



TERMS OF REFERENCE RENUMERATION COMMITTEE

 **OSIRIUM**

- 2.8 The Committee shall determine the policy for, and scope of, pension arrangements for each executive director and other senior executives.
- 2.9 The Committee shall ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- 2.10 Within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive (as appropriate), the Committee shall determine the total individual remuneration package of each executive director, the Chairman, the Company Secretary and other senior executives including bonuses, incentive payments and share options or other share awards.
- 2.11 In determining such packages and arrangements, the Committee shall give due regard to any relevant legal requirements, the provisions and recommendations in the UK Corporate Governance Code, the QCA Corporate Governance Code for Small and Mid-Size Quoted Companies 2013 and the London Stock Exchange's rules for AIM companies and associated guidance.
- 2.12 The Committee shall:
- (a) review and note annually the remuneration trends across the Company and its subsidiaries (the Group);
 - (b) oversee any major changes in employee benefits structures throughout the Group;
 - (c) agree the policy for authorising claims for expenses from the Chairman and/or the directors;
 - (d) ensure that contractual terms on termination and any payments made pursuant to such termination are fair to the individual and the Company (i.e. that failure is not rewarded and the duty to mitigate loss is fully recognised).
- 2.13 The Committee shall ensure that all provisions regarding disclosure of remuneration including pensions are fulfilled.
- 2.14 The Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- 2.15 The Committee shall obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.
- 2.16 The Committee shall consider such other matters as may be requested by the Board.
- 2.17 The Committee shall compile a report to shareholders on its remuneration policy and practices to be included and to the extent as directed by the Board in the Company's annual report. The report shall include:

- 2.17.1 an explanation of how the adopted remuneration policy and practice is aligned with the achievement of the Company's strategy;
- 2.17.2 details of the remuneration to be paid to directors in the relevant year;
- 2.17.3 sufficient information and explanation to enable investors to assess the degree of linkage between the levels of executive remuneration and the Company's performance; and
- 2.17.4 details of how executive director evaluations have fed into their annual remuneration review.

3 MEMBERSHIP

- 3.1 The Board shall appoint the Committee chairman who shall be an independent non-executive director. In the absence of a Committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board. The chairman of the Board shall not be chairman of the Committee.
- 3.2 The members of the Committee shall be appointed by the Board and in consultation with the Chairman of the remuneration committee. A majority of the members of the Committee should be independent non-executive directors. Appointments to the Committee shall be for a period of up to three years, which may be extended by no more than two additional periods of up to three years, provided that a majority of the members continue to remain independent non-executive directors.
- 3.3 The Committee shall have at least two members. The chairman of the Board may also serve on the Committee as an additional member (but not as the chair of the Committee) if he or she was considered independent on appointment as chairman.
- 3.4 At the date of formation of the Committee, it has been agreed that the members of the Committee will be:

Stephen Purdham

John Townsend

Simon Lee

and the Committee shall be chaired by:

Stephen Purdham
- 3.5 A quorum shall be any two non-executive director members of the Committee. The members of the Committee can be varied at any time by a majority resolution of the existing members of the Committee save that the majority of the Committee must remain as independent non-executive directors.

3.6 If any member of the Committee is deemed not to be independent, the Board shall provide an explanation as to why they consider it appropriate for such director to be a member of the Committee.

4 VOTING ARRANGEMENTS

4.1 Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Committee.

4.2 If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.

4.3 Save where he has a personal interest, the Chairman will have a casting vote.

5 ATTENDANCE AT MEETINGS

5.1 The Committee will meet at least two times a year. The Committee may meet at other times during the year as required or as agreed between the members of the Committee or as requested by the Chairman of the Committee.

5.2 Only members of the Committee have the right to attend Committee meeting but other directors and external advisers may be invited to attend all or part of any meeting as and when appropriate.

5.3 The Company secretary or his or her nominee shall be the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

5.4 Meetings of the Committee may be conducted when the members are physically present or by telephone, video or other electronic conference provided that each member can hear each participating Committee member.

6 NOTICE OF MEETINGS

6.1 Meetings of the Committee shall be summoned by the Company secretary at the request of any of its members.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of the matters to be discussed at the meeting shall be forwarded to each member and any other person required to attend no later than five working days before the date of the meeting. Any supporting papers shall be sent to each member of the Committee and to other attendees (as appropriate) at the same time.

7 AUTHORITY

7.1 The Committee is authorised by the Board to examine any activity within its terms of reference and is authorised to obtain, at the Company's expense, legal or professional advice on any matter within its terms of reference.

7.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee. The Committee may also appoint remuneration consultants and commission or purchase any relevant reports surveys or information that it deems necessary to help fulfil its duties provided such consultants and reports are within any budgetary constraints imposed by the Board. The Committee is authorised to seek any information it requires from any employee or director, and all such employees or directors will be directed to co-operate with any request made by the Committee.

8 REPORTING

8.1 The proceedings and resolutions of the Committee meetings, including the names of those present and in attendance shall be minuted by the Company secretary. Draft minutes of each meeting will be circulated promptly to all members of the Committee. On finalisation and signature by the Chairman, the minutes of each meeting will be submitted to the Board as a formal record of the decisions of the Committee on behalf of the Board.

9 GENERAL MATTERS

9.1 Finalised minutes of the meetings of the Committee will be circulated to the members of the Board as part of the Board papers for each full meeting of the Board.

9.2 The Chairman of the Committee should make himself available at each Annual General Meeting of the Company to answer questions concerning the Committee's work during the preceding year.

9.3 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed. The recommendations of the Committee minutes must be approved by the Board before they can be implemented.

9.4 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

9.5 The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required and be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members.

9.6 The Committee shall give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors of listed/non listed companies and formation and operation of share schemes as appropriate.



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