three financial years, commencing with the year in which the award is made • Awards are subject to the achievement of financial performance metrics which are confirmed by the Committee in advance of each new grant. Two performance metrics have applied to awards made since 2010, and equal weight has been given to each: – Growth in adjusted diluted earnings per share from continuing operations (EPS) over the three-year performance period – Adjusted return on capital employed (ROCE) achieved at the end of the performance period • These metrics were selected because together they represent key determinants of shareholder value creation: measuring the effectiveness of strategic investment decisions and the quality of earnings generated. If material changes to the metrics or weightings are proposed, the Committee would consult with key shareholders in advance of making a new award • Targets for each new award are carefully considered by the Committee ahead of the grant of awards in any year, to ensure these remain appropriately stretching over the three-year performance period, taking into account: the business strategy and long-term financial plan, market expectations and the prevailing economic climate • Before any shares are released at the end of the performance period, the Committee must also be satisfied that the level of vesting determined by performance against these targets is justified by the broader underlying financial performance of the Company	• Claw back provisions apply to awards made from 2013, which means they may be recouped in specific circumstances during the two-year period following the end of the performance period (as described on page 69) • Participation in the Performance Share Plan is extended to a targeted population of senior executives who are expected to make material individual contributions to the successful delivery of the Company's strategy and long-term performance. All awards under the Performance Share Plan are subject to the same performance framework, ensuring alignment and focus on our financial goals • No changes to the policy for executive directors have been made in the year or are proposed for the year ahead
• The value of an individual director's interests in shares is directly affected by share price performance	• Similar share ownership requirements extend to Executive Committee members (at three times base salary), and to a broader group of executives in senior leadership roles (at a level equal to their base salary) • No changes to the policy for executive directors have been made in the year or are proposed for the year ahead

Performance framework	Commentary
• Relocation benefits are fixed in accordance with Group policy • The payment in lieu of dividend is a benefit attached to specific awards, where applicable conditions have been satisfied at vesting. Accordingly, no additional performance conditions apply • No performance conditions are attached to Sharesave awards because the Sharesave Plan is an all-employee scheme	• Any such benefits would be payable in accordance with policies applicable more generally to employees within the Group • The value of any payment in lieu of dividends will be included in the 'single figure' table in the year the payment is made • Executive directors are entitled to participate in the Sharesave Plan because the plan must be open to all employees in the UK

DIRECTORS' REMUNERATION REPORT | CONTINUED

Remuneration policy for the Chairman and non-executive directors

Terms of appointment

The Chairman and non-executive directors have letters of appointment and do not have service contracts or notice periods. Under the terms of their appointment, they are usually expected to serve on the Board for between three and nine years, subject to their re-election by shareholders. The Company Chairman and non-executive directors receive a fee for their services, and do not participate in the Group's incentive or pension schemes, do not receive any other benefits, and have no right to compensation if their appointment is terminated.

Chairman and non-executive directors' fees

Non-executive directors' fees (excluding the Chairman) are reviewed annually by the Chairman and executive directors of the Board. The Chairman's fee is reviewed annually by the Committee (excluding the Chairman).

Aggregate fees depend on the responsibilities assumed by each non-executive director. A basic fee is paid to the Chairman, to the Senior Independent Director and to each non-executive director. In addition, supplemental fees are payable to each Committee chairman. Accordingly, supplemental fees are paid to the chairmen of the Audit, Corporate Responsibility, and Remuneration Committees as well as to the chairman of the Research Advisory Group, to reflect the extra responsibilities required by each of these positions.

Increases in fees arising from the normal annual review will generally be limited to the market increase applicable to UK employees generally. However, a higher or lower increase may be awarded to ensure that fees paid are commensurate with those paid by other UK-listed companies over time and are set at a level to retain individuals with the necessary experience and ability to make a substantial contribution to the Group.

Status of previously approved remuneration policy statements

It is intended that provisions consistent with previously disclosed directors' remuneration policies and/or incentive plans previously approved by shareholders will continue to apply after the resolution to adopt the remuneration policy set out in this Policy Report is approved. Such provisions will allow, without limitation:

- Contractual commitments entered into before the policy takes effect, or before an individual was subject to this policy on directors' remuneration, to be honoured
- The satisfaction of awards and/or commitments made in relation to short-term and long-term incentive plan awards (providing they were consistent with the policy in effect at the time the original award/commitment was made).

Such arrangements shall remain in effect and be included in the current remuneration policy by reference, even if they are not specifically provided for within the policy set out in this Policy Report.

Executive directors' external appointments

The Board believes that the Company can benefit from executive directors holding external non-executive directorships. Such appointments are subject to approval by the Board and are normally restricted to one position for each executive director. Fees may be retained by the executive director concerned.

Additional share plan disclosures

Potential impact of mergers and acquisitions or other corporate activity

In the context of a merger or acquisition, or other relevant corporate activity, any potential impact on the incentive plans would be specifically considered by the Committee. In such circumstances, the Committee retains the authority to vary the performance target or the vesting outcome to ensure that outcomes are equitable for both the participant and shareholders.

Change of control and voting

All of the Company's share plans contain provisions relating to a change of control. Outstanding awards would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions at that time, and in proportion to the time served during the performance period.

Service contracts

The Company's policy regarding executive directors' service contracts and appointment terms is to take account of market practice, and to ensure that provisions in relation to notice periods or termination payments are not excessive, as well as to ensure that contracts provide appropriate protection for the Company, for example in relation to restrictions on competition, solicitation of customers or employees, and the protection of intellectual property.

Executive directors are employed under service contracts commencing on dates as follows: Javed Ahmed (Chief Executive) – 1 October 2009; Tim Lodge (Chief Financial Officer) – 4 December 2008; and provide for six months' notice from the executive or 12 months' notice from the Company.

Service contracts for executive directors and letters of appointment for the Chairman and non-executive directors are available for inspection at the Company's registered office.

Beyond the items disclosed in this Report, there are no further obligations on the Company which could give rise to a remuneration or loss of office payment to a director.

Policy on the terms of directors' appointment

In order to ensure the continued growth and success of the business over time, the Company must have the flexibility to appoint new individuals to the Board, either by way of internal promotion or external appointment, on terms that are sufficient to attract and motivate individuals of the highest calibre.

The following key principles describe our intended approach in these circumstances (and are consistent with the principles that apply to the broader employee population).

