



ShareSoc

UK Individual Shareholders Society

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Press Release

Faroe Petroleum Responds to ShareSoc's Concerns

At yesterday's AGM, Faroe Petroleum withdrew a resolution authorising large performance incentive payments to its executives. John Bentley, Faroe Chairman said:

"Since the publication of the Notice of Annual General Meeting in April 2012, the Company has been in further dialogue with its larger shareholders. Following those discussions, the Company intends to make a number of changes to the proposed Faroe Petroleum Exceptional Performance Incentive Plan ("EPIP") and consequently Resolution 7 has been withdrawn."

On 2nd May, ShareSoc issued a press release condemning the proposed award as "extremely generous" and "not particularly stretching". We recommended that our members should vote against resolution 7.

We are delighted that Faroe shareholders have heeded our call and that Faroe's Board have paid attention. We look forward to a constructive dialogue in the future, to ensure that executive awards are proportionate, stretching and aligned with shareholders' interests.

This example illustrates that shareholder engagement can lead to active change, and urge Boards and shareholders to enter into a dialogue. ShareSoc is happy to help represent the interests of private shareholders in such dialogues. Collectively, private shareholders form a substantial constituency of owners of British companies. Their voice deserves to be heard.

For further information and a more detailed report on events at the Faroe Petroleum AGM, please contact:

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Note any members of the press who wish to receive a complimentary copy of our informative monthly newsletter should send a request to sharesoc@btconnect.com. Our newsletters cover not just the affairs of our organisation but contain general financial news and commentary. Examples of our past newsletters are available on our web site. You can also follow ShareSoc reports on topical news, and comments thereon, on Twitter from @ShareSocUK.

About the UK Individual Shareholders Society (ShareSoc)

ShareSoc represents and supports individual investors who invest in the UK stock markets (and who own over 10% of the shares in UK public companies in aggregate). We are a mutual association controlled by our members with "not-for-profit" articles and incorporated as a company limited by guarantee. The organisation is financed by member subscriptions, donations from supporters and by the services it provides to members. Associate Membership of ShareSoc is free and is open to everyone with an interest in stock market investment (go to www.sharesoc.org/membership.html to register). More information on ShareSoc can be obtained from our web site at www.sharesoc.org (our objects are fully defined on this page: www.sharesoc.org/objects.html).