

Anpario plc

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE

1 MEMBERSHIP

Members and the Chairman of the Committee shall be appointed by the Board. The Committee shall consist of not less than two independent Non-Executive Directors. A quorum necessary for the transaction of business by the Committee shall be two members. 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.

2 ATTENDANCE

The Chairman of the Board, Chief Executive and any other person may be invited to attend the Committee as it considers appropriate, but shall have no right of attendance.

No person shall be involved in any decisions as to their own remuneration (which shall include salary, bonuses, commissions, share of profits, share options or pensions) or conditions of employment.

3 SECRETARY

The Company Secretary or their nominee shall act as the Secretary of the Committee.

4 FREQUENCY AND NOTICE OF MEETINGS

- a) Meetings shall be held as required by the Chairman of the Committee.
- b) Meeting of the Committee shall be summoned by the Secretary of the Committee at the request of the Chairman of the Committee or any two members of the Committee upon giving reasonable notice to the members of the committee.

5 ANNUAL GENERAL MEETING

The Chairman of the Committee shall attend the AGM prepared to respond to any shareholder questions on the Committee's activities.

6 AUTHORITY

The Committee shall be empowered to interview any director or other employee it believes can help it with enquiries within its terms of reference, and all employees are directed to co-operate with any request made by the Committee.

The Committee may obtain outside legal or other independent professional advice if it considers this necessary.

7 DUTIES

Within the broad policy on remuneration established by the Board, whose objective is to ensure Executive Directors are provided with total remuneration packages which are designed to:

- Ensure that individual rewards and incentives are aligned with the performance of the Company and the interests of shareholders.

- Ensure that performance-related elements of remuneration constitute a significant proportion of an Executive's remuneration package.
- Maintain a competitive remuneration package which enables the Company to attract, retain and motivate high calibre executives.

The Committee's duties are:

- a) To review and approve the remuneration packages of all Executive Directors and the Company Secretary and monitor the level and structure of remuneration of members of the senior management. Including but not limited to:
 - i. service contracts Including notice periods.
 - ii. salary scales and individual remuneration.
 - iii. bonus arrangements.
 - iv. directors' pension schemes.
 - v. other emoluments.
 - vi. share incentive plans.
 - vii. terms on termination and ensure that any payments made are fair to the individual and the company, ensuring that failure is not rewarded and that the duty to mitigate loss has been fully recognized.
- b) In determining policy to take into account all factors which it deems necessary including relevant legal and regulatory requirements, and the provisions and recommendations of the UK Corporate Governance Code and associated guidance.
- c) when setting remuneration policy for Directors, to review and have regard to the remuneration trends across the Company.
- d) to review the ongoing appropriateness and relevance of remuneration policy.
- e) to obtain reliable, up to date information about remuneration In other companies. To help it fulfil its duties the committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports surveys or Information It deems necessary, within any budgetary constraints set by the Board.
- f) to produce each year an annual report on Directors' Remuneration, in accordance with the Companies Act 2006 which will form part of the Company's Annual Report & Accounts, for approval by shareholders at the AGM.

8 REPORTING

Approved minutes of the Remuneration Committee meetings shall be circulated to all the members of the Board unless it would be inappropriate to do so.