- The starting point for negotiating any package on appointment will be the structure of the annual package in the 'future policy on remuneration' that has been approved by shareholders and is current at the time of the appointment.
- We will review the appropriateness of the total package (both fixed and variable elements), to ensure that it is appropriate in the context of relevant external market practice, the complexity and scope of the role, the particular needs and requirements of the Company at the time, internal relativities, and the appointee's skills, experience and qualifications.
- To respond to specific circumstances and/or to allow for differences in practice over time and by location, the Committee accepts that employment benefits may need to be structured differently from the specific provisions in place for current directors. The Committee therefore retains flexibility to make appropriate adjustments in provision, as considered appropriate, to provide market-referenced benefits which are necessary or appropriate in the proper performance of the role, for example in relation to: healthcare and insurance; transport and security; and provision for retirement.
- Where an appointment requires an individual to relocate, internationally or otherwise, the Company may agree to make payment(s) to offset certain expenses incurred as a consequence of relocation or may provide benefits in line with our global/domestic mobility policy, on appointment and on an ongoing basis, depending on the circumstances. Such benefits may include, without limitation: travel; relocation and tax-related assistance; and similar benefits on repatriation at the end of the term.
- The current policy provides for a maximum level of variable remuneration that is equivalent to 475% of base salary in the financial year of appointment. This is consistent with the aggregate current maximum award under the Annual Bonus Plan (including any deferred shares) and the maximum award value under our Performance Share Plan, although the balance between short-term and long-term elements may be different from the current policy, and awards may be made on different terms.
- Where an internal candidate is appointed, contractual commitments that have been made prior to appointment to the Board, along with any benefits and/or incentive awards that have been awarded at that time, may remain in effect and be honoured, even if they would not otherwise be consistent with the shareholder-approved remuneration policy in effect at the time.
- In order to secure the appointment of a suitable external candidate, the Committee retains the flexibility to provide additional compensation for the value of incentive awards or other benefits that are forfeited on leaving a former employer. In such circumstances, the Committee may make use of cash and/or shares, as it considers appropriate in the circumstances. The Committee will exercise careful judgment in formulating the terms on which such a compensatory award will be made, taking into account the form of award(s) that are forfeited, the timeframes over which they may otherwise have been earned and any performance conditions that would have applied.

This policy is intended to enable the Committee to structure an offer on terms that it considers to be in the best interests of the Company and its shareholders. Depending on the circumstances, and any restrictions or requirements that may apply, the Company may consult with key shareholders as part of this process and/or disclose terms on which a new appointment is made through the Regulatory Information Service, or in the following Annual Report.

Policy on payments in connection with loss of office

It is the Company's policy that executive directors are normally employed on contracts that provide for not more than 12 months' notice from the Company and at least six months' notice from the executive. To protect the Company's interests, restrictive covenants (non-compete/non-solicitation) apply for a period of 12 months following termination, less any period of 'garden leave'. The Chief Executive and Chief Financial Officer are each employed on contracts consistent with this policy.

The Committee's policy in respect of the treatment of executive directors leaving the Company is summarised in this section. The key principles are that the framework is designed to support a smooth transition from the Company, encouraging an orderly transfer of responsibilities, and taking into account the interests of shareholders in securing the sustained performance of the business beyond the executive's departure.

Termination for dishonesty or misconduct are circumstances in which the executive would retain the minimum contractual entitlements on departure (as described in column 'A' of the table on page 62), consistent with the need to avoid providing any element of reward for failure. An executive's departure in compassionate circumstances such as death or permanent disability would generally result in the most beneficial terms being received (as described in column 'B' of the table on page 62).

The terms that will apply if an executive departs from the Company in other circumstances would be considered at the Committee's discretion and approved on a case-by-case basis, in keeping with the principles above. Such circumstances would potentially result in treatment that is more favourable than the minimum but no more generous than that which applies in the compassionate circumstances described above.

DIRECTORS' REMUNERATION REPORT | CONTINUED

Summary of policy on payments in connection with loss of office

	(A) Termination for dishonesty or misconduct	(B) Death or permanent disability
Fixed elements of remuneration: • Base salary • Pension • Benefits	Cash elements, including accrued holiday pay, are paid pro rata to the termination date. Non-cash benefits may continue to be provided until the termination date, or paid as a cash equivalent (based on the cost of provision) on a pro rata basis.	Cash elements, including accrued holiday pay, are paid pro rata to the end of the relevant notice period. Non-cash benefits may continue to be provided until the end of the notice period, or paid as a cash equivalent (based on the cost of provision) on a pro rata basis.
Annual bonus awards	No discretionary bonus would be awarded in these circumstances. More generally, no discretionary bonus will normally be awarded unless an individual is in active employment on the payment date (for cash awards) and/or the award date (for deferred share awards). Dishonesty or misconduct may lead to the operation of claw back provisions within the terms of the plan.	Any discretionary bonus that is payable will be approved on a case-by-case basis by the Committee. Any bonus will normally be pro-rated to reflect the portion of the financial year prior to cessation, and would be paid at the normal time, reflecting the extent to which the original performance targets have been met. However, within a discretionary bonus framework, the Committee retains the flexibility to approve the timing and amount of the bonus on some other basis.
Deferred share awards	Unvested deferred shares will lapse. Vested awards that have not been transferred/released/exercised prior to cessation will lapse. Dishonesty or misconduct may lead to the operation of claw back provisions within the terms of the plan.	Previously vested but unexercised awards may be released in the normal way. In respect of unvested awards: • If a participant dies, a deferred bonus award will vest in full on that date • In the event of permanent disability, a deferred bonus award will continue on its existing terms, unless the Committee exercises its discretion to approve the release of the award on an earlier date. In the event of a change of control, an award may, at the Committee's discretion, be released on or prior to the event, or be exchanged for a replacement award with an acquiring company.
Long-term share incentive (Performance Shares Plan)[1]	Unvested awards will lapse. Vested awards that have not been transferred, released or exercised prior to cessation will lapse. Dishonesty or misconduct may lead to the operation of claw back provisions within the terms of the plan.	Previously vested but unexercised awards may be released during a period ending six months following cessation. In respect of unvested awards: • Awards made in prior years will remain in effect and, unless the Committee determines that awards should vest on some other basis, an individual may receive a proportion of the potential award depending on the extent to which the original performance conditions have been achieved at the end of the normal performance period • Other than in the case of death or permanent disability, awards will generally be reduced to reflect the proportion of the performance period which has elapsed prior to cessation. The same provisions apply in the event of a change of control, but for the fact that the achievement of performance conditions will be assessed when the change of control is effective.
Provision for payments in lieu of notice, and requirements for mitigation	The Company has the option to make a payment in lieu of notice in relation to the fixed elements of remuneration only (base salary, pension, and contractual benefits). Depending on the circumstances, such a payment may be subject to a duty of mitigation. The Chief Financial Officer's contract gives the Company the contractual right to phase the payments and to reduce them if the executive mitigates his loss. Other elements of remuneration described in the table are not affected by these provisions.	

1 Savings-related share options granted under the HMRC-approved Sharesave Plan will vest or lapse in keeping with HMRC regulations applicable to the circumstances at the relevant date.

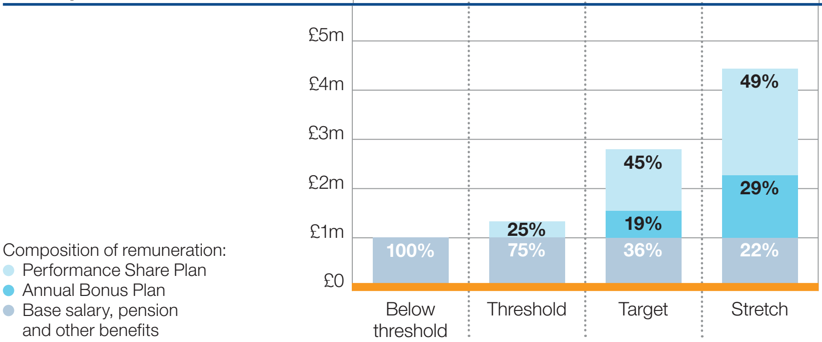
In addition to contractual rights to any payment on loss of office, any employee, including executive directors, may have statutory and/or common law or other rights to certain additional payments, for example in a redundancy situation. Similarly, additional consideration may be provided, if necessary, to secure specific agreements following separation (for example an enhanced non-compete provision) that protect the Company's interests.

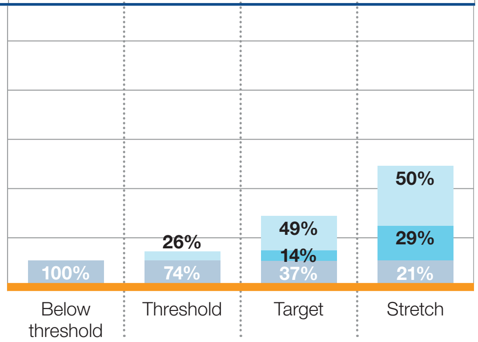
Depending on the role and circumstances of departure, a director who has been relocated may be repatriated in accordance with previously agreed terms. The Company may pay some or all of the costs incurred by the executive in respect of legal, financial, outplacement or other relevant personal advisory services and/or expenses in connection with relocation. The Committee will approve such arrangements on a case-by-case basis, with a view to maintaining compliance with regulatory requirements and consistency with internal Company policies that may apply.

Application of remuneration policy

The tables and charts below illustrate the application of the remuneration policy described in this report, by showing the value that may be delivered from each element of the package under different performance scenarios.

	Chief Executive				Chief Financial Officer			
Element/value (£000s)	Below threshold	Threshold	Target	Stretch	Below threshold	Threshold	Target	Stretch
Base salary	721	721	721	721	406	406	406	406
Pension allowance	252	252	252	252	102	102	102	102
Other benefits	20	20	20	20	14	14	14	14
Annual bonus[1]	–	–	541	1 262	–	–	203	711
Performance Share Plan[2]	–	324	1 244	2 163	–	183	700	1 218
Total potential value	**993**	**1 317**	**2 778**	**4 418**	**522**	**705**	**1 425**	**2 451**





1 Annual bonus shows cash and deferred shares. No bonus is paid at or below threshold; the target opportunity is 75% of base salary for the Chief Executive and 50% for the Chief Financial Officer, while the maximum is 175%.

2 The maximum award is 300% of base salary. 15% vests at threshold, and the 'target' shown is half way between threshold and stretch (i.e. 57.5% of maximum).

Consideration of shareholder views

The remuneration strategy and policy described here were established in 2010 following a review and extensive consultation with major shareholders. Shareholders overwhelmingly approved the continuing use of the Performance Share Plan as our long-term incentive at the AGM in 2012.

The Committee (led by the Committee Chairman) engages with our major institutional shareholders each year specifically on remuneration topics, alongside the Board's wider-ranging shareholder engagement programme.

The Committee also receives regular updates on investors' views and corporate governance matters. These lines of communication ensure that emerging best practice principles are factored into the Committee's decision making during the year.

Statement of consideration of employment conditions elsewhere in the Company

The principles on which we base remuneration decisions for executives (as described on page 54) are broadly consistent with those on which we base remuneration decisions for all employees. In particular, the Committee takes into account the general pay and employment conditions of other employees of the Company when making decisions on executive directors' remuneration. This includes considering the levels of base salary increase for employees below executive level, and ensuring that the same principles apply in setting performance targets for executives' incentives as for other employees of the Group. The Committee also reviews information on bonus payments and share awards made to the broader management of the Group when determining awards and outcomes at executive director level.

DIRECTORS' REMUNERATION REPORT | CONTINUED

Annual Report on Remuneration

Introduction

As explained on page 53, this Report sets out how our established remuneration policy has been implemented during the year. The Report also covers details relating to the composition and key responsibilities of the Remuneration Committee and provides more information on how our incentive plans operate.

Implementation of the remuneration policy in the financial year ending 31 March 2015

The Company intends to implement the approved directors' remuneration policy for the financial year ending 31 March 2015.

Remuneration Committee consideration of matters relating to directors' remuneration

The Remuneration Committee comprises independent non-executive directors and the Chairman of the Board. The Committee met four times during the year. Membership and attendance during the year were as follows:

Directors as at 31 March 2014	Number of meetings	Meetings attended
Robert Walker (Committee Chairman)	4	4
Sir Peter Gershon	4	4
William Camp	4	4
Anne Minto	4	4
Dr Ajai Puri	4	4

The Company Secretary serves as secretary to the Committee. The Chief Executive, the Executive Vice President, Human Resources, the Vice President, Global Compensation and Benefits and the Executive Vice President, General Counsel are normally invited to attend meetings to assist the Committee, although none is present or involved when his or her own remuneration is discussed.

Main responsibilities of the Remuneration Committee

The main responsibilities of the Committee include:

- Assessing the appropriateness of executive remuneration in the context of the Company's strategy and priorities as well as overall competitiveness, taking into account data from independent, external sources
- Setting the detailed remuneration of the executive directors, designated members of senior management, and the Company Chairman (in consultation with the Chief Executive), including: base salary or fees, annual bonus, long-term incentives, benefits and contract terms
- Setting performance targets for awards made to senior executives under the Annual Bonus Plan and the long-term incentive plan and reviewing performance outcomes
- Reviewing the broader operation of the Annual Bonus and Performance Share Plans, including participation and overall award levels.

The Committee has a formal calendar of items for consideration. The Committee's terms of reference, which are reviewed annually, are available on the Company's website, www.tateandlyle.com.

Committee advisor

The Committee appointed Deloitte LLP as external advisor to the Committee, following a review and competitive tender process during 2012. As part of its annual processes, the Committee considered and confirmed that advice received from Deloitte LLP is objective and independent. Deloitte LLP is a signatory to the Remuneration Consultants' Code of Conduct, giving additional confidence to the Committee that the advice received is objective and independent of conflicts of interest.

Fees charged by Deloitte LLP for the provision of remuneration advice to the Committee amounted to £51,750 for the year ended 31 March 2014 in accordance with standard terms of business and a work plan that primarily reflects the Committee's planned activities during the year. During the year, Deloitte LLP also provided services to the rest of the Group on internal audit, corporate finance, systems, tax compliance and accounting.

Statement of shareholder voting

A resolution to approve the Directors' Remuneration Report was passed at the AGM on 24 July 2013. The voting outcome, which has previously been disclosed, was as follows:

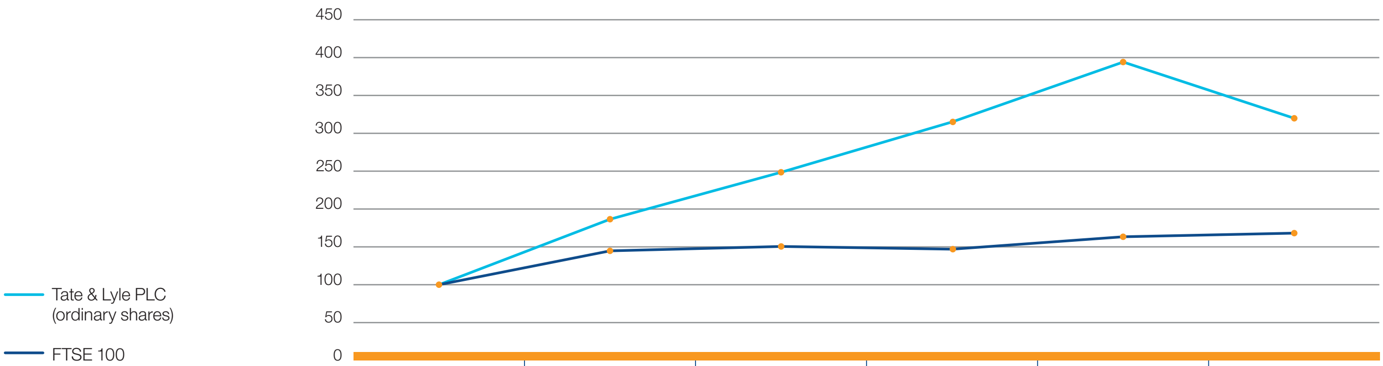
Resolution	Total for Number of votes	% of vote	Total against Number of votes	% of vote	Votes withheld[1] Number of votes
Directors' Remuneration Report	293 142 434	95.92	12 471 975	4.08	593 308

1 Votes withheld are not counted in the calculation of the proportion of votes for or against a resolution. On 24 July 2013, there were 466,378,765 ordinary shares in issue (excluding treasury shares).

Chart showing total shareholder return and Chief Executive pay

The chart, as required under the Regulations, illustrates the cumulative total shareholder return (TSR) performance of Tate & Lyle PLC against the FTSE 100 Index over the past five years. The FTSE 100 Index is considered to be an appropriate benchmark for this purpose since it is a broad equity market index with constituents comparable in size to Tate & Lyle over the five-year period. The graph shows the value of £100 invested in the FTSE 100 Index and Tate & Lyle in the five years from 31 March 2009.

The table provides the accompanying statistics required by the Regulations: a total compensation figure (determined on the same basis as for the single figure) for amounts paid to the individual serving as Chief Executive, and the proportion of any annual bonus and long-term incentive (LTI) that vested in the year (as a percentage of the maximum opportunity).



		31 March 2009	31 March 2010	31 March 2011	31 March 2012	31 March 2013	31 March 2014
Chief Executive[1] total remuneration (£000s per single figure)	Javed Ahmed		977	3 277	11 198	5 367	2 729
	Iain Ferguson		1 312	nil	170	n/a	n/a
Annual bonus (% of maximum)			86%	100%	58%	18%	1.6%
LTI vesting (% of maximum)			0%	81%	100%	100%	67.7%

1 Javed Ahmed has served as Chief Executive since his appointment on 1 October 2009. Iain Ferguson was Chief Executive in the period until that date. The total remuneration figure shown for the year ended 31 March 2012 includes the value from a number of one-off compensatory awards made to Javed Ahmed on his appointment, as disclosed and explained in the 2009 and 2012 Annual Reports.

Comparison of movement in Chief Executive and broader employee remuneration

Change in value: year ended 31 March 2014 vs 31 March 2013	Base salary	Value of benefits	Annual bonus[3]
Chief Executive	0%	0%	-91%
Broader employee population[2]	+2.7%	+20%	-56%

2 The broader employee population refers to a global population of salaried employees for salary comparison and the UK employee population for the benefits comparison, reflecting the context in which executive directors' salaries and benefits are determined; and refers to the global group of participants in the Annual Bonus Plan for the bonus comparison, so that the combination of business performance across our divisions that contributes to the Group's results is appropriately represented.

3 Includes deferred shares where applicable.

Relative importance of spend on pay

	Year ended 31 March 2013	Year ended 31 March 2014	% change
Remuneration paid to or receivable by all employees of the Group	£234m	£225m	-3.8%
Distributions to shareholders (by way of dividend and purchase of ordinary shares into treasury)	£140m	£153m	+9.3%

DIRECTORS' REMUNERATION REPORT | CONTINUED

The sections that follow provide more information on remuneration decisions and the operation of incentive plans during the year ended 31 March 2014.

Base salary

Executive directors' salaries are reviewed annually, with effect from 1 April. At the 2014 review, the Committee agreed that no changes would be made to executive director salaries for the year ahead, taking current market positioning into account. The average increase awarded to other UK-based employees was approximately 2.7%.

Executive directors' base salaries as at 1 April (£)	2014	2013	% change
Javed Ahmed	721 000	721 000	nil
Tim Lodge	405 820	405 820	nil

Chairman's and non-executive directors' fees

Fees are reviewed annually, in accordance with our stated policy, by the Committee (excluding the Chairman) in respect of the Chairman's fee, and by the Chairman and the executive directors in respect of other non-executive directors' fees.

Taking into account the competitiveness of current fees against the comparable market position, and the time commitment required of each role, the adjustments in the table below were approved with effect from 1 April 2014. The aggregate increase is broadly in line with the rate of increase applicable to UK-based employees (being approximately 2.7%).

Fees (per annum) as at 1 April (£)	2014	2013	% change
Basic fees			
Chairman[1]	324 500	315 950	2.7%
Non-executive director	62 850	61 500	2.1%
Senior Independent Director	72 850	68 600	6.2%
Supplemental fees (per annum)			
Chairman of Audit Committee	16 650	16 300	2.2%
Chairman of Remuneration Committee	12 500	10 850	15.2%
Chairman of Corporate Responsibility Committee	11 100	10 850	2.3%
Chairman of Research Advisory Group	23 300	22 800	2.2%

1 The Chairman's fee includes his role as Chairman of the Nominations Committee.

Annual bonus

The bonus structure described here applied to the year ended 31 March 2014; we propose to retain this structure for the coming year.

The bonus focuses performance on three objectives: profitability; sales performance; and cash conversion. Before any bonus is payable, a minimum level of profit has to be achieved by the Company, regardless of performance against other metrics.

For each performance metric, there is a corresponding multiplier, which varies between threshold, target and stretch levels of performance. Once the minimum profit threshold is achieved, bonuses are calculated by applying the multipliers which have the effect of increasing or decreasing the value of the bonus depending on performance against each metric in turn. To achieve the maximum payout, performance against all three metrics must be at or above the stretch level.

		Step 1		Step 2		Step 3		
Target bonus (% of base salary) Chief Executive (75%) Chief Financial Officer (50%)	X	Profitability multiplier (once minimum threshold is achieved)	X	Sales performance multiplier	X	Cash conversion multiplier	=	Bonus achieved (as % of base salary)

Profit performance is the most important of the three metrics, so multipliers for the profitability factor are more heavily geared than for the other two metrics, that is, improvements in profitability have the greatest impact on bonus payments. All multipliers and their weightings are agreed by the Committee when targets are set at the start of the year, reflecting the importance of each of the metrics in the context of the progress made against the Company's long-term business strategy.

Annual bonus for the year ended 31 March 2014 (audited)

The table below provides further information on each metric. The Committee considers that bonus targets are commercially sensitive because they may reveal information about the business plan in the year ahead that may damage our competitive advantage, and accordingly does not disclose these on a prospective basis. However, we continue our practice of reporting the level of performance required to achieve maximum bonus for the year just ended relative to the prior year's performance, and the level of performance actually achieved against those targets.

Bonus objective	Profitability	Sales performance	Cash conversion
Metric	PBTEA	Net sales less cost of raw materials	Cash conversion cycle
Definition	Adjusted profit before tax, exceptional items, amortisation and net retirement benefit interest	Gross sales net of associated selling costs, less the costs of raw materials used in production	The number of days between cash expenditure and collection, taking account of inventory, payables and receivables; based on the average of the four quarter-end results
Rationale	Measures the underlying profit generated by the business and whether management is converting growth into profit effectively	Measures whether management is growing the business: by assessing growth after deducting the cost of raw materials, this metric better reflects the value added by the business	Measures whether the business is managing its working capital and converting profit into cash effectively
Performance required for maximum bonus	11.4% improvement vs prior year	8.0% improvement vs prior year	6.7% improvement vs prior year
Actual performance	0.5% improvement vs prior year	2.0% improvement vs prior year	4.8% improvement vs prior year
Bonus outcome	Between threshold and target	Between threshold and target	Between target and stretch
Comments on actual performance	Speciality Food Ingredients – operating profit growth of 1% with good volume growth in Asia Pacific, Europe and Latin America offset by slightly lower US volumes and lower SPLENDA® Sucralose prices; Bulk Ingredients – operating profit 4% lower as a result of soft US beverage season, lower returns from co-products and the impact of the protracted severe cold winter in North America	Lower sales largely driven by the impact of pass through of significantly lower corn prices in Bulk Ingredients and starch-based speciality ingredients	This improved by three days as a result of lower inventory levels in the US and significantly lower corn prices

Performance is measured on the basis of constant exchange rates for the Group's continuing operations. The Committee reviews and approves the performance outcomes, considers the Group's safety performance and then may make adjustments on an exceptional basis to ensure that the results are a true reflection of the underlying strength and performance of the Company.

On the basis of these performance outcomes, an annual bonus was awarded by the Committee of 2.81% of base salary for the Chief Executive and 1.88% of base salary for the Chief Financial Officer for the year ended 31 March 2014.

Deferral and claw back provisions

Any bonus amount up to 100% of base salary is paid in cash. Any excess above 100% of base salary is paid in the form of deferred shares. The shares are released after two years subject to the executive remaining in service with the Company, and carry the right to receive a payment in lieu of dividend between award and release.

Both the cash and share elements are subject to claw back provisions, which mean that they may be recouped in whole or in part, at the discretion of the Committee in the exceptional event that results were found to have been misstated or if an executive commits an act of gross misconduct.

Long-term incentive – Performance Share Plan

The Performance Share Plan (PSP) was reviewed in 2010 to provide a long-term incentive that is consistent with the business strategy. We specifically consulted with shareholders in detail at that time and again when we renewed the PSP on the same key terms in 2012. The PSP closely aligns executive directors' and senior executives' interests with the strategy and with the interests of shareholders over the long term, and is therefore an important component of the overall package. At the 2012 AGM, 98% of shareholder votes were cast in support of the resolution to approve the PSP.

DIRECTORS' REMUNERATION REPORT | CONTINUED

Maximum award level
Since the 2010 AGM, awards to the executive directors and other senior executives have been granted at the discretion of the Committee, with flexibility for the Committee to make awards of up to 300% of base salary where necessary to ensure market competitiveness, while taking into account Company performance.

Performance conditions
The release of awards depends on the Group's performance during the three-year performance period beginning on 1 April in the year of the award. For awards made since 2010, the performance conditions comprised two elements, explained in the table below, consistent with the principles established following the review and consultation with shareholders at that time.

Metric	Adjusted diluted earnings per share (EPS)		Adjusted return on capital employed (ROCE)	
Definition	Performance is measured by comparing the compound annual growth rate (CAGR) of the Company's adjusted diluted EPS from continuing operations over the three-year performance period against pre-determined targets		Performance is measured by the adjusted ROCE on continuing operations achieved at the end of the three-year performance period against the pre-determined targets[1]	
Weighting	50% of the award depends on this metric		50% of the award depends on this metric	
Rationale	The Committee selected this metric as it is a key determinant of shareholder value creation		The Committee selected this metric as it is a good indicator of the effectiveness of strategic investment decisions and of the quality of earnings generated	
Vesting schedule	EPS performance (CAGR)	Vesting outcome (% of maximum)	ROCE performance	Vesting outcome (% of maximum)
	Below 6%	Nil	Below 13.4%	Nil
	6%	15%	13.4%	15%
	Between 6% and 15%	On a straight line between 15%[2] and 100%	Between 13.4% and 16.4%	On a straight line between 15%[2] and 100%
	At or above 15%	100%	At or above 16.4%	100%

1 The ROCE outcome would be adjusted downward in the event of any asset impairment (adding this back into capital employed); this is to encourage a prudent investment strategy. For this reason, in the event of there being an impairment of assets during the performance period, the ROCE figure for PSP purposes can be significantly lower than the unadjusted ROCE number reported in the Company's accounts.

2 Under the special arrangements that were agreed in 2009 on the Chief Executive's appointment, 25% of his 2011 award vests at threshold performance.

The Committee reviews the appropriateness of metrics and targets ahead of the grant of awards in any year to ensure these remain sufficiently stretching. In practice, no changes to the performance targets have been made since they were established in 2010, and accordingly shares awarded under the PSP in 2011, 2012 and 2013 vest in accordance with the schedule set out in the table above.

Before any shares are released, the Committee must also be satisfied that the level of vesting determined by performance against these targets is justified by the broader underlying financial performance of the Company.

2011 PSP awards vesting by reference to the period ended 31 March 2014 (audited)
PSP awards made in 2011 were dependent on EPS growth and ROCE targets as described above, with each condition applicable to half of the award. Performance against these conditions and the vesting outcome is indicated in the table below.

Performance condition	Weighting	Performance outcome	Vesting outcome for this element	Combined vesting outcome
EPS growth	50%	7.2% growth	26.8%	Based on the combination of EPS and ROCE performance, the Committee has confirmed that 63.4% of the PSP awards made in 2011 have vested
ROCE	50%	18.9%	100%	

Under the arrangements agreed in 2009 on the Chief Executive's appointment, 25% of the award made to Javed Ahmed in 2011 vests at threshold. Accordingly, the EPS element vests at 35.4%, the ROCE element vests at 100%, and the overall combined award vests at 67.7%.

In confirming these outcomes, the Committee also considered the broader underlying financial performance of Tate & Lyle over the performance period, to ensure that vesting results based on these performance outcomes were consistent with a broader view of the financial health and performance of the business.

Claw back provisions

Awards made under the PSP from 1 April 2013 are subject to claw back provisions for a period following the vesting date and extending to the fifth anniversary following the date of grant. During this period, the Committee may determine that an award will lapse wholly or in part (or may require that a participant shall repay up to 100% of the value of any award that has vested by virtue of performance), in the event of circumstances including the following: material misstatement of financial results; misconduct which justifies, or could justify, summary dismissal of the participant; or if information has emerged which would have affected the value of the original award that was granted to a participant, or the level at which the performance conditions were judged to have been satisfied.

Single figure table (audited)

	Salary/fees		Benefits[1]		Annual Bonus		PSP Shares[2]		Pension		Other remuneration		Total	
Year ended 31 March	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Chairman														
Sir Peter Gershon	316	307	–	–	–	–	–	–	–	–	–	–	316	307
Executive directors														
Javed Ahmed	721	721	23	20	20	233	1 712	4 141	252	252	–	–	2 728	5 367
Tim Lodge	406	406	15	14	8	87	903	1 956	101	101	–	–	1 433	2 564
Non-executive directors														
Liz Airey	78	76	–	–	–	–	–	–	–	–	–	–	78	76
William Camp	72	67	–	–	–	–	–	–	–	–	–	–	72	67
Douglas Hurt	62	60	–	–	–	–	–	–	–	–	–	–	62	60
Virginia Kamsky	62	20	–	–	–	–	–	–	–	–	–	–	62	20
Anne Minto	62	20	–	–	–	–	–	–	–	–	–	–	62	20
Dr Ajai Puri	84	82	–	–	–	–	–	–	–	–	–	–	84	82
Robert Walker	79	70	–	–	–	–	–	–	–	–	–	–	79	70
Former directors														
Evert Henkes	–	47	–	–	–	–	–	–	–	–	–	–	–	47

1 Benefits for executive directors include health insurance and car allowance.

2 PSP awards were released to participants based on the achievement of performance conditions over the period ended 31 March 2014 (as described on page 68). PSP awards vested following the Remuneration Committee meeting in May 2014 and are valued at a share price of 668.50 pence, being the closing share price on 27 May 2014 which is the vesting date.

Total pension entitlements (audited)

Directors participate in arrangements that are defined contribution in nature. Contributions made to or in lieu of pension in respect of each director during the year are shown in the single figure table.

As a deferred member of the Group Scheme, Tim Lodge's total accrued pension from the Group Scheme at the end of the year amounted to £193,340 per annum (31 March 2013 – £188,000). The Scheme was closed to future accrual from April 2011; the year-on-year change relates only to the inflation-linked contractual uplift in deferred pension values that applies under the Scheme rules. His normal retirement date is the end of the month in which he attains age 62. No additional benefits would arise in the event of his early retirement.

Termination and loss of office payments (audited)

There have been no payments to past directors and no loss of office payments made during the year.

Share awards made during the year (audited)

	Award	Type of award	Date of grant	Number of shares	Face value of award[3]	Face value as % of salary[3]	Performance conditions[4]	Performance period	% of vesting at threshold
Javed Ahmed	Performance Share Plan	Nil cost option	2 July 2013	267 418	£2 163 010	300%	50% adjusted diluted EPS growth; 50% adjusted ROCE	Three financial years ending 31 March 2016	15%
Tim Lodge	Performance Share Plan	Nil cost option	2 July 2013	150 518	£1 217 465	300%			

3 Under the terms of the Plan approved by shareholders, the number of shares comprising an award in any year is calculated based on the average share price over the last three months of the preceding financial year, being 808.85 pence for the 2013 award.

4 Performance conditions are described on page 68.

DIRECTORS' REMUNERATION REPORT | CONTINUED

Share awards made in prior years (audited)

The table below sets out the current position of share-based awards made to executive directors.

	As at 1 April 2013 (number)	Awards vested during year (number)	Awards lapsed during year (number)	Awards exercised during year (number)	As at 31 March 2014 (number)	Market price on date awards granted (pence)	Market price on date awards vested (pence)	Vesting date
Javed Ahmed								
Share-incentive arrangements on recruitment:								
Compensatory Award A[1]	419 403	–	–	–	419 403	444.90	632.50	01/10/11
Compensatory Award C[2,3]	257 870	–	–	–	257 870	444.90	676.50	29/05/12
Long-term incentive Award A[2,3]	656 640	–	–	–	656 640	444.90	676.50	29/05/12
Long-term incentive Award B[2,4,5]	473 042	473 042	–	–	473 042	440.20	875.50	28/05/13
Long-term incentive Award C[2,6]	378 337	–	–	–	378 337	590.50	–	After 31/03/14
Performance Share Plan[2,7]:								
2012	310 567	–	–	–	310 567	671.00	–	After 31/03/15
Deferred shares from annual bonus[8]:								
2011 bonus year	2 010	–	–	–	2 010	676.50	–	29/05/14
Tim Lodge								
Performance Share Plan[2,7]:								
2008	26 088	–	–	26 088	–	394.25	611.00	24/05/11
2009	151 999	–	–	151 999	–	294.25	676.50	29/05/12
2010[6]	223 381	223 381	–	223 381	–	440.20	875.50	28/05/13
2011	212 950	–	–	–	212 950	590.50	–	After 31/03/14
2012	174 805	–	–	–	174 805	671.00	–	After 31/03/15
Deferred shares from annual bonus[8]:								
2010 bonus year[9]	51 683	51 683	–	51 683	–	611.00	816.50	31/05/13
2011 bonus year	1 131	–	–	–	1 131	676.50	–	29/05/14

1 This award, to compensate Javed Ahmed for certain long-term incentives given up by him as a consequence of leaving his former employer, is not subject to performance conditions. The shares were available to exercise from 1 October 2011, being the second anniversary of Javed Ahmed joining the Company and will remain exercisable until 30 September 2017. Pending delivery, he receives a payment in lieu of dividend on these shares which is subject to the deduction of tax. In the event of a change in control, the shares will be delivered immediately.

2 The three-year performance period for these awards begins on the first day of the financial year in which the award is granted.

3 This award is subject to the same performance conditions as PSP awards made in 2009.

4 This award is subject to the same performance conditions as PSP awards made in 2010.

5 2010 PSP awards vested in full, based on the achievement of adjusted diluted EPS growth and adjusted ROCE performance, as described in the Annual Report 2013.

6 This award is subject to the same performance conditions as PSP awards made in 2011.

7 The performance conditions for PSP awards made in 2011, 2012 and 2013 are 50% adjusted diluted EPS and 50% adjusted ROCE, as described in this Report.

8 Deferred shares granted under the Annual Bonus Plan (as described on page 67). The full value of these awards has been disclosed previously in the emoluments table(s) in the relevant bonus year(s). For example, the values of deferred shares relating to performance in the year ended 31 March 2012 are included in the emoluments table for the year ended 31 March 2012 (contained within the Annual Report 2012).

9 The shares awarded in relation to the 2010 bonus vested at the end of their two-year deferral period.

All-employee schemes (audited)

Details of the directors who were in office for any part of the financial year, and who hold or held options to subscribe for ordinary shares of the Company, are set out in the table below.

Savings-related share options are options granted under the HMRC-approved Sharesave Plan. Options are not subject to performance conditions and are normally exercisable during the six-month period following the end of the relevant three- or five-year savings contract.

	As at 1 April 2013 (number)	Options granted during year (number)	Options exercised during year (number)	Options lapsed during year (number)	As at 31 March 2014 (number)	Exercise price (pence)	Exercise period
Chief Executive (Javed Ahmed) Savings-related options 2009	3 720	–	–	–	3 720	418.00	01/03/15 to 31/08/15
Chief Financial Officer (Tim Lodge) Savings-related options 2012	2 471	–	–	–	2 471	607.00	01/03/18 to 31/08/18

Statement of directors' shareholding and share interests (audited)

Personal share ownership requirements (policy on executive share ownership)

The Committee and executive management believe that personal investment in Company shares is an important part of our overall remuneration framework. Material personal investment in Company shares serves to strengthen the long-term alignment of interests between senior executives and the Company's shareholders.

Our executive shareholding requirements are more demanding and extend to a greater number of senior executives in the Group when compared with similar UK-listed companies.

- The Chief Executive has a target share ownership requirement of four times base salary, and his shareholding currently exceeds this target.
- The Chief Financial Officer has a target shareholding of three times base salary, and his shareholding currently exceeds this target.
- Other Executive Committee members are subject to the share ownership policy, with target holdings at three times salary.
- This policy was extended to a broader group of executives from 2011 who have senior leadership roles within the Company. The shareholding target for this group is equal to their base salary.

The Committee monitors progress against the share ownership requirements annually.

Directors' interests (audited)

The interests held by each person who was a director during the financial year in the ordinary shares of 25p each in the Company are shown below. All of the interests set out in the table are beneficially held and no director had interests in any class of shares other than ordinary shares. The table also summarises the interests in shares held through the Company's various share plans.

	Interest in shares[1]	Shares – conditional on performance[2]	Shares – not conditional on performance[3]	Options – not conditional on performance[4]	Total
Chairman					
Sir Peter Gershon	82 080	–	–	–	82 080
Executive directors					
Javed Ahmed	1 204 457	956 322	1 808 965	3 720	3 973 464
Tim Lodge	316 391	538 273	1 131	2 471	858 226
Non-executive directors					
Liz Airey	16 000	–	–	–	16 000
William Camp	2 200	–	–	–	2 200
Douglas Hurt	10 000	–	–	–	10 000
Virginia Kamsky	5 000	–	–	–	5 000
Anne Minto	8 600	–	–	–	8 600
Dr Ajai Puri	2 018	–	–	–	2 018
Robert Walker	22 162	–	–	–	22 162

1 Includes shares owned by connected persons.

2 Includes awards under the Performance Share Plan and the special arrangements that were put in place to facilitate Javed Ahmed's recruitment which are subject to performance conditions.

3 Includes deferred share awards made under the Annual Bonus Plan, and vested but unexercised awards granted to Javed Ahmed in connection with his appointment.

4 Includes HMRC-approved Sharesave Plan awards.

There were no changes in directors' interests in the period from 1 April 2014 to 28 May 2014.

The market price of the Company's ordinary shares at the close of business on 31 March 2014 was 667.50 pence, and the range during the year ended 31 March 2014 was 624.0 pence to 883.0 pence.

On behalf of the Board

Robert Walker
Chairman of the Remuneration Committee
28 May 2014

DIRECTORS' REPORT

About the Directors' Report

The Directors' Report comprises the Governance section from pages 38 to 51, the Directors' Report on pages 72 and 73 and the Useful Information section from pages 141 to the inside back cover. Other information that is relevant to the Directors' Report, and which is incorporated by reference into the Directors' Report, is disclosed as follows:

- Likely future developments of the Company (throughout the Strategic Report)
- Human rights (page 32)
- Greenhouse gas emissions (pages 35 and 36)
- Relationship with employees (page 34)
- Financial instruments (Note 21).

Results and dividend

A review of the results can be found on pages 1 to 37.

An interim dividend of 7.8p per ordinary share was paid on 3 January 2014. The Directors recommend a final dividend of 19.8p per ordinary share to be paid on 1 August 2014 to shareholders on the register on 27 June 2014, subject to approval at the 2014 Annual General Meeting (AGM). The total dividend for the year is 27.6p per ordinary share (2013 – 26.2p).

Research and development

The Group spent £33 million (2013 – £32 million) on research and development during the year.

Articles of Association

The Articles of Association set out the internal regulation of the Company and cover such matters as the rights of shareholders, the appointment or removal of directors, and the conduct of the Board and general meetings. Copies are available on request and are displayed on the Company's website, www.tateandlyle.com.

In accordance with the Articles of Association, directors can be appointed or removed by the Board or by shareholders in general meeting. Amendments to the Articles of Association have to be approved by at least 75% of those voting in person or by proxy at a general meeting of the Company. Subject to UK company law and the Articles of Association, the Directors may exercise all the powers of the Company, and may delegate authorities to committees, and may delegate day-to-day management and decision making to individual executive directors. Details of the Board Committees can be found on pages 47 to 51 and on page 64.

Share capital

As at 31 March 2014, the Company had nominal issued ordinary and preference share capital of £119 million comprising £117 million in ordinary shares, including £0.6 million in treasury shares and £2 million in preference shares.

To satisfy obligations under employee share plans, the Company issued 9,983 ordinary shares during the year and reissued 2,443,619 ordinary shares from treasury. The Company issued 2,914 shares during the period from 1 April 2014 to 28 May 2014. Further information about share capital is in Note 24. Information about options granted under the Company's employee share plans is in Note 26.

The Company was given authority at the 2013 AGM to make market purchases of up to 46,639,912 of its own ordinary shares. The Company purchased 3,045,000 of its own ordinary shares during the year ended 31 March 2014; these shares are held in treasury to satisfy awards made under performance share plans. This authority will expire at the 2014 AGM and approval will be sought from shareholders for a similar authority to be given for a further year.

Restrictions on holding shares

There are no restrictions on the transfer of shares and prior approval is not required from the Company nor from other holders for such a transfer. No limitations are placed on the holding of shares and no share class carries special rights of control of the Company. There are no restrictions on voting rights other than those outlined below on preference shares. The Company is not aware of any agreements between shareholders that may restrict the transfer or exercise of voting rights.

Shareholders' rights

Holders of ordinary shares have the rights accorded to them under UK company law, including the rights to receive the Company's annual report and accounts, attend and speak at general meetings, appoint proxies and exercise voting rights.

Holders of preference shares have limited voting rights and may not vote on: the disposal of surplus profits after the dividend on the preference shares has been provided for; the election of directors or their remuneration; any agreement between the directors and the Company; or the alteration of the Articles of Association dealing with any such matters. Further details regarding the rights and obligations attached to share classes are contained in the Articles of Association which are available on the Company's website, www.tateandlyle.com.

DTR Rule 5 disclosure

As at 28 May 2014, the Company had been notified under Rule 5 of the Disclosure and Transparency Rules of the following holdings of voting rights in its shares:

	Number of shares[2]	% held[2]
Black Rock, Inc	46 514 801	9.97
AXA S.A.[1]	22 890 148	4.98
Artemis Investment Management LLP[1]	23 207 193	4.97
Invesco Limited[1]	23 111 061	4.95
Schroders plc	21 252 858	4.56
TIAA-CREF Investment Management, LLC and Teachers Advisors, INC.	18 348 821	3.94
Barclays Global Investors[1]	17 568 133	3.59

1 Notification was made over 12 months ago; as permitted under Rule 5, shareholders may not be required to notify us of subsequent changes within certain ranges.

2 As at the date in the notification to the Company.

Change of control

The Company has a committed bank facility of US$800 million, which matures in 2016. Under the terms of this facility, the banks can give notice to Tate & Lyle to prepay outstanding amounts and cancel the commitments where there is a change of control of the Company. The Company is the guarantor of a £200 million bond issue by its subsidiary, Tate & Lyle International Finance PLC, dated 25 November 2009, which is repayable in 2019. Under the terms of the bond issue, noteholders have the option to request an early repayment where there is a change of control of the Company.

All of the Company's share plans contain provisions relating to a change of control. Further information is on page 60.

Political donations

Again this year, in line with the Group's policy, no political donations were made in the European Union (EU). Outside the EU, the Group's US business made contributions during the year totalling US$22,000 (£14,000) (2013 – US$19,000; £12,000) to state political party committees and to the campaign committees of state candidates affiliated to the major parties. In all, ten separate donations were made, the largest being of $5,000 and the smallest $300. US$14,000 (£9,000) (2013 – US$8,000; £5,000) was also contributed by the Tate & Lyle Political Action Committee (PAC). Nine separate donations were made, the largest being of $4,000 and the smallest $1,000. The PAC is funded entirely by US employees. Employee contributions are entirely voluntary and no pressure is placed on US employees to participate. No funds are provided to the PAC by Tate & Lyle but under US law, an employee-funded PAC must bear the name of the employing company.

DIRECTORS' STATEMENT OF RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, and the Parent Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether IFRSs as adopted by the European Union and, with regard to the Parent Company Financial Statements, applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Group and Parent Company Financial Statements respectively
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the Group Financial Statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors, whose names and functions are listed on pages 38 and 39, confirm that, to the best of his or her knowledge:

- The Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's and the Group's performance, business model and strategy
- The Group Financial Statements, which have been prepared in accordance with IFRSs as adopted by the EU, and the Parent Company Financial Statements in accordance with UK Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group and Parent Company
- The Strategic Report and the Directors' Report include a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

Disclosure of information to auditors

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and he or she has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The Directors' Report on pages 38 to 51, pages 72 and 73 and pages 141 to the inside back cover and the Directors' Remuneration Report from pages 52 to 71 of this Annual Report were approved by the Directors on 28 May 2014.

On behalf of the Board

Lucie Gilbert
Company Secretary
28 May 2014